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T.Y.C. BROTHER IND. CO., LTD.

2025 Annual Report

Date of Publication: May 20, 2026

T.Y.C. annual report is available at : <http://mops.twse.com.tw>

Company website : <http://www.tyc.com.tw>

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 - 4.3 Web site : <http://www.capital.com.tw>
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 - 5.4 Tel : (06)2925888

6. Name of overseas marketable securities trading exchange and inquiry method: None

7. Company Website : [http : // www.tyc.com.tw](http://www.tyc.com.tw)

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I. Letter to Shareholders

1. Operating Performance in 2025:

(1) Consolidated financial results:

In the past year, TYC's operating revenue reached NT\$24,457,688,000, a 21.55% increase from the net operating revenue of NT\$20,121,705,000 for the same period in 2024, with a gross profit on sales of NT\$5,342,188,000 and a net profit before tax of NT\$870,403,000, thanks to the concerted efforts of all our employees.

Unit: (In Thousand NTD)

Item	2024 Performance	2025 Performance	Growth Rate %
Operating revenues	20,121,705	24,418,564	21.35%
Operating costs	14,235,378	19,077,766	34.02%
Gross profit	5,881,119	5,342,188	-9.16%
Operating expenses	3,530,420	4,142,526	17.34%
Operating income	2,350,699	1,199,662	-48.97%
Non-operating income and expenses	(404,931)	(329,259)	-18.69%
Net income before tax	1,945,768	870,403	-55.27%
Income tax	352,413	220,559	-37.41%
Net income after tax	1,593,355	649,844	-59.22%

(2) Budget implementation: Undisclosed financial forecast for 2025.

(3) Financial Revenue and Expenditure & Profitability analysis:

Item	Year		2024	2025
Financial structure (%)	Debt to asset ratio		61.47%	73.19%
	Long term capital to fixed assets ratio		214.40%	158.78%
Profitability (%)	Return on assets (%)		7.11%	2.93%
	Return on equity (%)		15.93%	6.19%
	Paid-in capital ratio (%)	Operating income	68.55%	34.99%
		Net income before tax	56.74%	25.38%
	Net profit ratio		7.92%	2.66%
	Earnings per share (in NT\$)		4.76	1.72

(4) Research and development status:

A. R&D expenses for the Past Two Years

(a) Research and development expenses in 2024 were NT\$448,847,000, accounting for 3.18% of the operating revenue of 2024.

(b) Research and development expenses in 2025 were NT\$808,655,000, accounting for 5.68% of the operating revenue of 2025.

B. Successful R&D projects:

- (1) 50K Digital control HIAS imaging headlamp system
- (2) Hidden lighting
- (3) Micro-pupil wide area condenser

2. Overview of Business Plan for 2026:

(1) Operating principle

AM market:

1. Continue to pass product certification and expand the performance of the relevant product group to enhance turnover and profit.
2. Actively invest in the development of electronic and electronic control technologies for smart lighting, as well as increasing optical and institutional patents and innovative style to ensure technological leadership of our products.
3. Utilize internal and external resources to make the cost and quality of products more competitive.
4. Speed up the development of new products and shorten the time to market effectively in order to obtain the first market opportunity.

OEM market:

1. Continue to expand market share in China, South East Asia, and North America to secure the existing market share while seizing the first-mover advantage on expanding the new market.
2. Form an OEM Cross-Company Management Organization to promote resource sharing among customer, technology, manpower, and supplier, and increase advantages in competitiveness and project acquisition.
3. Develop derivative products of lighting and increase comprehensive revenue and profit by enhancing product diversification.

(2) Expected sales volume and its basis:

- A. Expected sales volume: Both AM and OEM sales are expected to grow in 2026 compared to 2025.
- B. Sales basis: Planning based on estimated domestic and international market demand.

(3) Important Production and Marketing Policies:

- A. Continue on cost improvement to strengthen operating quality and market price competitiveness.
- B. Build manpower-savings and automated production systems to improve output and production efficiency.
- C. Effective management of expenditure of fixed assets, reduce the fixed cost allocation and promote the flexible use of funds.

3. The future development strategy of the company is affected by the external competitive environment, regulatory environment and overall business environment:

On one hand, the Company's future development strategy continues to secure the existing position in global AM product market. The revenue of CAPA product in North America is continuously growing. As for the European and general regional markets, they will continue to increase the product group and enhance the price competitiveness of products, and pay attention to the influence and timely countermeasures of the changes of US tariff policy. On the other hand, it will continue to distribute and develop OEM business as the global supply chain ecology changes, and promote growth in revenue and profit, as well as enhancing risk resilience to external market change by AM and OE business.

We would like to thank all the shareholders for taking the time to attend the shareholders' meeting. The operation team and staff will do everything we can to meet the expectations of all shareholders. We wish you all good health and all the best.

Chairman: WU, KUO-CHEN

Manager: SU, YAN-SHUO

Chief accountant: WENG, YI-FENG

II. Corporate Governance Report

1. Information of directors, supervisors, general managers, deputy general managers, associates, heads of departments and branches:

(I) Directors' Information:

2026/3/31

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date of initial election	Shareholding when elected		Current Shareholding		Existing shares held by spouse, minor children		Holding shares in the name of others		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark
							Holding shares in the name of others	Holding shares in the name of others	Shares	%	Shares	%	Shares	%			Shares	%	Title	
Chairman	Taiwan	WU, KUO- CHEN	Male 41-50 years old	2024/6/18	3	2015/6/17	296,211	0	296,211	0.09%	0	0	0	0	Supervisor of TYC Changzhou Auto Parts Co., Ltd. Education: University of Southern California Business School master's degree	CEO of TYC CEO of Kuo-Chi-Min Investment Co., Ltd. CEO of Juoku Technology Co., Ltd	Director	WU, CHUN- CHI	Father-Son	N/A
		2006/6/21				7,200,893	2.30%	7,776,893	2.49%	0	0	0	0	N/A			N/A	N/A	N/A	
Vice-president	Taiwan	WU, CHUN- LANG	Male 71-80 years old	2024/6/18	3	1997/4/26	5,401,383	1.73%	5,401,383	1.73%	828,278	0.26%	0	0	CEO of Yuan-Hong Investment Co., Ltd. Education: National Pei-men Senior High School	Vice-president of TYC Director of Yuan-Hong Investment Co., Ltd.	Director Director	WU, CHUN- CHI WU, CHUN-I	Brother Brother	N/A
Director	Taiwan	WU, CHUN- CHI	Male 81-90 years old	2024/6/18	3	1997/4/26	824,081	0.26%	824,081	0.26%	848,278	0.27%	0	0	CEO of TYC Brother Industrial Co., Ltd. Education: National Pei-men Senior High School	Director of Kuo-Chi-Min Investment Co., Ltd. CEO of DBM Reflex Of Taiwan Co., Ltd.	Director Director	WU, CHUN- LANG WU, CHUN-I	Brother Brother	N/A
Director	Taiwan	WU, CHUN-I	Male 81-90 years old	2024/6/18	3	2018/6/21	4,593,613	1.47%	4,593,613	1.47%	823,474	0.26%	0	0	CEO of TAYIH Ind. Co., Ltd Education: National Pei-men Senior High School	CEO of TAYIH Kenmos Auto Parts Co., Ltd.	Director Director	WU, CHUN- CHI WU, CHUN- LANG	Brother	N/A
Director	Taiwan	TING, CHENG-TAI	Male 71-80 years old	2024/6/18	3	2003/6/17	0	0	0	0	1,055	0	0	0	Director of DBM R Reflex Of Taiwan Co., Ltd. Education: Chien Hsin University department of mechanical engineering	Vice-GM of TYC Director of DBM R Reflex Of Taiwan Co., Ltd.	N/A	N/A	N/A	N/A
		2006/6/21				5,354,451	1.71%	5,354,451	1.71%	0	0	0	0	N/A			N/A	N/A	N/A	
Director	Taiwan	CHUANG, TAI-SHIE	Male 71-80 years old	2024/6/18	3	2021/8/3	0	0	0	0	0	0	0	0	Director, Ford Motor Greater China Education: Master of College of Management, Yuan Ze University	CEO of TYC Changzhou Auto Parts Co., Ltd.	N/A	N/A	N/A	N/A
Independent Director	Taiwan	HOU, RONG- HSIEN	Male 61-70 years old	2024/6/18	3	2012/6/21	0	0	0	0	0	0	0	0	Certified accountant Education: Master of Management, NCKU	Independent Director of Mospec Semiconductor Corp. Independent Director of United Fiber Optic Communication Inc.	N/A	N/A	N/A	N/A
Independent Director	Taiwan	HSU, CHIANG	Male 71-80 years old	2024/6/18	3	2019/6/21	0	0	4,000	0	0	0	0	0	Chair Professor, CJC Education: Ph.D. THE UNIVERSITY OF WYOMING	Independent Director, KNH Enterprise Co., Ltd.	N/A	N/A	N/A	N/A
Independent Director	Taiwan	HSIAO, YI-HUI	Female 51-60 years old	2025/6/19	2	2007/4/30	0	0	0	0	0	0	0	0	Senior Financial Advisor, Sinox Co., Ltd. Education: Southern Illinois University	N/A	N/A	N/A	N/A	N/A

1. Major Shareholders of corporate shareholder:

2026/3/31

Name of corporate shareholder	Major Shareholders of corporate shareholder
YUAN-HONG INVESTMENT CO., LTD.	WU, TIEN-LING (20%). WU, CHENG-YUAN (40%). WU, CHENG-HUNG (40%).
CHI-MIN INVESTMENT CO., LTD.	WANG, LI-HSIA (5%). WU, KUO-CHEN (50%). WU, CHI-CHEN (25%). WU, MIN-CHEN (20%).

2. Major Shareholders are juridical person: Not applicable

3. Directors' Information:

A. Disclosure of directors' professional qualifications and independence:

Name	Condition	Professional qualification and experience (Note 1)	Compliance with the case of independence (Note 2)	Number of independent directors of other public offering companies
WU, KUO-CHEN - Legal representative of CHI-MIN Investment Co., Ltd.		<ol style="list-style-type: none"> Chairman of Board of Directors Expertise in operation management/foreign language/risk management/leadership decision Not been a person of any conditions defined in Article 30 of the Company Law 	<ol style="list-style-type: none"> Not an employee of the Company or its affiliates Does not provide commercial, legal, financial, and accounting services to the Company or its affiliates in the last two years 	0
WU, CHUN-LANG		<ol style="list-style-type: none"> Expertise in operation management/risk management/leadership decision/cross-industry management Not been a person of any conditions defined in Article 30 of the Company Law 	<ol style="list-style-type: none"> Not an employee of the Company or its affiliates Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law 	0
WU, CHUN-CHI		<ol style="list-style-type: none"> Expertise in operation management/risk management/engineering management/leadership decision/cross-industry management Not been a person of any conditions defined in Article 30 of the Company Act 	<ol style="list-style-type: none"> Not an employee of the Company or its affiliates Does not 1% or more of the total number of outstanding shares of the Company or ranking in the top 10 in holdings Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law 	0
WU, CHUN-I		<ol style="list-style-type: none"> Expertise in operation management/risk management/engineering management/leadership decision Not been a person of any conditions defined in Article 30 of the Company Law 	<ol style="list-style-type: none"> Not an employee of the Company or its affiliates Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law 	0
CHUANG, TAI-SHIE		<ol style="list-style-type: none"> Expertise in operation management/foreign language/risk management/engineering management/leadership decision Not been a person of any conditions defined in Article 30 of the Company Law 	<ol style="list-style-type: none"> Does not hold more than 1% of the total number of issued shares or the top ten shares The said person, the person's spouse, a relative within the second degree of kinship (or held by the person under others' names) does not hold company shares Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law 	0
TING, CHENG-TAI - Legal Representative of Yuan-Hong Investment Co., Ltd.		<ol style="list-style-type: none"> Expertise in operation management/foreign language/risk management/engineering management/leadership decision Not been a person of any conditions defined in Article 30 of the Company Law 	<ol style="list-style-type: none"> Is not a spouse or a relative within the second degree of kinship of another director. Does not provide commercial, legal, financial, and accounting services to the Company or its affiliates in the last two years 	0
HOU, RONG-HSIEN		<ol style="list-style-type: none"> Chairman of the Remuneration Committee and Audit Committee Expertise in Accounting and Finance/operation management/risk management/leadership decision/cross-industry management Certified accountant, currently a certified public accountant Not been a person of any conditions defined in Article 30 of the Company Law 	<ol style="list-style-type: none"> The said person, the person's spouse, a relative within the second degree of kinship is not a director, supervisor, or employee of the Company or its affiliates The said person, the person's spouse, a relative within the second degree of kinship (or held by the person under others' names) does not hold company shares Is not a director, supervisor, or employee of a company that has special relation with the Company Does not provide commercial, legal, financial, and accounting services to the Company or its affiliates in the last two years 	2
HSU, CHIANG		<ol style="list-style-type: none"> Member of the Remuneration Committee and Audit Committee Expertise in operation management/foreign language/risk management/leadership decision/cross-industry management Not been a person of any conditions defined in Article 30 of the Company Law 	<ol style="list-style-type: none"> The said person, the person's spouse, a relative within the second degree of kinship is not a director, supervisor, or employee of the Company or its affiliates The said person, the person's spouse, a relative within the second degree of kinship (or held by the person under others' names) does not hold company shares Is not a director, supervisor, or employee of a company that has special relation with the Company Does not provide commercial, legal, financial, and accounting services to the Company or its affiliates in the last two years 	1

Name \ Condition	Professional qualification and experience (Note 1)	Compliance with the case of independence (Note 2)	Number of independent directors of other public offering companies
HSIAO, YI-HUI	<ol style="list-style-type: none"> 1. Member of the Remuneration Committee and Audit Committee 2. Expertise in Accounting and Finance/operation management/foreign language/risk management/leadership decision/cross-industry management 3. Not been a person of any conditions defined in Article 30 of the Company Law 	<ol style="list-style-type: none"> 1. The said person, the person's spouse, a relative within the second degree of kinship is not a director, supervisor, or employee of the Company or its affiliates 2. The said person, the person's spouse, a relative within the second degree of kinship (or held by the person under others' names) does not hold company shares 3. Is not a director, supervisor, or employee of a company that has special relation with the Company 4. Does not provide commercial, legal, financial, and accounting services to the Company or its affiliates in the last two years 	0

Note: 1. Professional qualification and experience: state the professional qualifications and experience of each director. If it is a member of an Audit Committee and has accounting or financial expertise, the accounting or financial background and work experience shall be stated. Also, describe whether has been a person of any conditions defined in Article 30 of the Company Law.

2. Independent director shall describe whether or not he or she meets the independence requirements, including but not limited to, the person, the person's spouse, a relative within the second degree of kinship is not a director, supervisor, or employee of the Company or its affiliates; the number of shares and proportion that the person, the person's spouse, and relative within the second degree of kinship (or held by the person under others' names) hold; whether is a director, supervisor, or employee of a company that has special relationship with the Company (in accordance with the provisions in Subparagraph 5 to 8, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); remuneration amount acquired from providing business, legal, finance, and accounting services to the Company or its affiliates in the past two years.

Note 2: Independent director HUANG, HUI-LING resigned due to personal reason, and replaced by HSIAO, YI-HUI on June 19, 2025.

B. The Board of Directors' diversification and independence:

(A) The Board of Directors' diversification

I. According to Paragraph 3, Article 23 of the Company's Corporate Governance Best Practice Principles, all members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

1. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Knowledge of the industry.
6. An international market perspective.
7. Ability to lead.
8. Ability to make policy decisions.

II. The Company has amended Paragraph 2, Article 23 of the Company's Corporate Governance Best Practice Principles on March 24, 2020 to formulate an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs, i.e., basic requirements and values of gender, nationality, and tenure as an independent director and accounting and finance, operation management, foreign language, risk management, engineering management, leadership decision, and cross-industry management.

The Company has nine directors (including three independent directors, proportion for director has reached 33.3%, and proportion for 1 female director has reached 11.11%), three independent directors have Accountant License, professional background in business management and financial management respectively, and the other directors have many years of experience in the industry, so they are able to carry out the duties and responsibilities of the Board of Directors and protect the interests of shareholders.

The Company values the competency of the board members. Two or more directors shall possess one of the expertise to be diversified. Two or more directors possess one of the expertise so far, therefore the compliance rate is 100%. The tenure of the independent director may not exceed nine years. All three independent directors' tenure is under nine years, so the compliance rate is 100%. The implementation status is as follow:

Diversified core	Basic requirements					Professional knowledge and skills							
	Name of Director	Gender	Age	Nationality	Tenure as an independent director		Financial accounting	Operating management	Foreign language ability	Risk management	Engineering management	Leadership Decisions	Cross-Industry Operations
					Under 3 years	3 to 9 years							
	WU, KUO-CHEN	Male	41-50 years old	Taiwan				V	V	V		V	
	WU, CHUN-LANG	Male	71-80 years old	Taiwan				V		V		V	V
	WU, CHUN-CHI	Male	81-90 years old	Taiwan				V		V	V	V	V
	WU, CHUN-I	Male	81-90 years old	Taiwan				V		V	V	V	
	TING, CHENG-TAI	Male	71-80 years old	Taiwan				V	V	V	V	V	
	CHUANG, TAI-SHIE	Male	71-80 years old	Taiwan				V	V	V	V	V	
	HOU, RONG-HSIEN	Male	61-70 years old	Taiwan		V	V	V		V		V	V
	HSU, CHIANG	Male	71-80 years old	Taiwan		V		V	V	V		V	V
	HSIAO, YI-HUI	Female	51-60 years old	Taiwan	V		V	V	V	V		V	V

III. If any gender is less than one-third of the total number of directors, the reason and measure planned for improving the board member diversity shall be described:

One of the genders is less than one-third of the total number of directors. The Company will make up the shortfall after the term of service is due.

(B) The Board of Directors' independence:

1. Currently, there are nine members in the Board of Directors including three Independent Directors. The proportion of the independent director has reach 33.33%, and the Company has obtained written declaration from all Independent Directors.
2. The Company's CEO, General Manager or equivalent position is not the same person.
3. There are eight directors who are not employees of the Company. The proportion has reach 88.88%.
4. Relationship among Directors: Wu Chun-Chi, Wu Chun-Lang, and Wu Chun-I are brothers. Wu Chun-Chi and Wu Kuo-Chen are father and son.
5. Not been a person of any conditions defined in Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act.

(II) Information for General Managers, Deputy General Managers, Associates, Heads of Departments and Branches:

2026/3/31

Title	Nationality	Name	Gender	Date of initial election	Shareholdings		Shares held by spouse, minor children		Holding shares in the name of others		Experience (Education)	Current duties in other companies	A manager who is related to a spouse or consanguineous within two degrees			Remark
					Share	%	Share	%	Share	%			Title	Name	Relationship	
General Manager	Taiwan	SU, YAN-SHUO	Male	2023/2/1	0	0	0	0	0	0	Master's Degree	Director of TYC Changzhou Auto Parts Co., Ltd.	N/A	N/A	N/A	N/A
Senior Deputy General Manager, Business Division	Taiwan	TING, CHENG-TAI	Male	2006/11/1	0	0	1,055	0	0	0	Associate Degree	Director of DBM Reflex of Taiwan Co., Ltd.	N/A	N/A	N/A	N/A
Executive Deputy General Manager	Taiwan	WU, PING-HUI	Male	2006/8/10	0	0	0	0	0	0	Master's Degree	N/A	N/A	N/A	N/A	N/A
Deputy General Manager, Financial Division	Taiwan	WENG, YI-FENG	Male	2008/6/1	0	0	0	0	0	0	Master's Degree	Supervisor of DBM Reflex of Taiwan Co., Ltd.	N/A	N/A	N/A	N/A
Senior manager, Administration Division	Taiwan	HSU, YU-HUI	Female	2012/2/1	1,212	0	0	0	0	0	Associate Degree	N/A	N/A	N/A	N/A	N/A
Senior manager, Business Division	Taiwan	CHAO, YUAN-CHUN	Male	2020/9/1	0	0	0	0	0	0	Master's Degree	General Manager of Genera Corporation	N/A	N/A	N/A	N/A
Senior manager, R&D Business Division	Taiwan	CHIANG, CHUNG SHOU	Male	2024/6/1	0	0	0	0	0	0	Bachelor's Degree	N/A	N/A	N/A	N/A	N/A
Senior manager, Quality Control Division	Taiwan	LIU, YU-CHUNG	Male	2016/2/1	0	0	0	0	0	0	Associate Degree	N/A	N/A	N/A	N/A	N/A
Senior manager, Production Division	Taiwan	WU, WEN-KUEI	Male	2019/3/1	0	0	0	0	0	0	Bachelor's Degree	N/A	N/A	N/A	N/A	N/A

2. Remuneration of Directors, General Managers and Deputy General Managers paid in the latest year:

(1) Remuneration of general and independent directors:

2025/12/31 (Unit: NTD)

Title	Name	Directors' remuneration								Total of A, B, C and D and its percentage of net income after tax		Part-time employees receive related remuneration								Total of A, B, C, D, E, F and G and its percentage of net income after tax		Receipt of remuneration from a subsidiary other than a transferring investment undertaking or a parent company
		Remuneration (A)		Pension(B)		Directors' remuneration (C)		Implementation expense(D)				Salaries, bonuses and special expenses, etc. (E)		Pension ((F)		Employee bonus (G)				TYC	All companies in the financial report	
		TYC	All companies in the financial report	TYC	All companies in the financial report	TYC	All companies in the financial report	TYC	All companies in the financial report	TYC	All companies in the financial report	TYC	All companies in the financial report	TYC	All companies in the financial report	TYC		All companies in the financial report				
																Cash Amount	Stock Amount	Cash Amount	Stock Amount			
CEO	WU, KUO-CHEN Legal representative of Chi Min Investment Co., Ltd	32,847,348	32,847,348	0	0	8,000,000	8,000,000	560,000	560,000	41,407,348 / 6.93%	41,407,348 / 6.93%	4,504,258	10,990,769	0	0	0	0	0	0	45,911,606 / 7.68%	52,998,117 / 8.77%	None
Vice-president	WU, CHUN-LANG																					
Director	WU, CHUN-CHI																					
Director	WU, CHUN-I																					
Director	CHUANG, TAI-SHIE																					
Director	TING, CHENG-TAI Legal representative of Yuan-Hong Investment Co. Ltd.																					
Independent director	HOU, RONG-HSIEN	1,512,000	1,512,000	0	0	0	0	300,000	300,000	1,812,000/ 0.30%	1,812,000/ 0.30%	0	0	0	0	0	0	0	1,812,000/ 0.30%	1,812,000/ 0.30%	None	
Independent director	HSU, CHIANG																					
Independent director	HUANG, HUI-LING																					
Independent director	HSIAO, YI-HUI																					

Remark 1: Please describe the policy, system, criteria and structure for the remuneration of independent directors, and the relevance of the amount of remuneration to the responsibilities, risks and time commitment:

The remuneration policy for independent directors: The remuneration policy is based on the Company's operating objectives, financial position and the duties of independent directors, and then approved by the Compensation Committee and submitted to the Board of Directors for approval.

Remark 2: Except as disclosed in the table above, remuneration received by the directors of the Company for services rendered (such as consultants to the Company/all companies in the financial statement/re-investment business that are not employees, etc.) in the latest year: None

Remark 3: Independent director HUANG, HUI-LING resigned due to personal reason, and replaced by HSIAO, YI-HUI on June 19, 2025.

Remuneration scale

Levels of remuneration payable to each of the Company's Directors	Name of Director			
	Total remuneration for the first four items (A+B+C+D)		Total remuneration for the first seven items (A+B+C+D+E+F+G)	
	TYC	All companies in the financial report	TYC	All companies in the financial report
Less than \$1,000,000	HSIAO, YI-HUI. HOU, RONG- HSIEN. HSU, CHIANG. WU, CHUN-I. TING, CHENG-TAI HUANG, HUI-LING	HSIAO, YI-HUI. HOU, RONG- HSIEN. HSU, CHIANG. WU, CHUN-I. TING, CHENG-TAI HUANG, HUI-LING	HSIAO, YI-HUI. HOU, RONG- HSIEN. HSU, CHIANG WU, CHUN-CHI HUANG, HUI-LING	HSIAO, YI-HUI. HOU, RONG- HSIEN. HSU, CHIANG WU, CHUN-CHI HUANG, HUI-LING
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)	Chi Min Investment Co., Ltd. Yuan-Hong Investment Co. Ltd.	Chi Min Investment Co., Ltd. Yuan-Hong Investment Co. Ltd.	Chi Min Investment Co., Ltd. Yuan-Hong Investment Co. Ltd.	Chi Min Investment Co., Ltd. Yuan-Hong Investment Co. Ltd.
NT\$ 2,000,000 (inclusive) ~ NT\$ 3,500,000 (exclusive)				
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	CHUANG, TAI-SHIE	CHUANG, TAI-SHIE	CHUANG, TAI-SHIE TING, CHENG-TAI	CHUANG, TAI-SHIE TING, CHENG-TAI
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	WU, KUO-CHEN. WU, CHUN-CHI. WU, CHUN-LANG	WU, KUO-CHEN. WU, CHUN-CHI. WU, CHUN-LANG	WU, KUO-CHEN. WU, CHUN-LANG. WU, CHUN-CHI	WU, KUO-CHEN. WU, CHUN-LANG
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	-	-		WU, CHUN-CHI
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	-	-	-	
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	-	-	-	-
NT\$ 50,000,000 (inclusive) ~ NT\$ 100,000,000 (exclusive)	-	-	-	-
Over \$100,000,000	-	-	-	-
Total	12	12	12	12

(2) Remuneration of the General Manager and Deputy General Manager:

2025/12/31(Unit: NTD)

Title	Name	Salary (A)		Pension (B)		Bonuses, special expenses, etc. (C)		Employee bonus amount (D)				Total of A, B, C and D as a percentage of net income after tax (%)		Receive remuneration from a business other than a subsidiary or from the parent company			
		TYC	All companies in the financial report	TYC	All companies in the financial report	TYC	All companies in the financial report	TYC		All companies in the financial report		TYC	All companies in the financial report				
								Cash amount	Stock amount	Cash amount	Stock amount						
General Manager	SU, YAN-SHUO	18,060,610	18,060,610	0	0	1,202,800	0	0	0	0	0	19,263,410	3.22%	19,263,410	3.22%	N/A	
Senior Deputy General Manager	TING, CHENG-TAI																
Executive Deputy General Manager	WU, PING-HUI																
Deputy General Manager	WENG, YI-FENG																

Remuneration scale

Remuneration scale for each General Manager and Deputy General Manager of the Company	Name of General Manager and Deputy General Manager	
	TYC	All companies in the financial report
Less than \$1,000,000	-	-
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)	-	-
NT\$ 2,000,000 (inclusive) ~ NT\$ 3,500,000 (exclusive)	WU, PING-HUI. WENG, YI-FENG	WU, PING-HUI. WENG, YI-FENG
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	TING, CHENG-TAI	TING, CHENG-TAI
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	SU, YAN-SHUO	SU, YAN-SHUO
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	-	-
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	-	-
NT\$ 50,000,000 (inclusive) ~ NT\$ 100,000,000 (exclusive)	-	-
Over \$100,000,000	-	-
Total	4	4

(3) Name of the manager who was distributed the employee's remuneration and distribution:

2025/12/31(Unit: NTD 1,000)

	Title	Name	Stock amount	Cash amount	Total	Total as a percentage of net income after tax (%)
Managers	General Manager	SU, YAN-SHUO	0	0	0	0
	Senior Deputy General Manager	TING, CHENG-TAI				
	Deputy General Manager	WENG, YI-FENG				
	Executive Deputy General Manager	WU, PING-HUI				
	Senior manager	HSU, YU-HUI				
	Senior manager	CHAO, YUAN-CHUN				
	Senior manager	CHIANG, CHUNG SHOU				
	Senior manager	LIU, YU-CHUNGMR				
	Senior manager	WU, WEN-KUEI				

(4) An analysis comparing the total remuneration paid to the TYC's directors, supervisors, general manager and deputy general manager as a percentage of the net profit after tax of the individual or individual financial reports of the Company and all companies in the consolidated financial statements for the past two years respectively, and an explanation of the policy, criteria and composition of remuneration payments, the extent to which remuneration is set, and the correlation with operating performance and future risks:

Item	2024 annual remuneration as a percentage of net income after tax (TYC)	2024 Total remuneration as a percentage of net income after tax (Consolidated Financial Statements)	2025 Total remuneration as a percentage of net income after tax (TYC)	2025 Total remuneration as a percentage of net income after tax (Consolidated Financial Statements)
Directors	4.02%	4.69%	7.98%	9.07%
Supervisor	0.00%	0.00%	0.00%	0.00%
General manager and deputy general manager	1.04%	1.04%	3.22%	3.22%

1. Analysis of the ratio difference: Mainly due to the increase in net income after tax in 2024.

2. The policy of remuneration for directors and supervisors of the Company:

In accordance with the Articles of Incorporation, if there is a profit for the year, the Company shall pay no less than 1% of it for the employee bonus and (no more than 3%) for the director bonus. However, if there is still a cumulative loss, an amount to make up for the loss should be retained in advance.

Directors will be given appropriate remuneration based on evaluations of alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control in the "Performance Evaluation Method of the Board of Directors".

The remuneration of the Manager is in accordance with the Company's "Salary Management Regulations" from evaluation items such as professional knowledge, operation knowledge, leadership responsibility, complex problem solving, impact on operation, impact scope on operation, and interpersonal relationship difficulty, while taking into account the usual standards in the industry.

3. Corporate Governance Status:

(1) Operation of the Board of Directors:

The board of directors has held five meetings (A) in recent years, and the attendance of directors and supervisors is as follows:

Title	Name	Actual number of meetings attended (B)	No. of meetings with entrusted attendance	Actual attendance rate (%) 【B/A】	Remark
Chairman	WU, KUO-CHEN—Legal representative of Chi Min Investment Co., Ltd	5	0	100 %	Newly elected on Jun 18, 2024
Vice-president	WU, CHUN-LANG	5	0	100 %	Succeed on Jun 18, 2024
Director	WU, CHUN-I	5	0	100 %	Succeed on Jun 18, 2024
Director	WU, CHUN-CHI	5	0	100%	Succeed on Jun 18, 2024
Director	TING, CHENG-TAI—Legal representative of Yuan-Hong Investment Co., Ltd	4	0	80%	Succeed on Jun 18, 2024
Director	CHUANG, TAI-SHIE	4	1	80%	Succeed on Jun 18, 2024
Independent Director	HOU, RONG- HSIEN	5	0	100%	Succeed on Jun 18, 2024
Independent Director	HSU, CHIANG	5	0	100%	Succeed on Jun 18, 2024
Independent Director	HUANG, HUI-LING	3	0	60%	Resigned on Jun 18, 2025
Independent Director	HSIAO, YI-HUI	2	0	40%	Newly elected on Jun 19, 2025

Other items to be recorded:

- The Board of Directors shall state the date and date of the Board of Directors' meeting, the date and time of the 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 to the operation of the Board of Directors:
 - Items listed in article 14-3 of the securities and exchange act: None.
 - Except for the preceding items, the resolutions of the Board of Directors' meetings, which were opposed or qualified by the independent directors and for which records or written statements are available, were approved by the independent directors without dissenting opinions at each of the Board of Directors' meetings: The results of the resolutions at each of the 2025 Board meetings were approved without objection by the independent directors.
- The recusal of a director from the implementation of an interest motion shall include the name of the director, the content of the motion, the reasons for the recusal and the circumstances of the vote: Interested directors have individually recused themselves from the discussion and voting on the directors' remuneration proposals.
- We shall disclose information on the period and duration, scope, manner and content of the of the self- (or peer) evaluation by the directors, and shall include information on the implementation of the evaluation by the Board of Directors: Please refer to table (1-1) below for the Board's evaluation of the Performance.
- Assessment of the current and most recent year's targets for enhancing the Board's functions (e.g., establishment of an audit committee, enhancing information transparency, etc.) and their implementation:
 - In accordance with the provisions of the Rules of Procedure of the Board of Directors laid down by the Company.
 - The Company's (TYC) internal auditors regularly audit the operations of the Board of Directors and prepare audit reports.
 - The Company (TYC) has a person in charge of the matters that should be announced by the competent authority and the disclosure of significant information to enhance the transparency of information.
 - The Company (TYC) has established the "Code of Corporate Governance Practices", "Procedures for Handling Material Internal Information", "Code of Ethical Conduct" and "Procedures and Guidelines for Integrity Management Practices" to establish a corporate culture of integrity management and a better corporate governance system.
 - The Company (TYC) has three independent directors to enhance the functioning of the Board.
 - The Company (TYC) established an Audit Committee in 2018.
 - The Company (TYC) has assigned Corporate Governance Manager in 2021.

(1-1) Evaluation of implementation by the Board of Directors in 2025:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Evaluation result
Annual	From January 1, 2025 to December 31, 2025	Board of directors, individual directors, and functional Committee	Self-evaluation by the board of directors	1. The degree of participation in the operation of the Company. 2. Improve the quality of board decisions. 3. Composition and structure of the Board of Directors. 4. Election of Directors and Continuing Education. 5. Internal controls.	The performance evaluation score of the Board of Directors is 95.56%, which is "better than standard".
			Self-evaluation of directors	1. Grasp the company's goals and tasks. 2. Recognition of Directors' Responsibilities. 3. The degree of participation in the operation of the company. 4. Internal relationship management and communication. 5. Professional and continuing education of directors. 6. Internal control.	The performance evaluation score of the Board member is 99.03%, which is "better than standard".
			Self-evaluation of functional Committee	1. The degree of participation in the operation of the Company. 2. Recognition of functional Committee' Responsibilities. 3. Improve the quality of functional Committee decisions. 4. Composition of the functional Committee and the election of the members 5. Internal control.	The performance evaluation score of the Board member is 100%, which is "better than standard".

The above result will be used as a reference for directors' election or nomination and remuneration.

(2) Operation of the Audit Committee:

The audit committee has held five meetings in the past year (A), and the attendance of the independent directors is as follows:

Title	Name	Actual number of meetings attended (B)	Number of delegated attendances	Actual attendance rate (%) 【B/A】	Remark
Independent Director	HOU, RONG- HSIEN	5	0	100 %	Succeed on Jun 18, 2024
Independent Director	HSU, CHIANG	5	0	100 %	Succeed on Jun 18, 2024
Independent Director	HUANG, HUI-LING	3	0	60 %	Resigned on Jun 18, 2025
Independent Director	HSIAO, YI-HUI	2	0	40 %	Newly elected on Jun 19, 2025

Other items to be recorded:

1. If the Audit Committee operates under any of the following circumstances, it shall state the date and period of the Board of Directors' meeting, the content of the motion, Independent Directors' objection, reserved opinion, or major proposal content, the results of the Audit Committee's resolution, and the Company's handling of the Audit Committee's opinion.

(1) Section 14-5 of the Securities Exchange Act: As listed in (D) Performance of the Audit Committee for the year as bellow.

(2) In addition to the previous matters, other matters that have not been approved by the Audit Committee and have been agreed by more than two-thirds of all directors: None.

(A) Annual work priorities of the audit committee:

The Audit Committee consists of three independent directors. The Audit Committee operates primarily to oversee the fair presentation of the Company's financial statements, the selection (dismissal) and independence and performance of the certified public accountants, the effective implementation of the Company's internal controls, the Company's compliance with laws and regulations, and the control of the Company's existing or potential risks.

The audit committee held five meetings in 2025, and the issues considered mainly include:

1. Internal control system effectiveness assessment.
2. Financial report and business report.
3. Increase capital and fund loaning of the re-investment company.
4. Appointment, independence and competence assessment of the certifying accountant.
5. Whether the company's disguised financing is classified as a loan of funds.
6. Annual audit plan.

(B) Review of financial reports by the Audit Committee:

The financial statements of 2024 have been checked and endorsed by EY Taiwan, together with the business report and the statement of profit distribution. The audit committee finds that there is no discrepancy.

(C) Endorsement accountant appointed by the audit committee:

In order to ensure the independence and competence of the endorsement accounting firm, the 4th Audit Committee of the 3rd session and the 5th meeting of the 16th Board of Directors on March 13, 2025 deliberated and approved that HU, TZU-REN and HUNG, KUO-SEN from EY Taiwan, both meet the independent and competence evaluation criteria, and are qualified to serve as the company's financial and tax endorsement accountants.

(D) Performance of the Audit Committee for the year:

Session and Time of meeting	Contents of the major motion and follow-up actions	Matters listed in the Securities and Exchange Act 14-5	Resolution not approved by the Audit Committee but approved by 2/3 of the Directors
3 rd , 3 rd session 2025.01.03	1. The Company factory land changes from lease to purchase.	V	None
	2. Fund loaning for subsidiary.	V	None
	3. Capital increase for subsidiary.	V	None
	The results of the audit committee's decisions on the above cases: all the members present agreed to pass the case.		
	The company's handling of the opinions of the audit committee: all the directors present agreed to pass the case.		
4 th , 3 rd session 2025.03.13	1. Internal control system effectiveness assessment in 2024.	V	None
	2. Review the 2024 financial report and Business Report.	V	None
	3. Review the independent, competency evaluation, and compensation of endorsement Accountants.	V	None
	4. Set up general principles on pre-approved non-assurance services policy.	V	None
	5. Amendment of "Article of Incorporation".	V	None
	6. Purchase of land for automated storage for finished goods.	V	None
	The results of the audit committee's decisions on the above cases: all the members present agreed to pass the case.		
	The company's handling of the opinions of the audit committee: all the directors present agreed to pass the case.		
5 th , 3 rd session 2025.05.08	1. Consolidated Financial Report for the first quarter of 2025.		None
	2. Arrange syndicated loan.	V	None
	3. Fund loaning for subsidiary.	V	None
	The results of the audit committee's decisions on the above cases: all the members present agreed to pass the case.		
	The company's handling of the opinions of the audit committee: all the directors present agreed to pass the case.		
6 th , 3 rd session 2025.08.07	1. Consolidated Financial Report for the second quarter of 2025.		None
	2. Amendment on internal control system and internal audit implementation regulations.	V	None
	The results of the audit committee's decisions on the above cases: all members present agreed to pass the case.		
	The company's handling of the opinions of the audit committee: all the directors present agreed to pass the case.		

Session and Time of meeting	Contents of the major motion and follow-up actions	Matters listed in the Securities and Exchange Act 14-5	Resolution not approved by the Audit Committee but approved by 2/3 of the Directors
7 th , 3 rd session 2025.11.06	1. 2026 annual audit plan.	V	None
	2. Consolidated Financial Report for the third quarter of 2025.		None
	3. Endorsement and guarantee for reinvestment company.		None
	4. Capital increase for subsidiary.	V	None
	The results of the audit committee's decisions on the above cases: all members present agreed to pass the case.		
	The company's handling of the opinions of the audit committee: all the directors present agreed to pass the case.		

2. The recusal of an independent director from the implementation of an interest motion shall include the name of the independent director, the content of the motion, the reasons for the recusal, and the circumstances under which the independent director participated in the vote: None.
3. Communication between the independent directors and the internal auditors and accountants (including the major issues, methods and results of communication regarding the Company's financial and business conditions):
- (1) Communication between the independent directors and the head of internal audit and the accountant:
- A. Communication between the audit director, the accountant and the independent directors are conducted directly by e-mail, telephone or in person, as necessary.
- B. We submit a monthly written summary report of the audit deficiencies and improvements of the previous month to the independent directors for their review and the independent directors approve the explanatory notes/reports or other recommendations on the report.
- C. The head of internal audit of the Company conducts audit reports to the independent directors in the Audit Committee and the Board of Directors, and communicates the results of audit reports and their follow-up implementation to the independent directors.

- (2) Summary of historical communication between independent directors and head of internal audit:

The independent directors of our company have good communication regarding the execution and effectiveness of the audit operations.

A summary of the key communications for 2025 is as follows:

Date	Communication Highlights
2025.03.13	Report on the implementation results of the internal audit plan for 2024
2025.05.08	Report on the implementation results of the internal audit plan for 2025
2025.08.07	Report on the implementation results of the internal audit plan for 2025
2025.11.06	Report on the implementation results of the internal audit plan for 2025 and the internal audit plan for 2026

- (3) Summary of Communication between Independent Directors and Certified Public Accountants

Our company's independent directors have had good communication with the certifying accountants and a summary of the major communication items for 2025 is as follows:

Date	Communication Highlights
2025.3.13	Report on the audit of individual financial statements and consolidated financial statements, report on internal control audits for 2024.

(3) Corporate Governance Status and Deviations from “The Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1.Has the company developed and disclosed principles of corporate governance practices in accordance with the Code of Corporate Governance Practices for Listed Companies?	V		In accordance with the " principles of Corporate Governance Practices for Listed Companies", the Company has amended the "Principles of Corporate Governance Practices" for the Company at the 10 th meeting of the 15th Board of Directors (2022.11.11) and disclosed it on the Company's website.	No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies
2.Shareholding structure and shareholders' equity of the Company (1) Does the company have internal procedures to deal with shareholders' suggestions, queries, disputes and litigation matters, and implement them in accordance with the procedures? (2) Does the company have a list of the substantial shareholders and ultimate controllers of the substantial shareholders who effectively control the company? (3) Has the company established and implemented a risk control mechanism and a firewall mechanism with its affiliates? (4) Does the company have internal regulations that prohibit insiders from trading marketable securities using information not publicly available in the market?	V V V V		(1) The Company has a spokesperson and proxy spokesperson system to ensure shareholders' rights and interests, and is dedicated to handling shareholders' suggestions, queries, disputes and litigation matters. (2) The major shareholders informed the Company of the increase, decrease or pledge of their shares in accordance with the regulations, and the Company reported on the Market Observation Post System in accordance with the law. (3) The Company has established relevant system in the internal control system in accordance with the regulation, and audits are conducted by the audit department, the finance department or by an accountant on a regular or irregular basis. (4) The Company has established "Internal Procedures for Handling Material Information", "Principles of Ethical Conduct" and "Integrity Management Regulations" to regulate internal personnel from having the opportunity to profit from their duties.	(1) No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies (2) No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies (3) No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies (4) No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies
3.Composition and responsibilities of the Board of Directors (1) Does the Board of Directors formulate and implement a diversity policy and specific management goal on the composition of its members?	V		(1) In accordance with Item 3 of Article 30 of the Company's Principles of Corporate Governance Practices, the composition of the Board of Directors should generally possess the knowledge, skills and qualities necessary for the performance of its duties. In order to achieve the desired objectives of corporate governance, the Board of Directors as a whole should possess the following competencies: 1.Operational judgment ability. 2.Accounting and financial analysis capabilities. 3.Operational management capacity. 4.Crisis management capacity. 5.Industry knowledge. 6.International Market View. 7.Leadership 8.Decision-making ability.	(1) No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies

Evaluation Item	Implementation Status		Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	
			<p>The Company has amended Paragraph 2, Article 23 of the Company's Corporate Governance Best Practice Principles on March 24, 2020 to formulate an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs, i.e., basic requirements and values (such as gender, nationality, and tenure as an independent director), professional knowledge and skills (accounting and finance, operation management, foreign language, risk management, engineering management, leadership decision, and cross-industry management).</p> <p>The Company has nine directors (including three independent directors, and the director accounts for 33.33% of the total Board seats; whereas one female independent director accounts for 11.11% of the total Board seats). Three independent directors have Accountant License, professional background in business management and financial management respectively, and the other directors have many years of experience in the industry, so they are able to carry out the duties and responsibilities of the Board of Directors and protect the interests of shareholders. The Company pays attention on the expertise of the Board members. Two or more directors shall possess one of the expertise to be diversified. Two or more directors possess one of the expertise so far, therefore the compliance rate is 100%. The tenure of the independent director may not exceed nine years. All three independent directors' tenure is under nine years, so the compliance rate is 100%. Please refer to p.5-6 of the annual report for the implementation status.</p>
(2) In addition to the remuneration committee and audit committee set up in accordance with the law, does the company voluntarily set up other functional committees?	V		(2) In addition to the remuneration committee set up in accordance with the law, the audit committee has been set up in 2018, and sustainable development committee has been set up in 2025. Other functional committees are still under discussion.
(3) Has the company established the performance evaluation method of the Board of Directors and its evaluation method, conducted the performance evaluation every year and regularly, and reported the results of the performance evaluation to the Board of Directors, and applied the reference for individual directors' remuneration and nomination for renewal?	V		(3) At the 12th meeting of the 14th session of the Board of Directors (2020.03.24), the Board of Directors approved the "Board Performance Evaluation Method", which will start to conduct regular performance evaluation in 2021 and report the 2025 results of the evaluation to the Board on March 12, 2026 and apply it to the reference of individual directors' remuneration and nomination for renewal.
(4) Does the company regularly assess the independence of the CPA?	V		(4) 1. The Company's Audit Committee has regularly evaluated the independence of endorsement accountants every year and submitted the result to the Board. It has been approved in the 4 th meeting of the 3 rd Audit Committee (March 13, 2025) and submitted and approved in the 5 th meeting of the 16 th Board of Directors (March 13, 2025). 2. The Audit Committee and the Board of Directors evaluated the independence and competence of the certifying accountant in accordance with Statement of Ethics No. 10, "Integrity, Impartiality, Objectivity and Independence," with respect to financial interests, financing and guarantees, business relationships, family and personal relationships, employment relationships, gifts and special privileges, rotation of certifying accountants and non-audit engagements, as well as 5 major scopes and 13 indicators such as profession, independence, quality control, monitor and creativity in Audit Quality
			(2) No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies. (3) No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies. (4) No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons																								
	Yes	No	Abstract Illustration																									
			Indicators (AQIs), and obtained a statement of independence and AQIs from the certifying accountant and was not aware of any circumstances that might affect the independence and competence of the certifying accountant.																									
4. Does the listed company have a suitable and appropriate number of corporate governance personnel and designate a corporate governance officer to be responsible for corporate governance-related matters (including but not limited to providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors in complying with laws and regulations, conducting board and shareholders’ meeting-related matters in accordance with the law, and preparing minutes of board and shareholders’ meetings, etc.)?	V		<p>Passed by the Board’s resolution on May 13, 2021 to assign Financial Management Assistant Manager Lin, Ya-Hsuan as the Corporate Governance Manager and in charge of supervising corporate governance related issues. Assistant Manager Lin, Ya-Hsuan has over three years experience as a financial manager in a public company. The main duties of a Corporate Governance Manager are as follow:</p> <p>(1) To assist in matters related to the board or shareholders’ meetings in accordance with the law. (2) To produce board or shareholders’ minute meetings. (3) To assist directors to take office and in advanced studies. (4) To assist directors with required information for the execution of duties. (5) To assist directors’ compliance with statutory requirements. (6) Other matters prescribed by the Articles of Incorporation or contract agreements.</p> <p>The advanced studies status of the Corporate Governance Manager is as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Date</th> <th rowspan="2">Organization</th> <th rowspan="2">Course Name</th> <th rowspan="2">Hours</th> <th rowspan="2">Total hours of the year</th> </tr> <tr> <th>From</th> <th>To</th> </tr> </thead> <tbody> <tr> <td>2025/05/23</td> <td>2025/05/23</td> <td>Securities and Futures Institute</td> <td>2025 Prevention of Insider Trading Seminar</td> <td>3</td> <td rowspan="3">12</td> </tr> <tr> <td>2025/07/09</td> <td>2025/07/09</td> <td>Taiwan Stock Exchange</td> <td>2025 Cathay Sustainable Finance and Climate Change Summit</td> <td>6</td> </tr> <tr> <td>2025/08/07</td> <td>2025/08/07</td> <td>Taiwan Corporate Governance Association</td> <td>Corporate Governance and Securities Regulation</td> <td>3</td> </tr> </tbody> </table>	Date		Organization	Course Name	Hours	Total hours of the year	From	To	2025/05/23	2025/05/23	Securities and Futures Institute	2025 Prevention of Insider Trading Seminar	3	12	2025/07/09	2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6	2025/08/07	2025/08/07	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulation	3	No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies.
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5. Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.) and set up a stakeholder area on the company’s website, and appropriately respond to important CSR issues of concern to stakeholders?	V		<p>1. The Company has set up an Investor Zone and a Stakeholder Zone on its website to serve as a channel for communication and feedback between investors and stakeholders, which are also disclosed on the Company’s website. The website link as follows: http://www.tyc.com.tw/index.php/investors/view/61 Website link for stakeholders: https://tyc.com.tw/stakeholders</p> <p>2. The Company uses the above communication channels to respond appropriately to the relevant issues of concern to the relevant stakeholders.</p>	No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies.																								
6. Does the company appoint a professional stockbroker to conduct the shareholders’ meeting?	V		The Company’s appointed stockbroker is: Capital Securities Corporation; for details, please refer to the inner page of the annual report.	No major differences from the requirements of the Principles of Practice on Governance of TWSE/TPEX listed companies.																								
7. Disclosure of Information (1) Does the company have a website to disclose financial operations and corporate governance	V		(1) The Company’s website: https://www.tyc.com.tw/investors Investor Zone discloses relevant financial operations and corporate governance information.	(1) No major differences from the requirements of the Principles of practice on																								

Evaluation Item	Implementation Status		Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	
information? (2) Has the Company adopted other methods of information disclosure (e.g., setting up an English website, designating a person in charge of collecting and disclosing company information, implementing a spokesperson system, placing the company's website in the process of corporate presentation, etc.)?	V		(2) The Company has established a website in English and Chinese to disclose relevant information for investors' reference, and has a person responsible for the collection and disclosure of corporate information, and the Company has established a spokesperson system to speak on behalf of the Company to ensure the interests of the Company and its shareholders.
(3) Does the company announce and report its annual financial report within two months after the end of the fiscal year, and announce and report its first, second and third quarter financial reports and monthly operations well in advance of the required deadline?		V	(3) The Company did not announce and report its annual financial statements within two months after the end of the fiscal year, but completed the announcement and reporting of financial statements and monthly operations within the time limit set by the competent authorities.
8. Does the company have other important information to help understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, director and supervisor education, implementation of risk management policies and risk measurement standards, implementation of customer policies, and the company's purchase of liability insurance for directors and supervisors)?	V		<p>1. Staff Rights and Employee Care.</p> <p>(1) Handle employee labor and health insurance and group insurance, and arrange regular health check-ups for employees.</p> <p>(2) Actively operate the employee welfare committee to improve employee welfare.</p> <p>(3) Organize internal and external training for employees to enhance their professional skills.</p> <p>(4) Regular labor-management meetings are held to harmonize labor-management relations.</p> <p>2. Investor Relations: The Company has an investor relations zone, a spokesperson and a proxy spokesperson system to handle investor proposals.</p> <p>3. Supplier relationship: There is a supply chain management system between the company and the supplier, and the relationship is harmonious with no dispute and litigation arising.</p> <p>4. Stakeholder Rights: Stakeholders may communicate with the Company in order to protect their rights.</p> <p>5. Director training situation: All directors of the Company have completed training hours in 2025.</p> <p>6. Implementation of risk management policies and risk measurement standards: The Company's auditing unit follows the internal control self-assessment procedures and actually performs the assessment of risk management in the procedures.</p> <p>7. Implementation of customer policy: The company maintains a good relationship with customers, and there are no litigation cases.</p> <p>8. Liability insurance taken out by the company for directors: The Company has liability insurance for the Directors.</p>
<p>9. Please provide information on the results of the latest annual corporate governance assessment issued by the Corporate Governance Center of the TWSE, and propose priorities and measures to enhance those that have not yet been improved.</p> <p>The prioritized improvement items on the Company's corporate governance assessment for 2025 and improvements made are as follows:</p> <ol style="list-style-type: none"> 1. The Sustainable Development Committee has been set up in 2025, and its composition, duty, and operating status has been disclosed. 2. Beginning in 2025, the company commenced disclosure of English versions of its interim financial reports and sustainability reports. 2. An English version of the interim financial report and sustainability report have been disclosed since 2025. 			

(4) Establishment of the Remuneration Committee, its composition, duties and operation:

1. Member Information of Remuneration Committee:

Identity	Condition		Compliance with the case of independence	Number of independent directors of other public offering companies
	Name	Professional qualification and experience		
Independent Director (Convener)	HOU, RONG-HSIEN	Refer to Directors' Information (2) on p.4.	Refer to Directors' Information(2) on p. 4.	0
Independent Director	HSU, CHIANG	Refer to Directors' Information(2) on p. 4.	Refer to Directors' Information(2) on p. 4.	0
Independent Director	HSIAO, YI-HUI	Refer to Directors' Information(2) on p. 4.	Refer to Directors' Information(2) on p. 4.	0
Other	LIN, TSAI-YUAN	<ol style="list-style-type: none"> Possessing over five years' experience as a professor in finance and accounting-related departments. Possessing over five years' experience in finance and accounting. 	<ol style="list-style-type: none"> The said person, the person's spouse, a second-tier relative is not a director, supervisor, or employee of the Company or its affiliates The said person, the person's spouse, a second-tier relative (or held by the person under others' names) does not hold company shares Is not a director, supervisor, or employee of a company that has special relation with the Company Does not provide commercial, legal, financial, and accounting services to the Company or its affiliates in the last two years Not been a person of any conditions defined in Article 30 of the Company Law 	1

Note: The Committee member LIN, TSAI-YUAN resigned on October 23, 2025, and replaced by HSIAO, YI-HUI on November 6, 2025 .

2. Information on the operation of the Remuneration Committee

(1) The Company's remuneration committee consists of 3 members

(2) The term of office of the current member: From June 18, 2024 to June 17, 2027, the most recent annual Remuneration Committee met two times

(A), the qualifications and attendance of the members are as follows:

Title	Name	Actual Attendance (B)	Number of Delegate attendance	Actual Attendance (%) (B/A)	Remarks
Convener	HOU, RONG- HSIEN	2	0	100%	Succeed on Jun 18, 2024
Members	HSU, CHIANG	2	0	100%	Newly elected on Jun 18, 2024
Members	LIN, TSAI-YUAN	2	0	100%	Resigned on Oct 23, 2024
Members	HSIAO, YI-HUI	0	0	0%	Newly elected on November 6, 2025

Other items to be recorded:

- 1.If the Board of Directors does not adopt or amend the recommendation of the remuneration committee, it shall state the date and period of the Board of Directors' meeting, the content of the resolution, the result of the Board of Directors' resolution and the Company's treatment of the recommendation of the remuneration committee (if the remuneration approved by the Board of Directors is better than the recommendation of the remuneration committee, it shall state the difference and the reasons for the difference): None
- 2.If a member of the remuneration committee has objections or reservations to a resolution and a record or written statement is kept, the date and time of the remuneration committee, the period, the content of the resolution, the opinions of all members, and the disposition of the opinions of the members shall be stated: None.

Meeting contents and resolution results of the Remuneration Committee

Remuneration Committee Session / Date	Contents of the motion	Resolution	The company's handling of the opinions of the Remuneration Committee
1 st of the 6th session 2025.03.13	1. Consideration of the 2024 Distribution of Employee Remuneration and Directors ' Remuneration 2. Consideration of the Board of Directors, its members, and functional committees' performance evaluation in 2024	All members present agreed to approve the motion as presented	The Board of Directors shall be approved with the consent of all present directors.
2 nd of the 6th session 2025.05.08	1. 2024 Annual Remuneration of Directors	All members present agreed to approve the motion as presented	The Board of Directors shall be approved with the consent of all present directors.

(5) Sustainable development implementation status, deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies:

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
1. Has the Company set up a sustainable development governance structure and a dedicated (or concurrent) sustainable development promotion unit which is authorized by the Board of Directors to be managed by high-level management and supervised by the Board of Directors?	V		<p>Sustainable Development Committee is the Company’s management organization that plans, supervises, and promotes sustainable development strategy. The Sustainable Development Committee Charter was approved by the Board of Directors on March 13, 2025. The functional committee - Sustainable Development Committee was officially set up. The Chairman serves as the general supervisor. The general manager is the chairman of this committee, and one director is involved in the operation. The Committee convenes the heads from each division as the accountable members; and the managers from functional departments as the members of the task force.</p> <p>It integrates company resources by cross-department and makes policy and action plan (P), implementation (D), and regular performance review (C), and continuous strengthen and improvement adjustment (A) for sustainable development targets. The Committee reports the implementing status and execution result of sustainable project to the Board of Directors at least once a year, and publishes sustainability report after the Board’s approval to disclose the result of environmental, social, and governance implementation in detail.</p>	No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
2. Has the Company conducted risk evaluation for environmental, social and corporate governance issues related to the operations of the Company based on the materiality principle, and formulated related risk management policies or strategies?	V		<p>In order to implement risk management mechanism and strengthen corporate governance, the Company’s ESG risks are identified by the Sustainability Committee through a risk assessment questionnaire that covers three major dimensions in sustainable environment, employees, and operational performance, and each responsible unit is in charge of the follow-up countermeasure management and tracking. After reviewing the existing risk items of 2024 in 2025, a new risk of “labor shortage” was added and continued to be incorporated into the management mechanism to reduce its potential impact on the Company’s operations.</p>	No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons																		
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			Risk Type		Risk Explanation	Risk Management Strategy (Corresponding Measures)																
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Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
			labor shortage	<ol style="list-style-type: none"> 1. Actively expand diverse recruitment channels, increase Job vacancy exposure rate, and adjust salary calculation strategies by considering market salary levels when reviewing new employees' salaries, in order to improve the reporting rate and accelerate manpower recruitment. 2. Establish the TYC Grant to internally cultivate potential talent in core technology fields. 3. Build an employer brand to enhance the positive image of the Company from external talent.
			Operating Performance Declining market competitiveness	<ol style="list-style-type: none"> 1. Promote smart manufacturing and low-carbon production: Continue to optimize the automation level of production lines and testing processes to maintain the stability of product quality. The Company is dedicated to increase resource utilization efficiency by improving energy efficiency in the production process, and gradually building an environmentally friendly production system. 2. Strengthen R&D and innovation ability: Develop smart automotive lighting technologies steadily and explore the application of environmental friendly materials in product design. Through lightweight design and improved optical performance in response to the electric vehicle market trends, the Company provides solutions that meet customer needs. 3. Increase high quality control and product reliability: Continue to refine the quality management system based on the existing IATF 16949 and ISO 26262 standards, and strengthen product compliance and reliability by reviewing product environmental footprint, and further stabilize the long-term cooperation with global automobile manufacturers. 4. Improve talent cultivation and retention development plans: Continue to enhance the team's professional capabilities and carry out talent development deployment for key technical positions. Through functional upgrades and high-quality talent retention programs, the Company ensures a stable and

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
			<p>impartial technology development such as optical design and electronic control, etc. to support long-term operations and market competitiveness with professional talent asset.</p> <p>5. Speed up digitization and smart transformation: Utilize ERP and PLM management systems to support operational decision-making and strengthen information connectivity from R&D design to manufacturing, constantly pay attention to market trends and raw material conditions, establish a communication early warning mechanism to reduce impact of external environmental uncertainties on the supply chain stability.</p> <p>Cybersecurity incidents occurred</p> <p>When an information security incident occurs, activating notification and emergency response mechanism immediately will help to reduce impact on operations and ensure the continuous and smooth business operations. Here are the critical countermeasure to strengthen information security protection system:</p> <ol style="list-style-type: none"> 1. Quick notification and response 2. Information security drill 3. Anti-virus vulnerability assessment 4. Emergency response plan 5. Follow up tracking and improvement 6. Complete backup/standby mechanism (plan and resources) 7. Information security training <p>Supply chains disconnected</p> <ol style="list-style-type: none"> 1. Strengthen supplier management: conduct evaluation on new suppliers and regular evaluation and necessary guidance on the existing suppliers to ensure the quality, delivery, and sustainable development have meet the Company's requirement. 2. Various supply resources for critical raw materials: have more than 2 qualified suppliers for critical materials to distribute risk, increase supply flexibility, and reduce disconnected risk from single supply sources. 	
<p>3.Environmental issues</p> <p>(1) Has the company established an appropriate environmental management system according to its industrial characteristics?</p>	V		<p>(1) 1. We have obtained and maintained ISO14001 environmental management system certification (Certificate No. TW005050; expiry date: 2026/09/29) to ensure all environmental issues are</p>	<p>(1) No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.</p>

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
(2) Is the company committed to improving resource efficiency and using recycled materials with low impact on the environment?	V		<p>controlled effectively and improved continuously through standardized processes. The Company continues to pay attention to issues including the identification and response to climate risks and opportunities, water resources, waste, air quality, and biodiversity, as well as adopting appropriate pollution prevention measures and promoting recycle and reuse to improve resource utilization efficiency, promote circular economy development, reduce environmental impact, and comprehensively strengthen sustainable governance of the environment.</p> <p>2. In terms of energy management, establish energy-related policies and ISO 50001 energy management system to improve energy efficiency and reduce greenhouse gas emissions through systematic inventory, monitoring, and improvement mechanisms.</p> <p>(2) The Company is dedicated to improve resource utilization efficiency, and actively introducing recycled materials with lower environmental impact to reduce the reliance on natural resources in the operation process. With process optimization and raw material management, the Company continues to improve material utilization and reduces loss and waste generation during the production process. In 2025, the renewable paper packaging materials used was 4,663 tons.</p>	(2) No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
(3) Does the company evaluate the current and future potential risks and opportunities of climate change and take relevant corresponding measures?	V		<p>(3) The Company refers to IFRS S2 framework (formerly TCFD). In a meeting of Climate-Related Financial Impacts and ESG Risk Assessment on August 20, 2025, the Sustainability Committee discussed and evaluated the transition risks (policy and regulations, technology, market/reputation), physical risks (acute and chronic), and opportunities (resource efficiency, energy sources, products and services, markets, resilience),</p>	(3) No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
(4) Has the company compiled statistics on greenhouse gas emissions, water consumption and total weight of waste for the past two years, and has it formulated policies for greenhouse gas reduction, water use reduction or other waste management?	V		<p>(4)1. Greenhouse gas emission volume:</p> <p>(1) Scope 1: 363.7 tonnes CO₂ e in 2025. 397.6 tonnes CO₂ e in 2024.</p> <p>(2) Scope 2: 14,365.7 tonnes CO₂ e in 2025. 15,710.6 tonnes CO₂ e in 2024.</p> <p>(3) Scope 3: 4,131.6 tonnes CO₂ e in 2025. 4,125.1 tonnes CO₂ e in 2024.</p> <p>2. Water consumption: 105.2 megalitre in 2025, 3.75% decrease in comparison with 109.3 megalitre in 2024. Water recycling in the plant was 1.9 megalitre.</p> <p>3. Total weight of waste: 804.4 tonnes in 2025. 739.3 tonnes in 2024.</p> <p>4. Management policy: Continued to maintain the ISO 14001 Environmental Management System certification, focusing on water resource, waste, and air quality management, adopting appropriate pollution prevention measures, continuing to promote resource recycle and reuse, and promoting a circular economy development.</p> <p>Committed to reduce waste volume, actively implementing resource recycling and reuse, while improving efficiency of reuse through proper classification and management mechanisms, thereby reducing the impact on the environment.</p>	(4) No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
<p>4.Social issues</p> <p>(1) Has the company established relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</p>	V		<p>(1) In order to protect all employees and stakeholders' basic human rights, TYC has referred and cited from the United Nations Universal Declaration of Human Rights, the International Labor Organization Convention (ILO) and other international labor regulations, and strictly adhere to the "Labor Standards Act" of the Republic of China, "Employment Service Act", "Act of Gender Equality in Employment", "Sexual Harassment Prevention Act", and "Occupational Safety and Health Act", as well as supporting "Responsible Business Alliance (RBA) and Code of Conduct", as reference for respecting human rights and protecting labor rights.</p>	(1) No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
	V		<p>(2) In order to implement human rights and work rights, the commitment and protection to human rights, TYC has established "Labor and Ethics Policies" based on international guidelines, RBA Code of Conduct, and domestic laws and regulations, and is publicly disclosed on the internal website and company website after signed by the Chairman and General Manager.</p> <p>In regards of internal employee, the Company has declared to protect employee human rights in internal regulations such as "Work Rules", "Employee Recruitment and Hiring Regulations", "Sexual Harassment Prevention Regulations", "Prevention Plan for Unlawful Infringement in the TYC Workplace", "Personnel Rewards and Punishment Regulations", and "Labor and Ethics Policy and Sustainable Development Regulations".</p> <p>For supply chain and other working partners, the Company has requested them to follow the principles of human rights, gender equality, and non-discrimination through "Supplier's Code of Conduct", "Human Services Provider Code of Conduct", "TYC labor policy questionnaire", and procurement policies. It added a new "Supplier RBA Compliance Management Regulations" in 2025 to conduct RBA audits of the supply chain and other working partners to ensure they comply with the RBA Code of Conduct, while mutually improving human rights protection and integrity business performance. If violation against the above regulations is identified, it may be reported to the General Director's email (keep confidential), and will be investigated and handled in accordance with relevant regulations.</p> <p>(3) A total of 2,514 hours educational training on human rights with 2,843 people participated has been hold in 2025.</p>	
(2) Does the company establish and implement reasonable employee welfare measures (including remuneration, leave and other benefits, etc.) and properly reflect operating	V		(2) The Company has established work rules, employee welfare administration measures, and related HR policies and regulations. These cover employee compensation, working	(2) No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
<p>performance or results in employee compensation?</p> <p>(3) Does the company provide a safe and healthy working environment for employees, and regularly implement safety and health education for employees?</p>		V	<p>hours, leave, benefits, pension payments, and occupational accident compensation, all in compliance with the relevant provisions of the Labor Standards Act. An Employee Welfare Committee has been established in accordance with applicable laws and regulations, taking into account employee needs to administer various welfare programs. The Company's compensation policy is determined based on individual capabilities, performance, contributions to the Company, and the market value of the position held, while also considering future operational risks. Compensation is positively correlated with the Company's operating performance.</p> <p>(3) TYC values occupational safety, health, and well-being for employees, and has obtained ISO / CNS 45001: 2018 Occupational Health and Safety Management Systems certification and continued to passed the certification with regular inspections to ensure effective operation and continuous improvement of the management system.</p> <p>The safety and health training is for all existing employees and new hires. TYC regularly holds general safety and health training to implement basic disaster prevention concepts. For high risk or specific technical operations (such as overhead crane operation, forklift operation, organic solvent handling, fire prevention management, and first aid training), regular professional certification training and refresher training are conducted to ensure compliance with regulatory standards. In consideration of labor diversity, the Company provides explanation in English and multiple languages for foreign employees to eliminate communication barrier and ensure the safety information is delivered without error, protecting every employee's rights for training. The accumulated number of people trained was 4,630 in 2025.</p> <p>The Company values the physical and mental health of our employees and actively promotes various health promotion and</p>	<p>(3) No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.</p>

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
(4) Does the company have an effective career development program for its employees?	V		<p>protection measures to continuously caring for employees' well-being. It strives to create a healthy and friendly working environment, and hopes that every employee felt valued and cared. An annual employee health check is conducted every year, including regular and occupational health checks. Regular health checks follow a regular schedule, while occupational health checks are classified by the operation place. The results are managed by tiers. 280 TYC employees had a general health checkup (100% participation rate), and 194 people had a special health checkup (100% participation rate) in 2025.</p> <p>(4) The Company regards talent as the core capital for sustainable operation and set up a "Training Implementation Plan" to create a systematic talent development blueprint. The training system includes five major scopes: "Newcomer Orientation, Job Functions, Core Functions, Professional Functions, and Management Functions". The Human Resources Development Department collaborates with each department to make annual training plans from the Company's operational strategy and management needs, and provides specific leadership training courses for all management team to ensure continuous optimization in management.</p> <p>For positions that require certification or qualification, the Company tracks the validity of all certifications with a systematic management mechanism. If employees have not obtained certifications yet, and the position does not involve safety or regulatory restrictions, the Company will provide consultation and arrange necessary training. If the position involves safety or regulatory requirements, the employees are not allowed to work in the position to ensure operational safety and compliance.</p> <p>In 2025, the total educational training were 27,705.94 hours, with 94.05% of internal training and 5.95% of external training. The total expense for training was NT\$3,398,855. The average training hour was 17.20 hours/person with NT\$2,110/person for</p>	(4) No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
(5) Does the company comply with relevant laws and international standards for customer health and safety, customer privacy, marketing and labeling of products and services, and has it established relevant consumer or customer protection policies and complaint procedures?	V		<p>all employees.</p> <p>(5) The Company values the transparency of product information and product safety. All product labeling is designed and managed in accordance with the relevant regulations and standards of each sales region to ensure completeness, accuracy, and compliance of the requirements. Product labeling includes product specifications, material information, instructions, safety warnings, and necessary accreditation symbols to help customers and end-users to identify and use the products correctly.</p> <p>When developing new products, making changes in design, or entering new markets, the Company conducts product labeling compliance assessments and reviews in accordance with the internal procedures, and makes sure it complies with regulations before entering mass production or shipment stage. It ensures compliance management in the product lifecycle. There was no violation of product and service information and labeling regulations in 2025.</p> <p>The Company has established “Customer Service and Satisfaction Management Regulations” and “Customer Satisfaction Survey Standards”, and conducts customer satisfaction surveys once a year to understand market feedback and collect customer opinions. The survey results are reviewed by relevant units, and improvement measures are made on items that require improvement, as well as following on the handling status.</p> <p>The Company continues to work on improving customer service, and the overall customer satisfaction survey results have been improving over the past five years. The overall score for the customer satisfaction survey was 83.45 in 2025, which had reached the goal setting at 75.</p> <p>The Company has established a "Customer Complaint Handling Procedure" to set up a comprehensive customer complaint management system. It makes instant respond by a systematic</p>	(5) No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
(6) Does the company have a supplier management policy that requires suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health or labor human rights, and how is it implemented?	V		<p>process to improve product issues. The purpose of the system is to clearly define the scope of customer complaint handling, operational procedures, and product recall mechanisms, and effectively rectify deficiencies through problem analysis and corrective measures, while preventing similar events from re-occurring to constantly improving product quality and service level.</p> <p>(6) As a leading automotive parts manufacturer, the Company maintains stable and mutual-trusted partnerships with suppliers, improves product and service value in the global market, and shares the collaboration result. In order to ensure the supply chain is in compliance with domestic regulations, international guidelines and standards, and customer requirements, TYC has established a "Procurement Policy", "TYC Supplier Code of Conduct", and "TYC Labor Policy Questionnaire", and conducts ESG educational training and announcements from time to time for our suppliers, hoping to create a responsible, environment friendly, integrity and transparency supply chain relationship.</p> <p>For core suppliers, due diligence that covers management system topics is conducted every two years. The 2025 results showed no significant social and environmental impact incidents have occurred among the suppliers.</p> <p>The Company conducts regular checks on the environmental regulation requirements every year to ensure it keeps up with the latest regulatory trends, while encouraging suppliers, responsible employees, and regulatory specialists to regularly receive educational trainings on environmental regulations in order to grasp the latest regulatory trends. There were no violations of health and safety regulations on the products and services in 2025.</p> <p>The Company supports Responsible Business Alliance (RBA) and Responsible Minerals Initiative (RMI), and has established "TYC's Conflict Mineral Purchase Policy" to ensure all the</p>	(6) No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Promoted item	Implementation status			Differences between Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary description	
			Gold, Tantalum, Tungsten, Tin contained in the products do not directly or indirectly fund or benefit to the countries or regions with serious human rights violations, forced labor, and child labor issues. TYC makes responsible purchases and requests our suppliers to comply and work together to build a better responsible supply chain.	
5.Has the company made reference to international standards or guidelines for the preparation of reports, such as ESG reports, which disclose non-financial information about the company, and has the report obtained a third-party verification or assurance opinion?	V		<ol style="list-style-type: none"> The composing structure of this report is prepared in accordance with the GRI Standards (2021 version) issued by the Global Reporting Initiative (GRI) and met the requirement in the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies", as well as referring to "Sustainability Disclosure Topics and Metrics of SASB Standards by International Sustainability Standards Board (ISSB)", and IFRS S2 Climate-Related Disclosures (former TCFD) to reveal relevant strategies, goals, and specific action of TYC's material topics. This report is certified by a third-party verification authority, with AA1000AS v3 of Type 1 Moderate Level on the inclusivity, materiality, responsiveness, and impact of the information disclosed in this report. 	No major differences from the requirements of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
<p>6.If the company has its own ESG Principle in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe how it operates differently from the Principle:</p> <p>2025 Sustainable Development Committee operation summary and meeting key points:</p> <ol style="list-style-type: none"> March 13, 2025: "Sustainable Development Committee Charter" establishment. May 8, 2025: "2024 Sustainability Report". March 12, 2026: "The 2025 implementing status of Sustainable Development Committee, and 2026 annual plan and sustainable development policy". 				
<p>7.Other important information for understanding the promotion of sustainable development implementation.</p> <ol style="list-style-type: none"> The Company's cycle economic practices: <ol style="list-style-type: none"> Give priority to raw material that complies with international environmental regulations, and reduce carbon footprint in upstream transportation by local sourcing (93.7%). Reduce energy and resource consumption and increase production efficiency at the manufacturing stage through optimizing process and improving equipment. Use FSC-certified packaging materials in the product packaging and logistics stages to build a recycling system. The Company has donated high-end ambulance with NT\$4.5 million worth to build a sustainable healthy city. The Company introduced artificial intelligence technology in plants to officially include "AI master" in the production line. Not only does it increase productivity, but also become a key solution to address labor shortages and technological gaps. The Company has obtained ISO 50001 energy management system certification. 				

8.Implementation of Climate-Related Information

1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.

The company refers to the framework from “IFRS Sustainability Disclosure Standards” (former TCFD) climate-related financial information disclosure proposal to conduct risk assessment and management of climate change issue through task forces under the Sustainable Development Committee, and effectively reduce the climate change risks and opportunities’ impact on finance through the involvement of top management, cross-function communication, and integration of the company resources. The Sustainable Development Committee supervises the implementation of the promotion countermeasures and report the promoting plan and operating result to the Board of Directors annually

2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).

Countermeasures of the risk issues:

Issue	Period	Key points of countermeasures	Financial impact
1. Response to greenhouse gas carbon pricing from the government and European Union	Short-term	<ol style="list-style-type: none"> 1. Conduct greenhouse gas inventory to clearly grasp the current situation. Carbon emission reduction goal for 2026 is 6% per unit product. 2. Reduce energy consumption in critical process to reduce carbon emission. 3. Join DHL GOGREEN sustainable aviation fuel transportation plan to reduce logistics related carbon emission. 4. Increase recycling rate of waste water from production process. 5. Purchase locally to reduce carbon emission on transportation. 6. Electricity saving for plant facility and equipment. 	<ol style="list-style-type: none"> 1. Increased costs are caused by greenhouse gas inventory, energy management, and ESG counseling and verification fees. 2. Increase costs are caused by expenses in carbon border tax, carbon fee. 3. Abnormality and efficacy improvement, equipment replacement or monitoring equipment purchase that cause increase in cost. 4. Increased local sourcing can reduce transportation costs. 5. DHL GoGreen sustainable aviation fuel program increases transportation costs.
6. Investment in new technology		<ol style="list-style-type: none"> 1. Continuous improvement in abnormal molds every year. 2. Introduction of energy management monitoring. 3. Invested in environment protection material for new product development. 4. Introduction of optical imaging software to increase product group. 	
Issue	Period	Key points of countermeasures	Financial impact
10. Rise of the average temperature (greenhouse gas)		<ol style="list-style-type: none"> 1. Reduce energy consumption in critical process to reduce carbon emission. 2. Join DHL GOGREEN sustainable aviation fuel transportation plan to reduce logistics related carbon emission. 	

		3. Increase recycling rate of waste water from production process.	
4. Carbon management in compliance with government laws and regulations	Medium-term	<ol style="list-style-type: none"> 1. Set up reduction goal. Carbon emission reduction goal for 2028 is 7% per unit product. 2. Continue to implement energy saving measures and reduce total emission of greenhouse gas. 3. Replace plant equipment for energy saving. 	<p>Medium to Long-term</p> <ol style="list-style-type: none"> 1. Cost increased due to the implementation of carbon border taxes and carbon fees.
8. Uncertainty in customers' behavior preference/market information	Long-term	<ol style="list-style-type: none"> 1. Stable production to meet customers' order requirement, added energy storage equipment for uninterrupted production. 2. Implement customers' sustainable regulation requirements: in response to international customers' demands for environmental protection and human rights, the sales team continues to strengthen communication and connection to ensure that product manufacturing processes comply with relevant regional regulations (such as EU regulations), and work with customers to complete various sustainable evaluation and commitment to stabilize cooperation of the international supply chain. 	<ol style="list-style-type: none"> 2. Cost increased due to energy storage equipment purchase. 3. Cost of developing new products with environmental issues and introducing new R&D equipment.

Countermeasures of the opportunity issues:

Issue	Period	Key points of countermeasures	Financial impact
1. Introduction of low carbon production process	Short-term	1. Reduce plastic bag in material packaging, reduce wastes. 2. Improve ventilation equipment in the storage and manufacturing plants.	1. Reduce waste can reduce the cost for disposal expense. 2. Recycle and reuse waste water from production process can reduce the cost for water purchase. 3. Setting up renewable energy sources can enhance the climate resilience and reduce costs for purchasing external energy and carbon fees. 4. Expand brand product groups and localized production sites can reduce cost and increase revenue.
3. Process wastewater recycling		Optimize the introduction of waste water recycling from production process.	
4. Introduce other energy supply in response to government reward/compensation policy		Make renewable energy equipment construction in future long-term plan.	
6. New product R&D and innovation		Use secondary materials in products of AM environmental protection issues.	
7. Introduce carbon management/carbon footprint system		Maintain the effectiveness of carbon management and achieve emission reduction goals.	
8. Product diversity/new market		1. Expand brand product groups to satisfy market diversity needs. 2. Promote localized production in North America and Asia production sites. 3. Deep cultivation in certified products market.	
2. Recycle consumables from the production process	Medium-term	Recycle and reuse of packaging materials.	Expand new markets of environmental protection issues to increase revenue.

3. Describe the financial impact of extreme weather events and transformative actions.
 1. Increased costs are caused by greenhouse gas inventory, energy management, and ESG counseling and verification fees
 2. Increase costs are caused by expenses in carbon border tax, carbon fee
 3. Abnormality and efficacy improvement, equipment replacement or monitoring equipment purchase that cause increase in cost.
 4. Increased local sourcing can reduce transportation costs.
 5. DHL GoGreen sustainable aviation fuel program increases transportation costs.
 6. Cost increased due to energy storage equipment purchase.
 7. Cost of developing new products with environmental issues and introducing new R&D equipment.
 8. Reduce waste can reduce the cost for disposal expense.
 9. Setting up renewable energy sources can enhance the climate resilience and reduce costs for purchasing external energy and carbon fees.
 10. Expand brand product groups and localized production sites can reduce cost and increase revenue.
 11. Expand new markets of environmental protection issues to increase revenue.

Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.

In order to implement risk management mechanism and strengthen corporate governance, the Company's ESG risks are identified by the Sustainability Committee through a risk assessment questionnaire that covers three major dimensions in sustainable environment, employees, and operational performance, and each responsible unit is in charge of the follow-up countermeasure management and tracking. After reviewing the existing risk items of 2024 in 2025, a new risk of "labor shortage" was added and continued to be incorporated into the management mechanism to reduce its potential impact on the Company's operations.

4. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.

Mild scenario: low emission scenario with temperature rising less than 2°C, warming is under control and lower physical risk.

Severe scenario: high emission scenario with temperature rising less than 4°C.

Scenario analysis (includes 2°C or more severe scenario): please refer to the strategy and risk management in ESG "4.1 Risk and Opportunity in Respond to Climate Change".

5. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.

In response to the action part, such as transition risk issue, the Company responds to the government's regulation requirements and continues to implement ISO14064-

1. When facing the physical risk issues, the Company will adjust operating strategy and adopt specific countermeasures.

6. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.
The Company hasn't made plan for internal carbon pricing.

7. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.

Indicator	Goal	Specific action
Energy management and greenhouse gas emission reduction	<p>Introduction of energy management system</p> <ul style="list-style-type: none"> ● Science Park Plant obtained certification in 2025. ● An-ping Plant obtained certification in 2026. <p>Use carbon emission for unit product in 2022 as the base year (4.38 Metric Tons CO₂e /unit product)</p> <ul style="list-style-type: none"> ◆ short-term: reduce 5% by 2025 ◆ mid-term: reduce 7% by 2028 ◆ long-term: reduce 10% by 2030 	<p>Promote energy management and make improvement according to the plan each year to reduce energy consumption and greenhouse gas production. The results are as follows:</p> <ol style="list-style-type: none"> 1. Carbon emission for unit product in 2025 was 4.00 Metric Tons CO₂e/unit product, 0.38 Metric Tons CO₂e/unit product reduced in comparison with 2022, which was 8.7%, goal reached. 2. Melter timer setting reduced 7.81 Metric Tons CO₂e/year. 3. Complete virtualization of 35 hosts reduced 29.07 Metric Tons CO₂e/year. 4. Purchase 1 electric official vehicle reduced 0.07 Metric Tons CO₂e/year. 5. Replace pipeline plan reduced 160.07 Metric Tons CO₂e/year. 6. Replace heat sink reduced 211.24 Metric Tons CO₂e/year. 7. Replace air compressor reduced 37.92 Metric Tons CO₂e/year. 8. Science Park Plant received ISO 50001 energy management system certification.
Greenhouse gas inventory	<ul style="list-style-type: none"> ● Completed the greenhouse gas inventory of the parent company for the first time in 2022 and external verification. ● The consolidated subsidiary plans to complete the inventory in 2027 and pass the verification by 2029. 	<p>Conduct inventory check in accordance with ISO 14064-1: Complete greenhouse gas inventory check and verification in An-ping Plant, Tech Park I, Tech Park II, and Tech Park III in 2025.</p>
Water resources	<p>Use water consumption for unit product in 2021 as the base year (0.024 megalitre / unit product)</p> <ul style="list-style-type: none"> ● Water consumption for unit product reduced 5% in 2025. ● Water consumption for unit product reduced 10% in 2030. 	<ol style="list-style-type: none"> 1. Water intake in 2025 was 105.2 megalitre, recycled process water 1.85 megalitre, water consumption for unit product 0.029 megalitre / unit product. The goal of 5% reduction was not reached mainly because the operational changes and equipment abnormality. The Company will enhance equipment maintenance and upkeep. 2. Process wastewater used as secondary water after pre-treatment to save water resources; improve plant water system efficiency and continue to improve recycled water efficiency; wastewater recycling for process water curtain system and air conditioning system by establishing water recycled system.

8. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan. (separately fill out in points 1-1 and 1-2)

1-1 Greenhouse gas inventory and assurance status for the most recent two fiscal years

1-1-1 Greenhouse gas inventory information

Describe the emission volume (Metric Tons CO₂e), intensity (Metric Tons CO₂e / Metric Tons) and data coverage of greenhouse gasses in the most recent two fiscal years.

TYC greenhouse gas emission volume			
Item	Unit	2024	2025
Scope one: direct GHG emission	Metric Tons CO ₂ e	397.6	720.6
Scope two: indirect GHG emission	Metric Tons CO ₂ e	15,710.6	14,365.7
Scope three: other indirect (scope three) GHG emission	Metric Tons CO ₂ e	4,125.1	4,124.1
Operation revenue (individual)	Million-dollar revenue	13,374.7	12,250.4
Scope one GHG emission density (Total emission/operation revenue (individual))	Metric Tons CO ₂ e/ Million-dollar revenue	0.03	0.06
Scope two GHG emission density (Total emission/operation revenue (individual))	Metric Tons CO ₂ e/ Million-dollar revenue	1.17	1.17
Scope three GHG emission density (Total emission/operation revenue (individual))	Metric Tons CO ₂ e/ Million-dollar revenue	0.31	0.34

Data covering scope includes the Company: TYC Brother Industrial Co., Ltd. (Parent company An-ping plant, Tech Park Phase 1~3)

Note 1: Direct emission (scope one, direct emission from sources owned or controlled by the Company), indirect energy emissions (scope two, indirect greenhouse gas emissions from electricity, heat, or steam), and other indirect emissions (scope three, emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

1-1-2 Greenhouse gas assurance information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

Item / Year	2024	2025
Assurance scope	Parent company An-ping plant, Tech Park Phase 1~3	Parent company An-ping plant, Tech Park Phase 1~3
Assurance institution	BV	BV
Assurance principles and assurance opinion	According to ISO14064-1, it complies with the reasonable assurance level of the agreement for scope one and two, and limited assurance level for scope three.	According to ISO14064-1, it complies with the reasonable assurance level of the agreement for scope one and two, and limited assurance level for scope three.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Describe the greenhouse gas reduction baseline year and its data, reduction targets, strategies, and specific action plans, as well as the achievement of reduction targets

Indicator	Goal	Specific action
Greenhouse gas emission	<p>Use carbon emission for unit product in 2022 as the base year (4.38 Metric Tons CO₂e/unit product)</p> <ul style="list-style-type: none"> ◆short-term: reduce 5% by 2025 ◆mid-term: reduce 7% by 2028 ◆long-term: reduce 10% by 2030 	<p>Promote energy management and make improvement according to the plan each year to reduce energy consumption and greenhouse gas production. The results are as follows:</p> <ol style="list-style-type: none"> 1. Carbon emission for unit product in 2025 was 4.00 Metric Tons CO₂e/unit product, 0.38 Metric Tons CO₂e/unit product reduced in comparison with 2022, which was 8.7%. 2. Melter timer setting reduced 7.81 Metric Tons CO₂e/year. 3. Complete virtualization of 35 hosts reduced 29.07 Metric Tons CO₂e/year. 4. Purchase 1 electric official vehicle reduced 0.07 Metric Tons CO₂e/year. 5. Replace pipeline plan reduced 160.07 Metric Tons CO₂e/year. 6. Replace heat sink reduced 211.24 Metric Tons CO₂e/year. 7. Science Park Plant received ISO 50001 energy management system certification. 8. Replace air compressor reduced 37.92 Metric Tons CO₂e/year.

(6) The company's performance of integrity and the measures taken deviations from the Performance of Integrity Best Practice Principles for TWSE/TPEX Listed Companies:

Evaluation item	Operational status			Differences and reasons between the principle of good faith operation of listed and OTC companies
	Yes	No	Summary Description	
<p>1.Establish integrity management policies and programs</p> <p>(1) Does the company have an ethical management policy that is approved by the Board of Directors, and does it state in its bylaws and external documents its policies and practices on ethical management, as well as the commitment of the Board of Directors and senior management to actively implement the management policy?</p> <p>(2) Has the company established a mechanism to assess the risk of dishonest conduct, regularly analyze and evaluate the business activities within the scope of business that have a higher risk of dishonest conduct, and accordingly formulate a plan to prevent dishonest conduct, and at least cover the preventive measures for the conducts mentioned in paragraph 2 of Article 7 of the "Principle of Conduct for Listed Companies with Integrity"?</p> <p>(3) Is the company's dishonesty prevention program clearly defined in the operating procedures, conduct guidelines, disciplinary and grievance systems for non-compliance, and implemented, and is the former program reviewed and revised regularly?</p>	<p>V</p> <p>V</p> <p>V</p>		<p>(1) In order to implement integrity management and prevent corruption risks, the Company's Board of Directors has approved the "Procedures and Conduct Guidelines for Integrity Management" and set up "Principle of Ethical Conduct" and "Integrity Management Regulations" that clearly stipulated that employees must comply with the laws and integrity principle when performing their duties, and must not engage in bribery, accept improper benefits, or other conduct that violates business ethics. The scope of applies to directors, management, and all employees.</p> <p>(2) Internally, through new hire orientation, internal system announcement, and daily promotion, the Company makes sure that employees fully understand anti-corruption requirements. Externally, the Company incorporates integrity management and anti-corruption regulations into supplier due diligence guidelines and agreements, and establishes a transparent and honest collaboration with suppliers and outsourcing partners. The Company has set up a reporting mechanism. If identifying any evidence of misconduct, it can be reported directly to the General Manager's mailbox (with full confidentiality). If it is verified to be true, corresponding discipline will be made to the relevant employees involved in fraud or corruption in accordance with the regulations. For vendors who engage in improper acceptance of gifts, the partnership with TYC will be terminated immediately. The Company has incorporated corruption risks into the comprehensive risk management and internal control mechanisms, and constantly strengthens the preventive measures through systems and educational training.</p> <p>(3) Handling of company personnel involved in dishonest conduct</p> <p>1.The Company encourages internal and external personnel to report dishonest behavior or misconduct, and will pay a discretionary bonus according to the seriousness of the report. Internal personnel who make false reports or malicious accusations shall be subject to disciplinary action and shall be dismissed in serious cases.</p> <p>2.The Company has established and posted an internal independent whistleblower box on the Company's website and intranet site for use by internal and external personnel of the Company. The whistleblower should provide at least the following information:</p> <p>(1) The name and ID number of the person making the report may also be reported anonymously, and the address, telephone number, and e-mail address where the person can be reached.</p> <p>(2) The name or other identifying information of the person being prosecuted.</p> <p>(3) Specific facts that can be investigated.</p> <p>3.The Company's personnel handling the whistleblower case shall declare in writing that the identity of the whistleblower and the contents of the whistleblower case shall be kept confidential, and the Company undertakes to protect the whistleblower from being improperly dealt with as a result of the whistleblower case.</p>	<p>(1) No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.</p> <p>(2) No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.</p> <p>(3) No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.</p>

Evaluation item	Operational status			Differences and reasons between the principle of good faith operation of listed and OTC companies
	Yes	No	Summary Description	
			<p>4.The following procedures are followed by the Company's dedicated unit for handling complaints.</p> <p>(1) Reports should be made to the department head for general employees and to the independent directors for directors or senior executives.</p> <p>(2) The Company's specialized units and the officers or personnel reported in the preceding paragraph shall immediately ascertain the relevant facts and, if necessary, provide assistance from regulatory compliance or other relevant departments.</p> <p>(3) If it is proven that the person being reported has violated the relevant laws and regulations or the Company's policies and regulations on honest behavior/operation, the Company shall immediately request the person being reported to stop the said behavior, and if necessary, report to the competent authorities, refer to the judicial authorities for investigation, or request for damages through legal proceedings in order to protect the Company's reputation and rights.</p> <p>(4) The acceptance of the report, the investigation process and the results of the investigation shall be kept in writing and shall be kept for five years, and shall be kept electronically. Before the expiration of the retention period, in the event of a lawsuit related to the content of the report, the relevant information shall be kept until the end of the lawsuit.</p> <p>(5) If the report is verified to be true, it is responsible to the relevant units of the Company to review the relevant internal control system and operating procedures, and to propose improvement measures to prevent the recurrence of the same behavior.</p> <p>(6) The Company's dedicated unit shall report to the Board of Directors on the reported cases, their handling and subsequent review of improvement measures.</p>	
<p>2.Implementation of integrity management</p> <p>(1) Does the company assess the integrity record of its counterparties and specify the integrity clause in the contracts signed by its counterparties?</p> <p>(2) Has the company established a mechanism to assess the risk of dishonest conduct, regularly analyze and evaluate the business activities within the scope of business that have 3 higher risks of dishonest conduct, and accordingly formulate a plan to prevent dishonest conduct, and at least cover the preventive measures for the conducts mentioned in paragraph 2 of Article 7 of the "Principle of Conduct for Listed Companies with Integrity"?</p>	V		<p>(1) The Company has established credit principles and credit limit management system to effectively grasp the information of customers and reduce the risk of the Company's operation.</p> <p>(2) In order to improve the management of honest behavior/operations, the human resources department is responsible for formulating and monitoring the implementation of honesty policies and preventive programs, and reporting to the Board of Directors when necessary.</p>	<p>(1) No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.</p> <p>(2) No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.</p>

Evaluation item	Operational status			Differences and reasons between the principle of good faith operation of listed and OTC companies
	Yes	No	Summary Description	
(3) Is the company's dishonesty prevention program clearly defined in the operating procedures, conduct guidelines, disciplinary and grievance system for non-compliance, and implemented, and is the former program reviewed and revised regularly?	V		(3) The Company has zero tolerance for corruption. To ensure all employees and partners are aware and in compliance with "Integrity Management Regulations" and "Procedures and Guidelines for Integrity Management Practices", TYC regularly holds anti-corruption/integrity management training and promotion for employees and partners. Relevant policies and requirements are regularly announced on the suppliers' website to strengthen the integrity concept practice and implement the company's anti-corruption spirit to prevent corruption from occurring. The Company's conflict of interest prevention policy is used to identify, monitor and manage the risk of conflicts of interest that may lead to dishonest conduct and to provide appropriate channels for directors, managers and other interested persons attending or participating in Board meetings to proactively state whether they have potential conflicts of interest with the Company.	(3) No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.
(4) Does the company implement the effective accounting system and internal control system established by the integrity management, and the internal audit unit draws up the relevant audit plan based on the assessment results of the risk of dishonest behavior, and checks the compliance of the plan to prevent dishonest behavior, or entrusts the accountant to perform the audit?	V		(4)1. The Company ensures that the design and implementation of the system is effective on an ongoing basis by establishing and keeping under review an effective accounting system and internal control system to prevent business activities with higher risk of dishonest acts. 2. The Company's internal auditors regularly review compliance with the preceding system and prepare an audit report for the Board of Directors and may appoint an accountant to perform the review and, if necessary, engage professional assistance.	(4) No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.
(5) Does the company regularly hold internal and external education and training in good faith management?	V		(5) The Company plans relevant courses for different target groups. In addition to providing integrity management and anti-corruption training to all employees, trainings on legal compliance and integrity issues are also provided to directors and management team to enhance decision-making and management responsibility. In 2025, integrity and ethical conduct trainings were done in both physical and online platforms. The total training hours were 1,349.11 with 2,447 participants. In addition, announcement of Supplier's Code of Conduct are regularly posted on the supplier website to enhance the implementation of the integrity concept and follow through the anti-corruption spirit to prevent corruption incidents from occurring.	(5) No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.
3.Operation of the Corporate Prosecution System				
(1) Does the company have a specific reporting and reward system, and has it established a channel to facilitate reporting and assigned appropriate staff to receive reports on the subject?	V		(1) The Company encourages internal and external personnel to report dishonest behavior or misconduct, and will pay a discretionary bonus according to the seriousness of their reports. Internal personnel who make false reports or malicious accusations shall be subject to disciplinary action, and those with serious cases shall be dismissed from their positions. Handled by the HR and Internal Audit departments for the receipt and processing of related reports.	(1) No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.
(2) Does the company have standard operating procedures for investigation of	V		(2)1. The Company has established and posted an internal independent whistleblower mailbox on the Company's website and intranet site for use by internal and external personnel of	(2) No major difference from "the Corporate Governance Best-Practice

Evaluation item	Operational status			Differences and reasons between the principle of good faith operation of listed and OTC companies
	Yes	No	Summary Description	
whistleblowing matters, follow-up measures to be taken after completion of investigation and relevant confidentiality mechanism?	V		<p>the Company. The whistleblower should provide at least the following information.</p> <p>(1) The name and ID number of the person making the report may also be reported anonymously, and the address, telephone number, and e-mail address where the person can be reached.</p> <p>(2) The name or other identifying information of the person being prosecuted.</p> <p>(3) Specific facts that can be investigated.</p> <p>2. The Company's personnel handling the report shall declare in writing that the identity of the whistleblower and the content of the report shall be kept confidential, and the Company undertakes to protect the whistleblower from being improperly dealt with as a result of the report.</p> <p>3. The following procedures should be followed by the company's dedicated unit for handling complaints.</p> <p>(1) Report cases involving general staff should be reported to the head of the department, report cases involving directors or senior executives should be reported to independent directors.</p> <p>(2) The Company's specialized units and the officers or personnel reported in the preceding paragraph shall immediately ascertain the relevant facts and, if necessary, provide assistance from regulatory compliance or other relevant departments.</p> <p>(3) If it is proved that the person being reported has violated the relevant laws and regulations or the Company's policies and regulations on honesty, the Company shall immediately request the person being reported to stop the said behavior, and if necessary, report it to the competent authorities, refer it to the judicial authorities for investigation, or seek damages through legal proceedings in order to protect the Company's reputation and rights.</p> <p>(4) All reports, investigation procedures, and investigation results shall be properly documented and retained for a period of five years; such records may be maintained in electronic form. If any lawsuit related to the reported matter arises before the expiration of the retention period, the relevant information shall be retained until the end of the lawsuit.</p> <p>(5) If the report is verified to be true, it shall be responsible to the relevant units of the Company to review the relevant internal control system and operating procedures, and propose improvement measures to prevent the recurrence of the same behavior.</p> <p>(6) The responsible unit of the Company shall report to the Board of Directors regarding its handling and follow-up review and improvement measures.</p>	Principles for TWSE/TPEX Listed Companies" and Reasons.
(3) Does the company take measures to protect the whistleblower from improper handling/treatment?	V		<p>(3) Reports will be handled confidentially and employees will be made aware that the Company will do its utmost to protect the safety of those who make good faith reports.</p>	(3) No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.
4. Enhanced information disclosure Does the company disclose the contents and effectiveness of its Principle of Conduct on its website and the Market Observation Post			<p>The Company discloses its "Integrity Procedures and Behavior Guidelines" and their effectiveness on the Company's website and the Market Observation Post System. http://www.tyc.com.tw/index.php/governance/statute ° Specific measures to operate with integrity.</p>	No major difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons.

Evaluation item	Operational status			Differences and reasons between the principle of good faith operation of listed and OTC companies
	Yes	No	Summary Description	
System?			http://www.tyc.com.tw/index.php/investors/view/46 °	
5.If the company has its own code of Integrity in accordance with the "Principle of Integrity Management of Listed Companies", please describe the differences between its operation and the principle set out: The Company has established "Operating Procedures and Conduct Guidelines for Integrity" which are posted on the Company's website and there are no material differences between the Company's operations and the prescribed operating procedures.				
6.Other important information to help understand the company's integrity management operation: (Such as the company reviews and amends its code of integrity management, etc.): The company complies with the relevant government laws and regulations, and implements the integrity management policy, for stakeholders to prohibit acts involving dishonesty, pay attention to the rights and interests of each stakeholder, and indeed implement the relevant provisions of corporate governance.				

(7) Other important information that is sufficient to improve understanding of the state of corporate governance operations:

(A)prepare 2025 Sustainability Report.

(B)The Company adopts eNotice volunteering.

(8) Status of implementation of the internal control system:

1.Statement regarding the Internal Control System:

Please refer to the MOPS / single company / corporate governance -> company regulations / internal control / inquire on internal control statement announcement

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

2.If an accountant is engaged to review the internal control system, the accountant's review report should be disclosed: None

(9) Significant resolutions of the shareholders' meeting and the Board of Directors for the latest year and up to the date of printing of the annual report:

1. Board of shareholders

Meeting date	Summary of Important Proposals	Voting results	Implementation
2025.06.19	2024 Financial Statements	The case was passed by a vote Number of voting rights: 181,558,570, accounting for 97.32% of the shareholders present	Not applicable
	FY 2024 Surplus Distribution Proposal	The case was passed by a vote Approval right: 181,764,369, accounting for 97.43% of the shareholders present	Cash dividend for preferred share \$2 and common share \$3 per share are paid on August 15, 2025

2. Board of Directors

Period	Meeting date	Summary of Important Proposals	Resolution result
16-06	2025.05.08	1. CPA's review status on consolidated financial reports of 2025 Q1. 2. Payment of Directors' remuneration of 2024. 3. Arrange syndicated loan. 4. Capital increase/loaning of funds for reinvestment company. 5. 2024 Sustainability Report. 6. Amendment on "Standard Operating Procedure for Handling Demands by Directors"	All the directors present (including the independent directors) passed the resolution without objection.
16-07	2025.08.07	1. CPA's review status on consolidated financial reports of 2025 Q2. 2. Amendment on internal control system and internal audit implementation regulations.	All the directors present (including the independent directors) passed the resolution without objection.
16-08	2025.11.06	1. Audit plan 2026. 2. CPA's review status on consolidated financial reports of 2025 Q3. 3. Capital increase/endorsement and guarantee for the Company. 4. Changes of the members in the "Remuneration Committee".	All the directors present (including the independent directors) passed the resolution without objection.
16-09	2026.03.12	1. The "Assessment of the Effectiveness of the Internal Control System" and the "Statement of Internal Control System" for the year 2025. 2. Employee compensation (including front-line employee) and director compensation distribution for fiscal 2025. 3. The Annual Financial Statements and business report 2025. 4. FY 2025 Surplus Distribution Case. 5. Review the independence, competency assessment, and the compensation of the company's certified public accountants. 6. General principle for pre-approval on non-assurance services policy. 7. Amendment on internal control system and internal audit implementation regulations. 8. Capital increase/endorsement and guarantee for the Company. 9. Purchase the land for Automatic Storage Retrieval System. 10. Convene the 2026 Annual General Meeting of Shareholders.	All the directors present (including the independent directors) passed the resolution without objection.

(10) Directors' dissenting views on important resolutions passed by the Board of Directors during the latest year and up to the date of printing of the annual report, which are recorded or stated in writing: None

4.CPA Public Fee Information:

CPA Audit Fee Information

Unit: NT\$1,000

Name of accounting firm	Name of Accountant	Accountant's audit period	Audit Fee	Non-audit Fee	Total	Remarks
ERNST & YOUNG, TAIWAN	HU, TZU-REN	2025.01.01~2025.12.31	8,820	1,488	10,308	
	HUNG, KUO-SEN					

Content of non-audit fee: tax compliance audit, business registration, and transfer pricing.

5.Change of accountant information: None

6.If the chairman, general manager, or manager in charge of financial or accounting matters of the Company has worked for the firm of the certified public accountant or its affiliates within the past year, he/she should disclose his/her name, title, and period of employment with the firm of the certified public accountant or its affiliates: None

7. The following are the movements in shareholdings and pledges of shareholdings of directors, supervisors, managers and shareholders holding more than 10 percent of the shares during the latest year and up to the date of printing of the annual report:

1.Changes in shareholdings of directors, supervisors, managers and substantial shareholders.

Please refer to MOPS -> summarized report -> changes in equity / securities issuance -> shareholding, pledge, and transfer of the directors, supervisors, and major shareholders -> shareholding balance inquire of the directors, supervisors, and major shareholders (Website: https://mops.twse.com.tw/mops/#/web/stapap1_all)

2.Information on the transfer of shares to related parties: None

3.Information on the pledge of shares by a related party: None

8. Information on the relationship between the top 10 shareholders and their respective shareholdings.

1. Ordinary share

Name	Shares held by owning		Spouse, Minor children holding shares		Total shareholding in the name of others		The top10 shareholders are related to each other or are spouses. The names and relationships of the top ten shareholders who are related to each other or are spouses or relatives within the second degree of consanguinity		Remark
	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Title (or name)	Relationships	
KUO-CHI-MIN INVESTMENT CO., LTD.	66,587,044	21.28%	0	0	0	0	None	None	-
Representative: WU, KUO-CHEN	296,211	0.09%	0	0	0	0	Representative of CHI-MIN INVESTMENT CO., LTD. WU, CHUN-CHI	Father and son	-
YIH HENG INVESTMENT CO., LTD	50,420,654	16.11%	0	0	0	0	None	None	-
Representative: WU, CHUN-LANG	5,401,383	1.73%	828,278	0.26%	0	0	WU, CHUN-I Representative of CHI-MIN INVESTMENT CO., LTD. WU, CHUN-CHI Representative of YUAN-HONG INVESTMENT CO., LTD. WU, CHENG-YUAN	brotherhood	-
DING WAN INVESTMENT CO., LTD	10,522,852	3.36%	0	0	0	0	None	None	-
Representative: WU, CHEN-YI	823,474	0.26%	4,593,613	1.47%	0	0	WU, CHUN-I	Father and daughter	-
TA WEI INVESTMENT CO., LTD.	10,498,871	3.36%	0	0	0	0	None	None	-
Representative: WU, CHEN-YI	283,211	0.09%	0	0	0	0	WU, CHUN-I	Father and daughter	-
Chi-Min Investment Co., Ltd.	7,786,893	2.49%	0	0	0	0	None	None	-
Representative: WU, CHUN-CHI	824,081	0.26%	828,278	0.26%	0	0	WU, CHUN-I WU, CHUN-LANG Representative of YIH HENG INVESTMENT CO., LTD. WU, CHUN-LANG	Brotherhood	-
WU, CHUN-LANG	5,401,383	1.73%	828,278	0.26%	0	0	Representative of KUO-CHI-MIN INVESTMENT CO., LTD. WU, KUO-CHEN WU, CHUN-I Representative of CHI-MIN INVESTMENT CO., LTD. WU, CHUN-CHI	Father and son brotherhood	-
Yuan-Hong Investment Co., Ltd.	5,354,451	1.71%	0	0	0	0	None	None	-
Representative: WU, CHENG-YUAN	236,969	0.08%	0	0	0	0	WU, CHUN-LANG, Representative of YIH HENG INVESTMENT CO., LTD. WU, CHUN-LANG	Father and son	-
WU, CHUN-I	4,593,613	1.47%	823,474	0.26%	0	0	Representative of Ding Wan Investment Co., Ltd- WU, CHEN-YI TA WEI INVESTMENT CO., LTD. WU, CHEN-YI	Father and daughter	-
Standard Charter Commercial Bank Business Division in custody for Vanguard	1,363,099	0.44%	0	0	0	0	None	None	-
Yuanta Securities Co., Ltd.	1,326,652	0.42%	0	0	0	0	None	None	-

2. Preferred share

Name	Shares held by owning		Shares held by Spouse. Minor children		Total shareholding in the name of others		The top10 shareholders are related to each other or are spouses. The names and relationships of the top ten shareholders who are related to each other or are spouses or relatives within the second degree of consanguinity		Remark
	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Title (or name)	Relationships	
KUO-CHI-MIN INVESTMENT CO., LTD.	8,062,000	26.87%	0	0	0	0	None	None	-
Representative: WU, KUO-CHEN	400,000	1.33%	0	0	0	0	Representative of CHI-MIN INVESTMENT CO., LTD. WU, CHUN-CHI	Father and son	-
YIH HENG INVESTMENT CO., LTD	7,000,000	23.33%	0	0	0	0	None	None	-
Representative: WU, CHUN-LANG	0	0	0	0	0	0	WU, CHUN-I; WU, CHUN-CHI - Representative of CHI-MIN INVESTMENT CO., LTD.	brotherhood	-
Chi-Min Investment Co., Ltd.	3,999,500	13.33%	0	0	0	0	None	None	-
Representative: WU, CHUN-CHI	0	0	0	0	0	0	WU, CHUN-I; WU, CHUN-LANG; WU, CHUN-LANG - Representative of YIH HENG INVESTMENT CO., LTD	Brotherhood	-
							WU, KUO-CHEN, Representative of KUO-CHI-MIN INVESTMENT CO., LTD. WU, KUO-CHEN	Father and son	
TA WEI INVESTMENT CO., LTD.	3,000,000	10.00%	0	0	0	0	None	None	-
Representative: WU, CHEN-YI	0	0	0	0	0	0	None	None	
YULON MOTOR CO., LTD.	1,000,000	3.33%	0	0	0	0	None	None	
Representative: YAN CHEN, LI-LIAN	0	0	0	0	0	0	None	None	-
HUANG, CHIN-YUEH	607,000	2.02%	0	0	0	0	None	None	-
KWANG DAH TRADING CO., LTD.	600,000	2.00%	0	0	0	0	None	None	-
Representative: KE, JUN-BIN	0	0	0	0	0	0	None	None	-
XIAO, YI-HUI	566,000	1.89%	0	0	0	0	None	None	-
WU, KUO-CHEN	400,000	1.33%	0	0	0	0	Representative of CHI-MIN INVESTMENT CO., LTD. WU, CHUN-CHI	Father and son	-
CHEN, CHIN-CHAO	400,000	1.33%	0	0	0	0	None	None	-

9.Consolidated shareholding:

Units: Shares ; %

Transfer of Investment Business (Note)	Investment of the Company		Investment of directors, supervisors, managers and directly or indirectly controlled enterprises		Consolidated investment	
	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio
TI YUAN INVESTMENT CO., LTD.	3,820	100%	-	-	3,820	100%
TI FU INVESTMENT CO., LTD.	8,550	100%	-	-	8,550	100%
JUOKU TECHNOLOGY CO., LTD.	26,623,891	60.88%	676,022	1.55%	27,299,913	62.43%
SUPRA-ATOMIC CO., LTD	63,287,967	100%	-	-	63,287,967	100%
BESTE MOTOR CO., LTD	65,072,000	100%	-	-	65,072,000	100%
CONTEK CO., LTD.	3,186,000	100%	-	-	3,186,000	100%
I YUAN PRECISION INDUSTRIAL CO., LTD.	5,617,854	15.66%	900,914	2.51%	6,518,768	18.17%
INNOVA HOLDING CORP.	7,049	100%	-	-	7,049	100%
TYC VIETNAM INDUSTRIAL CO., LTD.	-	60%	-	-	-	60%
TSM TECH CO., LTD.	-	-	300,000	60.88%	300,000	60.88%
PT.ASTRA JUOKO	-	-	1,126,500	30.44%	1,126,500	30.44%
DBM REFLEX OF TAIWAN CO., LTD.	-	-	3,000,000	50.00%	3,000,000	50.00%
EUROPILOT CO., LTD	-	-	14,359,821	100.00%	14,359,821	100.00%
MOTOR-CURIO CO., LTD	-	-	5,043,400	100.00%	5,043,400	100.00%
SPARKING CO., LTD	-	-	30,915,717	100.00%	30,915,717	100.00%
EUROLITE CO., LTD	-	-	10,053,000	100.00%	10,053,000	100.00%
UNIMOTOR INDUSTRIAL CO., LTD	-	-	6,887,000	100.00%	6,887,000	100.00%
TYC EUROPE B.V	-	-	120,000	100.00%	120,000	100.00%
T.IT INTERNATION CO., LTD.	-	-	3,694,900	99.98%	3,694,900	99.98%
TYC CZ CORPORATION	-	-	28,144,000	100.00%	28,144,000	100.00%
ATECH INTERNATIONAL CO.,LTD.	-	-	3,250,000	25.00%	3,250,000	25.00%
JNS AUTOTECH (THAI) CO., LTD.	-	-	-	30.00%	-	30.00%
GENERA CORPORATION	-	-	12,388,505	100.00%	12,388,505	100.00%
W&W REAL PROPERTY,INC.	-	-	1,000,000	100.00%	1,000,000	100.00%
TYC AMERICAS AUTO PARTS COMPANY LLC	-	-	-	100.00%	-	100.00%
TYC CHANGZHOU AUTO PARTS CO., LTD.	-	-	-	100.00%	-	100.00%
TYC CHANGZHOU PRECISION MOLD CO., LTD.	-	-	-	100.00%	-	100.00%
HANGZHOU SUNNYTECH CO., LTD.	-	-	-	30.00%	-	30.00%
XIANLIANG (KUN SHAN)AUTO PARTS CO., LTD.,	-	-	-	20.00%	-	20.00%

Transfer of Investment Business (Note)	Investment of the Company		Investment of directors, supervisors, managers and directly or indirectly controlled enterprises		Consolidated investment	
	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio
TYC KUNSHAN AUTO PARTS CO., LTD.	-	-	-	100.00%	-	100.00%
Chin-Li-Ma Hight Performance Luminaire Co., Ltd.	-	-	-	30.00%	-	30.00%
Kunshan Atech Autoparts Manufacturing Co., Ltd.	-	-	-	25.00%	-	25.00%
Jiangsu imperial standard dustrial technology co., Ltd	-	-	-	25.00%	-	25.00%

Note: Investments accounted for using the equity method.

III. Fund raising situation

1.Capital and share capital:

(1) Source of share capital:

1.Share capital formation

Year/Month	Issue price	Authorized share capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Property other than cash against shares	Others
1986.09	10	600,000	6,000,000	600,000	6,000,000	Establishment	None	-
1987.10	10	3,600,000	36,000,000	3,600,000	36,000,000	Cash capital increase 30,000,000	None	-
1988.06	10	10,000,000	100,000,000	10,000,000	100,000,000	Cash capital increase 64,000,000	None	-
1989.03	10	17,000,000	170,000,000	17,000,000	170,000,000	Cash capital increase 70,000,000	None	-
1989.12	10	42,000,000	420,000,000	42,000,000	420,000,000	Cash capital increase 250,000,000	None	-
1995.06	10	47,880,000	478,800,000	47,880,000	478,800,000	Surplus to capital increase 16,800,000 Capital reserve to increase capital 42,000,000	None	Approved by TWSE (1) No. 37257 on June 26, 1995
1996.07	10	80,000,000	800,000,000	60,500,000	605,000,000	Surplus to capital increase 71,820,000 Capital reserve to increase capital 23,940,000 Cash capital increase 30,440,000	None	Approved by TWSE (1) No. 39773 on July 3, 1996
1996.05	10	80,000,000	800,000,000	72,600,000	726,000,000	Surplus to capital increase 121,000,000	None	Approved by TWSE (1) No. 40709 on May 29, 1997
1998.05	10	186,000,000	1,860,000,000	114,380,000	1,143,800,000	Surplus to capital increase 181,500,000 Capital reserve to increase capital 36,300,000 Cash capital increase 200,000,000	None	Approved by TWSE (1) No. 37130 on May 8, 1998
1999.06	10	190,000,000	1,900,000,000	137,256,000	1,372,560,000	Surplus to capital increase 228,760,000	None	Approved by TWSE (1) No. 52440 on June 7, 1999
2000.06	10	280,000,000	2,800,000,000	164,707,200	1,647,072,000	Surplus to capital increase 192,158,400 Capital reserve to increase capital 82,353,600	None	Approved by (2000) TWSE (1) No. 50760 on June 14, 2000
2001.06	10	280,000,000	2,800,000,000	169,648,416	1,696,484,160	Surplus to capital increase 49,412,160	None	Approved by TWSE (1) No. 139164 on June 19, 2001
2002.06	10	280,000,000	2,800,000,000	183,220,290	1,832,202,900	Surplus to capital increase 135,718,740	None	Approved by TWSE No. 1 letter 0910132228 dated June 14, 2002
2003.07	10	280,000,000	2,800,000,000	192,381,305	1,923,813,050	Surplus to capital increase 91,610,150	None	Approved by TWSE No. 1 letter 0920130067 on July 7, 2003
2004.06	10	280,000,000	2,800,000,000	216,428,968	2,164,289,680	Surplus to capital increase 240,476,630	None	Approved by TWSE No. 1 letter 0930127901 on June 24, 2004
2004.10	10	280,000,000	2,800,000,000	216,617,011	2,166,170,110	Conversion of corporate bonds into shares 1,880,430	None	Approved by MOEA No. 09301196240 on October 18, 2004
2004.07	10	280,000,000	2,800,000,000	242,611,052	2,426,110,520	Surplus to capital increase 259,940,410	None	Approved by FSC No. 0940127302 on July 7, 2005

Year/Month	Issue price	Authorized share capital		Paid-in capital		Remarks			
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Property other than cash against shares	Others	
2005.10	10	280,000,000	2,800,000,000	244,961,775	2,449,617,750	Conversion of corporate bonds into shares	23,507,230	None	Approved by MOEA No. 09501010450 on January 18, 2006
2006.04	10	280,000,000	2,800,000,000	245,069,906	2,450,699,060	Conversion of corporate bonds into shares	1,081,310	None	Approved by MOEA No. 09501010450 on January 18, 2006
2006.07	10	400,000,000	4,000,000,000	248,638,304	2,486,383,040	Conversion of corporate bonds into shares	35,683,980	None	Approved by MOEA No. 09501152710 on July 28, 2006
2007.01	10	400,000,000	4,000,000,000	249,061,432	2,490,614,320	Conversion of corporate bonds into shares	4,231,280	None	Approved by MOEA No. 09601011330 on January 16, 2007
2007.04	10	400,000,000	4,000,000,000	249,070,834	2,490,078,340	Conversion of corporate bonds into shares	94,020	None	Approved by MOEA No. 09601079840 on April 19, 2007
2007.09	10	400,000,000	4,000,000,000	252,806,896	2,528,068,960	Surplus to capital increase	37,360,620	None	Approved by MOEA No. 09601222870 on September 12, 2007
2007.10	10	400,000,000	4,000,000,000	261,068,257	2,610,682,570	Conversion of corporate bonds into shares	82,613,610	None	Approved by MOEA No. 09601263180 on October 25, 2007
2008.01	10	400,000,000	4,000,000,000	261,778,783	2,617,787,830	Conversion of corporate bonds into shares	7,105,260	None	Approved by MOEA No. 09701013290 on January 21, 2008
2008.04	10	400,000,000	4,000,000,000	267,658,522	2,676,585,220	Conversion of corporate bonds into shares	58,797,390	None	Approved by MOEA Letter No. 09701093330 on April 18, 2008
2008.07	10	400,000,000	4,000,000,000	267,668,059	2,676,680,590	Conversion of corporate bonds into shares	95,370	None	Approved by MOEA No. 09701178920 on July 31, 2008
2008.11	10	400,000,000	4,000,000,000	278,321,754	2,783,217,540	Surplus to capital increase	106,536,950	None	Approved by MOEA No. 09701282450 on November 5, 2008
2008.12	10	400,000,000	4,000,000,000	272,218,754	2,722,187,540	Cancellation of treasury shares	61,030,000	None	Approved by MOEA No. 09701318420 on December 22, 2008
2009.10	10	400,000,000	4,000,000,000	280,286,316	2,802,863,160	Surplus to capital increase	80,675,620	None	Approved by MOEA no.09801226020 on October 1, 2009
2010.10	10	400,000,000	4,000,000,000	307,984,948	3,079,849,480	Surplus to capital increase	276,986,320	None	Approved by MOEA no.09901222580 on October 4, 2010
2011.10	10	400,000,000	4,000,000,000	317,125,496	3,171,254,960	Surplus to capital increase	91,405,480	None	Approved by MOEA No. 10001227970 on October 6, 2011
2012.01	10	400,000,000	4,000,000,000	312,338,496	3,123,384,960	Cancellation of treasury shares	47,870,000	None	Approved by MOEA Letter No. 1010101840 on January 4, 2012
2012.10	10	400,000,000	4,000,000,000	314,261,881	3,142,618,810	Surplus to capital increase	31,233,850	None	Approved by MOEA No. 10101203870 on October 3, 2012
						Cancellation of treasury shares	12,000,000		
2013.05	10	400,000,000	4,000,000,000	312,897,881	3,128,978,810	Cancellation of treasury shares	13,640,000	None	Approved by MOEA No. 10201091880 on May 17, 2013
2021.08	10	400,000,000	4,000,000,000	342,897,881	3,428,978,810	Cash capital increase (preferred shares)	300,000,000	None	Approved by MOEA No. 11001147460 on August 19, 2021

2. Type of shares:

Units: Shares

Shares	Approved share capital			Remark
	Type of Shares	Outstanding shares	Unissued shares	
Ordinary Shares	312,897,881	57,102,119	400,000,000	Listed
Preferred Shares	30,000,000			

3. Information about the master reporting system: None

(2) List of major shareholders:

1. Ordinary shares:

April 20, 2026

Name of Major Shareholders	Shares	Number of shares held	Holding ratio
Kuo-Chi-Min Investment Co., Ltd		66,587,044	21.28%
Yih Heng Investment Co., Ltd		50,420,654	16.11%
Ding Wan Investment Co., Ltd		10,522,852	3.36%
Ta Wei Investment Co., Ltd.		10,498,871	3.36%
Chi-Min Investment Co., Ltd		7,776,893	2.49%
WU, CHUN-LANG		5,401,383	1.73%
YUAN-HONG INVESTMENT CO., LTD.		5,354,451	1.71%
WU, CHUN-I		4,593,613	1.47%
Standard Charter Commercial Bank Business Division in custody for Vanguard		1,363,099	0.44%
Yuanta Securities Co., Ltd.		1,326,652	0.42%

2. Preferred Shares:

April 20, 2026

Name of Major Shareholders	Shares	Number of shares held	Holding ratio
Kuo-Chi-Min Investment Co., Ltd		8,062,000	26.87%
Yih Heng Investment Co., Ltd		7,000,000	23.33%
Chi-Min Investment Co., Ltd.		3,999,500	13.33%
Ta Wei Investment Co., Ltd.		3,000,000	10.00%
Yulon Motor Co., Ltd.		1,000,000	3.33%
HUANG, CHIN-YUEH		607,000	2.02%
Kwang Dah Trading Co., Ltd.		600,000	2.00%
HSIAO, YI-HUI		566,000	1.89%
WU, KUO-CHEN		400,000	1.33%
CHEN, CHIN-CHAO		400,000	1.33%

(3) Company Dividend Policy and Enforcement Status.

1. Dividend policy:

In accordance with the revised Articles of Incorporation, the Company's industrial environment is changing rapidly and the Company is in the growth stage. Based on the capital expenditure requirements and sound financial planning for sustainable operation, if there is any surplus after each year's final accounts, in addition to paying all taxes and contributions in accordance with the law, the Company shall first make up for the deficits of previous years and then set aside 10% of the remaining amount as legal reserve, and after setting aside a special reserve or reversal of the special reserve for the net reduction in shareholders' equity that occurred in the current year and accumulated in the previous years in accordance with the regulations, the Company shall consolidate the accumulated undistributed earnings at the beginning of the period as dividends to shareholders, and distribute the remaining amount as dividends on common shares after distributing the preferred dividends in accordance with Article 7-1 of the Articles of Incorporation. Dividends on common shares (not less than 50% of the distributable earnings for the current year, of which cash dividends shall not be less than 10%) shall be proposed by the Board of Directors and submitted to the shareholders' meeting for resolution and approval of the distribution.

2. The shareholders' committee proposed the following dividend distribution:

The 2025 earnings distribution is approved on the Board of Directors meeting on March 12, 2026. The total accumulated distributable earnings for fiscal 2025 amounted to NT\$435,477,457 (all amounts stated below are in New Taiwan dollars). \$1.2 per common share, and \$2 for preferred share A. All dividend is distributed in cash.

(4) Effect of the proposed gratis allotment of shares at the shareholders' meeting on the Company's operating results and earnings per share: Not applicable

(5) Employees, Directors' Remuneration:

1. The percentage or range of remuneration of employees and directors as set out in the Articles of Association. In accordance with the revised Articles of Incorporation, the Company shall contribute not less than 1% of its annual profits to the remuneration of its employees and the remuneration of its directors (up to 3%), provided that the Company shall reserve in advance an amount to cover any accumulated losses.

The employee remuneration aforementioned shall contribute no less than 1% for frontline employees.

2. The basis for estimating the amount of remuneration to employees and directors, the basis for calculating the number of employee compensation shares to be distributed in shares, and the accounting treatment if the actual amount distributed differs from the estimated amount.

Approved by the annual shareholders' meeting on June 19, 2025, the distribution for employee remuneration in 2024 (no less than 1%) is \$46,000,000 and \$24,000,000 for the director remuneration (no more than 3%), all payable in cash. No difference from the amount to be recognized in 2024.

3. Information on the proposed distribution of employee remuneration and other information adopted by the Board of Directors:

Approved by the Board of Directors meeting on March 12, 2026, the suggested distribution for employee remuneration in 2025 (no less than 1%) is \$12,000,000 (includes \$5,000,000 for frontline employees, no less than 1% of the employee remuneration) and \$8,000,000 for the director remuneration (no more than 3%), all payable in cash. No difference from the amount to be recognized in 2025.

4. Actual distribution of remuneration of employees and directors in the previous year:

(1) The actual amount of employee and director's remuneration distributed in the previous year:

Actual distributions for 2024 were NT\$46,000,000 for employee remuneration and NT\$24,000,000 for director remuneration.

(2) If there is any difference between the actual amount of remuneration to employees and directors in the previous year and the estimated amount of expenses to be recognized, the amount of the difference, the reasons for the difference and the circumstances under which the difference was handled should be disclosed: No difference.

(6) The Company buys back shares in the Company in the following circumstances.

2024/3/31

Buyback issue	1st	2nd	3rd
Purpose of buy-back	Protect the company's credit and shareholders' rights	Transfer of shares to employees	Protect the company's credit and shareholders' rights
Buyback Period	2008/7/10 ~ 2008/9/8	2008/10/22~2008/12/19	2011/9/13 ~ 2011/10/14
Buyback interval price	Unit price per share NT\$11 to NT\$25	Unit price per share NT\$8 to NT\$18	Unit price per share NT\$8.75 to NT\$20.76
Type and number of	CSTO/ 6,103,000 shares	CSTO / 3,300,000 shares	CSTO / 1,487,000 shares

Buyback issue	1st	2nd	3rd
shares bought back			
Amount of shares bought back	NT\$ 95,865,633	NT\$ 34,476,022	NT\$ 18,820,541
Number of shares cancelled and transferred	Approved by the Ministry of Economic Affairs on December 22, 2008, application for cancellation of registration of change of treasury shares 6,103,000 shares	Approved by the Ministry of Economic Affairs on 04/01/2012, the application for cancellation of the registration of change of treasury shares 3,300,000 shares	Approved by the Ministry of Economic Affairs on 04 January 2012, application for cancellation of registration of change of treasury shares 1,487,000 shares
Number of shares of the Company held cumulatively	-	-	-
Number of shares of the Company held cumulatively as a percentage of the total number of shares in issue (%)	-	-	-

2024/3/31

Buyback issue	4th	5th
Purpose of buy-back	Protect the company's credit and shareholders' rights	Protect the company's credit and shareholders' rights
Buyback Period	2012/6/4 ~ 2012/8/3	2012/11/19 ~ 2013/01/18
Buyback interval price	Unit price per share NT\$8.50 to NT\$16	Unit price per share NT\$8.50 to NT\$14
Type and number of shares bought back	CSTO / 1,200,000 shares	CSTO/ 1,364,000 shares
Amount of shares bought back	NT\$ 14,157,848	NT\$ 14,422,096
Number of shares cancelled and transferred	Approved by the Ministry of Economic Affairs on October 3, 2012, application for cancellation of registration of change of treasury shares 1,200,000 shares	Approved by the Ministry of Economic Affairs on May 17, 2013, application for cancellation of registration of change of treasury shares 1,364,000 shares
Number of shares of the Company held cumulatively	-	-
Number of shares of the Company held cumulatively as a percentage of the total number of shares in issue (%)	-	-

2. Handling of corporate bonds:

(1) Ordinary corporate bonds.

Types of corporate bonds		1st unsecured corporate bonds
Issue Date		2004/6/25
Denomination		100,000 per sheet
Place of issuance and transaction		Not applicable
Par Value (NT\$)		The bonds were issued in full at par value.
Total amount		NT\$ 1,000,000,000
Interest rate		Coupon rate 0 %
Duration		5-year maturity date: 24 June 2009
Assurance agency		Not applicable
Trustee		Taipei Fubon Bank Trust Department
Underwriter		None
Attorney		Chang An Attorney J.A. Huang
Accountant		Diwan & Company TSAI, CHING-TIEN · WU, JIAN-YUAN
Repayment method		Not applicable
Outstanding principal amount		NT\$ 0
Terms of redemption or early repayment		<p>(1) If the closing price of the Company's common stock on the TSE exceeds the then current conversion price of the Bonds by 50% or more for 30 consecutive business days from the day after the first month from the date of issuance of the Bonds to the 40th day prior to the expiration of the issuance period, all of the Bonds may be redeemed in cash within the next 30 business days at the redemption price calculated based on the redemption yield rate of the Bonds listed in (3).</p> <p>(2) From the day after the first month of issuance to the 40th day before the expiration of the issuance period, if the outstanding balance of the Bonds is less than \$100 million, the Bonds shall be redeemed in cash at the redemption price calculated based on the redemption yield of the Bonds listed in (3).</p> <p>(3) The redemption rates are as follows.</p> <ol style="list-style-type: none"> 1. From the day after the first month of the issue to the day after the second year of the issue, the bonds shall be redeemed at a yield rate of 1.00% per annum. 2. From the day after the second year of issue to the day after the third year of issue, the bonds shall bear a redemption yield rate of 1.25% per annum. 3. Redemption of this convertible bond at par value from the day after the third year of issuance until 40 days prior to the maturity of this convertible bond.
Restrictions		None
Credit rating agency, date of assessment and corporate bond assessment results		None
Other rights	Amount of converted (exchanged or warrants) ordinary shares, overseas depositary receipts or other securities as of the date of publication of the Annual Report	Due for redemption
	Issuance and conversion (exchange or share option) method	Creditors convert ordinary shares by way of book transfer or to the Company's share agency at the conversion price.
The method of issuance and conversion, exchange or share option, the possible dilution of shareholdings by the terms of issue and the effect on the interests of existing shareholders.		Not applicable
Custodian of the subject after conversion		None

(2) Information about the convertible corporate bond:

Types of corporate bonds		First domestic unsecured convertible corporate bond	
Item	Year	2009	Current year as of 20 April 2010
	Market value of convertible bonds	Max	101.00
Min		94.10	
Avg		99.14	
Conversion price		20.15	
Issuing (processing) date and the conversion price at the time of issuance		Issued on June 25, 2004 / Conversion price at issuance NT\$33.50	
Conversion method		Delivery of new shares upon conversion of the issue, with the same rights and obligations as ordinary shares	

(3) Exchange of corporate bond information: Not applicable

(4) Omnibus reporting of issuance of corporate bonds: Not applicable

(5) Information on corporate bonds with warrants: Not applicable

3. Preferred shares:

Item\Issuance Date		August 10, 2021 TYC Preferred Share A
Denomination		NT\$10
Issuance Price		NT\$50 per share
Number of shares		Total number of shares: 30,000 thousand shares
Total amount		NT\$1,500,000 thousand dollars
Rights and Obligations	Dividends and bonuses distribution	<p>(1) The dividend yield of the preferred share A is 4% (annual rate), (record date: June 16, 2021, 5-year interest rate swap (IRS) rate, 0.64275% + fixed rate, 3.35725%) and calculated at the issue price per share. The five-year IRS rate will be reset on the next business day five years after the issue date and every five years thereafter. The record date of the reset is two business days of financial institutions in Taipei prior to the reset date. The five-year IRS rate is the arithmetic mean of the offer prices of Reuter's TAIFXIRS and COSMOS3 at 11 a.m. on the record date of the reset (business day of financial institutions in Taipei). If the aforesaid offer prices are unavailable on the record date of the reset, the five-year IRS rate shall be determined by the Company based on the principle of good faith and reasonable market conditions</p> <p>(2) Dividends distribution: The preferred share dividends are fully distributed in cash every year. After the financial statements are adopted in an annual general meeting, the Board of Directors shall authorize the chairman to set the record date for paying the preferred share dividends of the previous year. The number of dividends issued in the year of issue and in the year of redemption is calculated based on the actual number of days of issue in the current year.</p> <p>(3) The Company shall apply the current year's earnings, if any, to pay for taxes as stipulated by laws and regulations, offset accumulated losses of previous years, and allocate 10% as legal reserve</p>

Item\Issuance Date		August 10, 2021 TYC Preferred Share A
		<p>pursuant to laws and regulations. Special reserve shall be set aside or reversed from net shareholder's equity reduction in current or accumulative in prior years in accordance with related regulations. The remaining earnings along with the accumulated unappropriated earnings in prior years as shareholder bonus, and shall be appropriated as preferred share dividends in accordance with the Article 7-1, Articles of Incorporation.</p> <p>(4) The Company has discretion over the distribution of preferred stock dividends. If the Company does not generate any or sufficient profits during the year for the distribution of preferred stock dividends, it may resolve not to pay out the dividends and preferred stockholders have no rights to object. The Board of Directors shall propose a surplus earnings distribution in accordance with Article 32-1, Articles of Incorporation to be adopted by the annual general meeting. After the surplus earnings distribution is adopted, the distributable amount of preferred share and common shares shall be distributed to preferred shares first.</p> <p>(5) The preferred shares A issued are non-cumulative; that is, the undistributed dividends or shortages in dividends distributed shall not be accumulated and paid in subsequent years when profits are generated.</p> <p>(6) The preferred shareholders A are not entitled to common shares' cash or share dividends derived from earnings or capital reserve.</p>
	Distribution of remaining assets	Preferred shareholders A have a higher claim to the Company's residual properties than common stockholders. Different types of preferred shares issued by the Company grant holders the same rights to claims, and preferred shareholders stay subordinate to general creditors. The amount preferred shareholders are entitled to is capped at the product of number of outstanding preferred shares at the time of distribution and issuance price.
	Execution of voting rights	Preferred shareholders A have neither voting nor election rights. However, they may be elected as Directors. They have voting rights in preferred shareholders' meetings or with respect to agendas associated with the rights and obligations of preferred shareholders in shareholders' meetings
	Others	<p>(1) For cash offering of new shares, the preferred shareholders have the same preemptive rights as the common shareholders.</p> <p>(2) Capital reserve issued at preferred share A premium shall not be used as capital during the issuance of the preferred share.</p>
Outstanding Preferred Shares	Amount of preferred shares redeemed or converted	NT\$0
	Balance of preferred shares redeemed or converted	NT\$1,500,000,000
	Redemption or	(1) Conversion to common share: Preferred share A cannot be

Item\Issuance Date		August 10, 2021 TYC Preferred Share A	
	conversion terms	<p>converted into common share.</p> <p>(2) Expiration date: The Company's preferred share A does not have an expiration date. Preferred shareholders A may not ask the Company to redeem their preferred shares. The Company may, at any time from the next day of the five-year expiration of the issue, redeem all or part of the preferred stocks based on the original issue price. Unredeemed preferred shares shall continue to be subject to the rights and obligations of the aforesaid issuance terms. If the Company decided to distribute dividend, it shall be calculated according to the actual issuance days of the current year.</p>	
Market Price per Share	2025	Highest	50.00
		Lowest	45.25
		Average	48.48
	Current year as of March 31	Highest	50.40
		Lowest	49.00
		Average	49.72
Other Rights Attached	Amount of stock conversion or subscription as of the publication date of the Annual Report	Preferred share A cannot be converted into common share.	
	Issuance and conversion or subscription regulations	None	
Impact of conditions of issuance on the rights and interests of preferred shareholders and possible dilution of shareholders' equity and impact on existing shareholders' equity		None	

- 4.Data of preferred shares with warrants: Not applicable
- 5.Overseas Depositary Receipts: Not applicable
- 6.Employee stock option certificate application situation: Not applicable
7. The name, acquisition and subscription of the manager, as well as the top 10 employees, who have obtained the Employee Stock Options: Not applicable.
8. Issuance of restricted share for employees: Not applicable.
9. The name, acquisition and subscription of the manager, as well as the top 10 employees, who have obtained the restricted share for employees: Not applicable.
10. Issuance of New Shares for Merger, Acquisition or Exchange of Other Companies' Shares: Not applicable.
11. Financing Plans and Implementation: The Company does not issue or privately places securities; therefore, it is not applicable.

IV. Operations Profile

1. Business Content

(1) Business Scope

1. Main Content:

- (a) Manufacture, processing and sales of automobile and motorcycle parts (lighting equipment, engines, body parts, lights, horns, electronics, transceivers, cigarette lighters, mirrors, trim, wheel covers, door handles, door locks, starter switches, dashboards, rearview mirrors, and car detectors).
- (b) Manufacturing, processing and sales of aircraft parts and marine parts.
- (c) Manufacturing, processing and sales of transportation machinery and parts.
- (d) Manufacture, processing, and sales of transportation machinery and its spare parts, including AC and DC air compressors, vacuum cleaners, waxers, oil pumps, and maintenance equipment.
- (e) Manufacturing and sales of plastic injection molded products (vacuum cleaner, waxer, air compressor, and other plastic parts and automotive parts).
- (f) The above items are related to the import and export trading business.
- (g) We are the agent of domestic and foreign manufacturers for the quotation, tender and distribution of the above products.
- (h) Except for the permitted business, the business that is not prohibited or restricted by law may be carried on.

2. The company's current product, business proportion:

<u>Product</u>	<u>Operating share (2025)</u>
Automotive	93%
Motorcycles	2%
Other	5%

3. Planned development of new products (services)

- (a) 50K Digital control HIAS imaging headlamp.
- (b) Hidden lighting.
- (c) Micro-pupil wide area condenser.

(2) Industry overview:

1. Current status and development of the industry.:

(a) Current status:

According to the statistics of the Ministry of Economic Affairs consolidated by Taiwan Vehicle Industry Association, Taiwan's vehicle is still one of the most important businesses in the manufacturing industry.

From the observation on the latest data (January to June 2025), the manufacturing output amounted to NT\$358 billion, accounting for 3.49% of Taiwan's total manufacturing output. The performance difference in each sub-industry is affected by market demand and export outlook.

Unit: NTD 100 million

Year / Industry	2025/Jan-Jun		2024		2023		2022		2021	
	Amount	Growth rate	Amount	Growth rate	Amount	Growth rate	Amount	Growth rate	Amount	Growth rate
Automotive	912	-16.26%	2,077	-9.77%	2,302	10.50%	2,083	8.43%	1,921	12.62%
Motorcycle	254	-8.71%	529	-8.13%	576	12.34%	513	-9.68%	568	-10.61%
Bicycle	229	-17.08%	542	-30.49%	780	-17.39%	945	40.42%	673	16.09%

Year / Industry	2025/Jan-Jun		2024		2023		2022		2021	
Automotive parts	1,403	-3.98%	2,946	-3.25%	3,060	1.19%	3,023	33.11%	2,271	11.50%
Motorcycle parts	252	-5.98%	515	-5.82%	547	-10.88%	613	9.27%	561	10.99%
Bicycle parts	529	8.85%	1,042	-3.96%	1,101	-47.05%	2,080	93.13%	1,077	46.57%
Total	3,580	-7.25%	7,651	-8.20%	8,366	-9.63%	9,258	30.93%	7,071	14.09%
Percentage to manufacturing	3.49%		3.96%		4.75%		4.67%		4.40%	

Source: Statistical release by the Ministry of Economic Affairs and consolidated by the Taiwan Transportation Vehicle Manufacturers Association (Automotive electronics are not included in automotive parts).

Taiwan auto parts industry excels in its high-mix and low-volume and flexible manufacturing. The manufacturers continue to invest in R&D and improving manufacturing processes to support its competitiveness in the global market and export performance. According to the import export statistical data consolidated by the Taiwan Transportation Vehicle Manufacturers Association, after the export amount reached NT\$253 billion in 2022, it decreased to NT\$225.4 billion in 2023 (-10.91%), but increased to NT\$228.5 billion in 2024 (+1.36%). The export amount from January to June 2025 was NT\$113.6 billion (+1.34%), which indicated the export needs was back to stable.

Unit: NTD 100 million

Year	2025/1-6	2024	2023	2022	2021
Amount	1,136	2,285	2,254	2,530	2,208
Growth rate	1.34%	1.36%	-10.91%	14.58%	14.58%

Source: Import and export statistics, compiled by Taiwan Vehicle Industry Association.

(b) The future development trend of the industry:

1. Products:

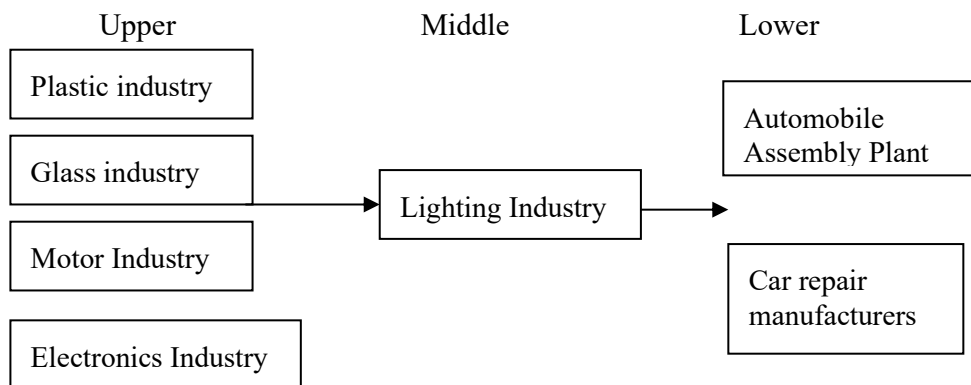
Taiwan auto parts industry has the advantages in its high-mix and low-volume and flexible manufacturing, which is also an important field for small to medium corporations to rapid development and customization capability. The market demand in recent years has changed gradually from traditional automotive video and audio equipment to electronics, intelligent, and safety-related accessories, such as: surround view and rear-view cameras, driver assistance related sensing and displaying modules, tires pressure monitoring system (TPMS), rain sensing, connected vehicle (Connected), and in-vehicle information integrated applications that driven the developments in parts and component products towards high added value and system integration.

In summary, automotive electronics and safety-related parts and components are one of the important growth drivers in the automotive industry. As the level of vehicle electrification increases, the supply chains that possess information and electronics infrastructure and manufacturing capabilities will continue to promote upgrade and transformation in the Taiwan auto parts industry, as well as the opportunity to secure positions in specialized niches of international supply chains.

In addition, the technology development in the automotive industry remains focus on the introduction and popularization of hybrid, electronic vehicles (EV), and relevant key

parts and components, which driven the increasing demand of power management, thermal management, lightweight materials, and electronic control fields. Taiwan has already developed R&D and manufacturing capabilities in certain key components. For suppliers with strong technical expertise and quality management capabilities, opportunities still exist to enter global supply chains.

2. The relevance of the industry in the upper, middle and lower reaches:



3. Various development trends of products:

With the maturity in LED light source technology and improved cost structure, the automotive lights continue to develop towards high efficiency and energy saving, design differentiation, and intelligent control. New-style taillights (including driving lights, brake lights, and signal lights) are highly LED adopted. The main reasons include: low power consumption, long lifespan, fast response speed and high flexibility in design. It can present shapes and recognitions that are difficult to make with conventional light sources through light strips, pixilation, and dynamic lighting design.

Meanwhile, the improvement that high-power LED made in luminous efficiency and heat dissipation has accelerated the expansion in LED application in automotive lights (such as daytime running lights, front and rear fog lights, near and far lights). In the demands for improving driving safety, the intelligent headlight systems such as Matrix/ADB that can make dynamic adjustment in light pattern based on the environment, segmented lighting design, and support projection function have become the R&D and competitive key points in the automotive light industry. Relevant function also focus more on software integration with vehicle sensing and electronic control systems, as well as mass production consistency and regulatory compliance.

4. Competitive Situation:

(a) R&D Modified Car Lights (PM):

The Company uses its design and development capability and quality management as the competitive bases to continuously advancing brand value with product refinement and differentiation to reduce homogeneous competition pressure and strengthen customer loyalty.

(b) General Aftermarket (AM).

Under the global economic fluctuations, the demand for aftermarket (AM) is resilient. By the estimation of external research institution, the global aftermarket size revenue has reached US\$501.2 billion in 2023, and is expected to increase to US\$713.3 billion in 2031. The compound annual growth rate (CAGR) is 4.5%. The growth driver comes from the increase in the number of vehicle ownership, extended service life of vehicles, and increase in digital service demand and factors.

Other studies show that Asia is one of the regions with strong growth driver of the aftermarket. It is expected to remain a 5% average annual growth in the next few years. In contrast, mature markets in North America and Europe values more on high quality parts and components, transparent pricing, and purchase efficiency and service convenience brought by the integration of e-commerce/digital platforms.

TYC focuses on quality, due date, and service in the aftermarket, and is in compliance with the regulations and market demands on obtaining various regulation requirements (SAE, ECE, ADR, JIS, GB, CAPA, CCC, IRAM, SABS certificates) to strengthen product compliance and market competitiveness. In order to improve operation efficiency and the introduction speed of the new product, the Company continues to introduce engineering data and development management tools (such as PDM/PLM), as well as promoting the integration of enterprise resource planning (ERP) systems application such as SAP. It strengthens R&D and module capability and reduce new product development time to increase new product launching speed and supply stability, and strengthen cross-department cooperation efficiency, supply chain management, and delivery capability.

(Note: the external research data resources include Market Xcel (abstracts from MarketResearch.com), Grand View Research, BCG, and McKinsey. The research statistical scope and definitions might be different. The data is for market trend reference only.)

(c) OEM market:

It adopts the "global localization production" strategy that strengthen its supply capabilities for international car manufacturers through cross-region production capability distribution and division of labor by location as a medium to long-term business development direction. In technology aspects, it continues to refine automotive lighting technology and development process based on the existing optics foundations, and make deployment in Matrix LED, ADB, etc. Meanwhile, the Company has obtained ISO 26262 functional safety for road vehicles certification, and possessed the capability and requirement for Early Vendor Involvement (EVI) with international car manufacturers.

Regards in operational layout, the Company has set up new plant in Detroit to support local supply in the North America. In China, production bases in Changzhou and Chongqing are integrated. It combines local R&D and supply chain resources to focus on the development and supply in electric vehicles (EV) and other market demands, and further improves regional service capability while mitigating exchange rate fluctuation risks. Also, it combines the massive production capability in Thailand plant with cooperation with key suppliers, as well as patent portfolio and system integration capabilities, to provide lighting solutions that meet the demand of car manufacturers, thereby strengthening the technical and service capabilities of the OEM market.

(3) Technology and R & D Overview:

1. R & D expenses invested for the year ended in the date of publication of the annual report:

		Unit:NT\$1,000	
Item \ Year	2025	Current year as at 31 March	
R&D costs	808,655	259,970	
Operation revenue	24,418,564	6,675,148	

2. R & D expenses invested for the year ended the date of publication of the annual report:

- (1) 50K Digital control HIAS imaging headlamp system
- (2) Hidden lighting
- (3) Micro-pupil wide area condenser

3. Future Annual Research Development Plan.

(1) 25K Pixel ADB headlamp (+ camera)

As the rising of autonomous driving, automotive lighting is becoming intelligent. The movement of automotive light needs to coordinate with the environmental data collected from camera, radar, and LiDAR, and then passed on to the ADAS system to turn on the light.

TYC has successfully developed HIAS Intelligent horizontal beam headlamp in 2025. With the horizontal beam adjustment, it provided an effective solution for insufficient lighting when the vehicle body is tilted, providing better protection for visibility during nighttime driving. Due to the complex system, the car manufacturers need assistant from collaborative partners for system integration.

In 2026, TYC will make system integration between camera and HIAS. Not only can it promote four-wheel market, but also allow customers in the two-wheeled market, which is low in smart headlamps, to install them on the current or future vehicle models directly with systematic promotion.

(2) Star-Diamond design rear lamp

Star-Diamond rear lamp is a combination between LED and optical design that creates dynamic visual effects with starry night and multi-layers. In optical design, it uses precise LED arrangement, light guide plate, multi-layer coating, and blackened interior component with firmware-controlled LEDs to achieve splendid lighting effect like water flows, breathing, or starry night. It can enhance technological sophistication, design, and recognizability of the vehicle and satisfy personalized needs.

The star-diamond function used to be limited by brightness and can only be applied with driving function needs in terms of light distribution regulations. TYC is expected to develop a star-diamond rear lamp that is approved by both driving and braking function regulatory.

(3) Grille light

Grille light has the following characteristics and applications

Brand identification and aesthetics: grille light allows car manufacturers to create a unique family-style design elements and lighting animations to enhance brand recognition.

Driving safety: grille light can be used as driving lights, signal lights or warning lights in daytime to enhance vehicle visibility in low light source or severe weather conditions.

Pedestrian interaction: The vehicle communicates specific light signals through the grille to pedestrians, promoting safer road sharing.

Active grille shutter technology: it combines lighting and active grille shutter technology. It can adjust air flow based on vehicle needs while achieving lighting effect, balancing aerodynamic and cooling needs.

By integrating the grille's characteristics and applications above, TYC plans to develop a grille that balances intelligent aesthetics and low in cost. It not only meets the customizable design needs in high-end vehicle, but also fit for general use to expand OEM market sales.

Automotive light incorporates two major elements: visual and safety. These two elements have been gradually carrying forward in the market development. In the visual element, from square light/through light/light-craft position light/star light/diamond light/hidden light/ISD light, it gets more glorious and sophisticated. In the safety element, it upgrades the ADB with ten thousand pixels to DLP with mega pixels to achieve from "function" to "intelligence". It realizes messages conveyed with interactive images to enhance the interaction between automotive and people and bring in the distance between automotive light and people. In recent years, TYC has

successfully developed the products mentioned above, such as through light/light-craft position light/star light/diamond light/hidden light/ISD light/mega-pixel ADB, etc, and sold to oversea markets for wide application in various vehicle types. In the future, it will advance towards higher-end technologies and systematic development to provide customers with more comprehensive solutions.

In technology aspect, Adaptive Driving Beam Headlamp technology is the developing mainstream in smart headlamp, and mostly with matrix with 24 pixels LED on major automotive models, which does not increase much when compared with the pixel in 2025. Nevertheless, it is more commonly seen in many vehicle models, which indicates that 24 pixels is the main stream of the ADB headlamp. 100 pixels is applied on high-end models of the luxury imported brand. Most of them are used to show off technical capabilities, and not applied on every model series. ADB system is composed by ADAS camera, main controller, LED driver, ADB optical module, and transmission line. The cost of ADB is getting higher in smart headlamp. Whether ADB will be popular in the future depends on if the price can be reduced. Therefore, research on ADB lighting with lower cost is a significant developing direction for TYC in the future.

TYC has invested considerable resources in light design, optical design, heat dissipation design, materials, LED and electronic control system, simulation analysis, mold design and development, and production technology.

Lighting mechanism: With modularized and miniaturized lighting design, it keeps the part simple. The automotive light is greatly reduced in size to directly fit inside customers' lamp shape to save module developing quantity, which matches the concept of sustainable development, energy saving, and carbon reducing.

Optical design: The optical design of smart headlamp is through multi-layer lens system and special appearance effect. With the complex optical design, it effectively increases the optical utilization rate. Other than the lighting visual effect, it meets the brightness requirement and clear light source by regulations.

Lighting design: It requires a more precise processing technology in module technology. We invest in ultraprecision NC processing machine that makes the product fits with the design, and create a more competitive LED lighting.

Material: As to environmental protection from ESG, the application and introduction of recycle material is very important when working on how to reduce carbon emission. TYC has been increasing the ratio of recycle material every year to carry out circular economy that would assist in reaching sustainable development goal.

Electronic control: The emerging of electronic vehicle and the development of smart lighting have relatively increased the application of CAN/LIN BUS. After receiving feedback from the computer to identify the type, distance, and speed of the environment through camera and LiDAR in the car, it signals the smart lighting control system to control the automotive light, which makes the autonomous vehicle quickly switch to the appropriate light pattern under different road conditions for safe driving needs. The pixel of the lighting is developing from hundred pixels to ten thousand pixels, which makes the electronic control and communication more complicated, especially for the requirements in firmware. The old electronic lighting control module can only provide function required by regulation. With automotive communication design, it can deliver customized driving message (such as welcoming light, breathing light) and programmable ISD intelligent interactive light, which replaced the static with a dynamic function and giving life in automotive lighting.

TYC research and development team has improved the automotive lighting technology to the same level in the market in response to rapid change and demand of the market. Regardless of the future mainstream, TYC is ready and will focus on smart automotive lighting development to improve driving safety.

(4) Long and short-term business development plan:

1. Short term plan:

- (a) Continue to develop automotive lighting products in AM market to maintain the channel competitiveness in North America and keep expanding CAPA certification.

The Company continues to develop automotive lighting products in AM market, and maintains services for mature channel and delivery efficiency in North America, while keep expanding CAPA certification coverage to grasp insurance channel needs and improve product quality. As of 2025, 2,400 lamps have been certified by CAPA. After deducting 61 items that are discontinued/expired based on the same statistical criteria, the CAPA website lists 2,339 items currently. It will continue to expand CAPA certification coverage in 2026, and plan to reach 2,580 lamps as the goal.

- (b) Strengthen intellectual property and differentiated technical barriers

Headlamp related optic and mechanism patents are important competitive niche of the Company. Currently, there are about 300 patents. The Company will keep enhancing patent deployment and management to secure product differentiation and competitiveness.

- (c) Expand strategic product line and one stop shop service

TYC continues to expand brand product portfolio, including exterior collision products, cooling and air conditioning systems, and automotive electrical and electronic products, while gradually adding automotive electronic products, such as Turbo Charger, Camera, Sensors, and other new products planned to introduce this year to meet the needs of US, Europe, and global market access and sales needs. Meanwhile, it combines strategic alliances and supply integration to seek for cooperation with competitive domestic and foreign manufacturers, and provide a One Stop Shop for customers from 130 countries to increase customer's loyalty and enhance market competitiveness.

- (d) Actively developing OEM markets and strengthening cooperation with car manufacturers.

TYC continues to expand OEM business while strengthening quality and mass production consistency management to deepen cooperation with car manufacturers. It focuses on "resource integration" and "localized supply" as deployment key point: in China, manufacturing resources are integrated in Changzhou and Chongqing. It combines local R&D teams to improve development and mass production collaboration efficiency. In North America, it sets up new plant in Detroit for trial production and establishes local supply mechanism gradually. In ASEAN region, it uses the existing manufacturing basis in Thailand plant and introduces OEM production process to coordinate with customers' certification procedures. Through cross-location production capacity allocation and collaborative supply, it can improve supply flexibility and stability in response to the needs of multi-locations supply from car manufacturers and strengthen the competitiveness of OEM business.

- (e) Collaborate with premium European automotive lighting manufacturers to promote OES business cooperation

TYC continues to collaborate with the supply chain needs from premium European automotive lighting manufacturers and gradually expanding OES sales and supply support. On the basis of quality and delivery management to strengthen collaboration, it improves stability and continuity in relevant sales.

2. Long-term Plan:

- (1) Establish global distribution and service systems to expand distribution network.
Integrate the existing channel resources and regional delivery capability to improve global distribution and service systems.
- (2) Strengthen localized operation in China market to improve operational efficiency.
Localized operation and work with customers to improve market penetration and operational efficiency.
- (3) Build up ASEAN supply capacity and improve supply resilience.
Optimized regional production and supply allocation to improve delivery efficiency and supply chain resilience.
- (4) Seize the opportunity to work with electronic vehicle/new and innovative car manufacturers to expand European and American markets.
Continued to strive for cooperation opportunity and strengthen co-developing and mass production delivery capability.
- (5) Extend regional deployment of European operation headquarter to expand sales channels in Southern Europe and Central Asia.
Use European operations headquarters as the hub to gradually deepen its channel distribution and customer management in Southern Europe and Central Asia, as well as improving regional sales support capability.

2. Market and Production Overview.:

(1) Market Analysis:

1. Major product sales regions

The Company's main sales regions are mainly overseas, with foreign sales comprising 93.08% and 92.11% of sales in 2024 and 2025 respectively. The high proportion of foreign sales is mainly due to the limited appetite of the domestic automobile market, and in recent years, apart from the continuous AM market expansion, the Company has also devoted itself to the development of other markets.

In addition, due to the larger market size in Europe and the United States, the quality requirements of the products are higher, and they must pass the quality test of SAE (American Society of Automotive Engineers) in the United States and obtain the quality certification of ECE (European Economic Commission) in Europe before they can be sold to Europe and the United States respectively. Sales to the U.S. amounted to NT\$9,422,893,000 in 2025, representing 46.83% of total net sales, and sales to the Netherlands amounted to NT\$3,216,557,000 in 2025, representing 15.99% of total net sales, with a total of NT\$12,639,450,000 in sales to the U.S. and the Netherlands.

Sales of major products in the past two years

Units: NT\$1000; %

Sales target and area		2024		2025	
		Amount	Ratio	Amount	Ratio
Domestic Sales		1,393,075	6.92%	1,927,461	7.89%
Export sales	China	255,765	1.27%	6,024,733	24.67%
	Netherlands	3,216,557	15.99%	3,143,419	12.87%
	USA	9,422,893	46.83%	8,693,743	35.61%
	Other countries	5,833,415	28.99%	4,629,208	18.96%
	Subtotal	18,728,630	93.08%	22,491,103	92.11%
Total		20,121,705	100.00%	24,418,564	100.00%

2. Future market supply and demand conditions

- (a) There is still room for expansion in the demand of the refurbishment market (AM). It is expected to grow with the introduction of the new markets and customers, which is benefit for increase in order.
- (b) The results of our cultivating the European locations are gradually showing. It has driven increase in orders and the expansion of our sales channels and further increase in market share.
- (c) In order to coordinate with sales strategy and customer/market compliance requirements, the Company continues to strengthen the management system of the quality, environment, occupational safety and health, greenhouse gas inventory, functional safety and information security, etc, as well as obtaining certifications in ISO 9001, IATF 16949, ISO 14001, ISO 45001, ISO 14064-1, ISO 26262, and TISAX. Meanwhile, it obtains trade compliance qualification such as AEO, and also product testing and market access certification or approval such as CAPA, ECE, CCC, IRAM, AIS, and VSTD, to improve quality level, supply stability, and international market competitiveness. In addition, company products and R&D results have won multiple Excellent Award recognitions to demonstrate technology strength and product competitiveness.
- (d) With the rising awareness on environmental protection, the Company has been strengthening the sustainable governance and carbon reduction practices. At the end of 2015, it received the “Carbon Reduction Action Award – Excellent Enterprise” from the Environmental Protection Administration of the Executive Yuan. It is certified by ISO 14064-1:2018 Greenhouse gas inventory in 2022, and issue the Sustainability Report and establish sustainable development policies that cover three major aspects: environmental protection, social responsibility, and corporate governance. Parts of the report have obtained a third party verification and assurance in compliance with regulations to improve information transparency and credibility. It has been working with DHL Express Taiwan to be partner on Sustainable Aviation Fuel (SAF) in GoGreen Plus plan to reduce 10% of carbon emission during logistics and transportation, and continued to promote transportation carbon reduction and carbon emission management.
- (e) In response to the development needs of the market in Mainland China, the company actively promotes localized operation and marketing distribution, and takes TYC (Changzhou/Chongqing) Auto Parts Co., Ltd. as primary platform that runs business in the OEM market, to strengthen cooperation with car manufacturers and local supply service. Meanwhile, it provides after market operation and automotive repair and parts sales service through TYC Kunshan Auto Parts Co., Ltd, and supports design and manufacture of precision plastic molds for automotive lights with TYC Changzhou Precision Mold Co., Ltd. Joined by the Company’s design team, it provides automotive lighting style modification and design service in response to the needs from major car manufacturers to improve service quality and expand domestic market, as well as strengthening channel and customer cooperation.
- (f) In order to strengthen the supply chain distribution in ASEAN region, Thailand plant is possessed with OEM manufacturing capability. The Company continues to expand Thailand plant’s OEM production capability allocation and manufacturing capability, and gradually improves relevant production conditions required by the customers. In response to the trend of European and American customers promoting the diversification of production locations and supply chain distribution, Thailand plant can be used as an important production location for expanding international OEM business for improving flexibility on allocating production location and supply support capability to support long-term development of OEM business.

3. Advantages and disadvantages of the development vision

(a) Advantages:

A. Improved light distribution technology of vehicle lights:

With the evolution of high efficiency LED and new light source technology, it is more precise with light distribution control and develop towards intelligent lighting function such as matrix/pixelated lighting, AFS/ADB. It helps the products to be in compliance with international regulations (ECE and SAE) and customer demands, while improving product differentiation and added-value.

B. Mature in informatization and digital trade system:

As the information and digital operations getting mature, it helps to improve cross-border trading efficiency and supply chain collaboration. At the same time, with R&D and manufacturing data integration and corporate system integration, it strengthens operational information transparency, delivery management, and risk control capabilities. As the level of electronic and software integration of vehicle increase, the information security and compliance requirement are also gradually increasing, which helps to set up competitive barrier

for suppliers with comprehensive management system and process capability.

- C. Strong brand image and market influence:
TYC builds brand trust and channel foundation in the automotive lighting market with wide range of sales region, which helps to maintain well customer cooperation, support new product introduction, and improve market resilience and operation stability.
- D. Value of employee education and teamwork:
With education training and teamwork building culture, it strengthens cross-department integration and project execution efficiency. It helps to improve R&D introduction, quality consistency, and customer service capability to cope with the increasing complexity of product and delivery requirement.
- E. Integration of global production sites and resources:
The distribution of production sites cover US, Mainland China, and Thailand. With work division by location and resource integration, it can take advantage of regional supply to improve supply flexibility and delivery stability, as well as addressing supply chain diversification risks and the demand for localized supply and strengthening overall delivery capability and international competitiveness.
- F. Changes in market demand under the influence of economic recession:
Economic fluctuations might inhibit the demand for new vehicles, but the increasing vehicle age and the growing demand for maintenance and repair will help support the demand for aftermarket (AM). As the penetration of digital channel and online purchase increases, it also helps to improve market reach and service efficiency.
- G. Taiwan's parts and components are critical in the global supply chain:
Taiwan's parts and components supply chain has a certain competitive advantages in quality, delivery, and engineering capability. It is one of the important supply resources for international car manufacturers and channel systems, and helps to support export and global cooperation opportunity.

(b) Disadvantages:

- A. Fierce price competition among global automotive light manufacturers:
Increasing global competitors, product homogenization, and price war might compress product sales price and gross profit. In addition, cost fluctuation in raw material and transportation might also increase cost control and the difficulty for adjusting quotation price.
- B. Meteoric rising of the mainland China and other emerging markets:
Some emerging markets have made pressure on the existing market share with low cost and scale advantages. When the economy weakens, some suppliers may use low-price strategies to secure market with lower certification requirement and intensify the competitiveness.
- C. Competitive advantages of low cost countries:
Low cost countries have advantages in labor and some raw materials, which makes their products more price competitive in the international market, and might causes competitive pressure on some of the Company's standard product lines.
- D. Pressure of environmental requirements and the materials selection:
Global environmental regulations and chemical substance controls are getting strict, which have caused the increase in material substitution, test verification, and compliance document management costs, as well as extending the product development and introduction schedule.
- E. Continuous increase in technology requirement:
Automotive lighting technology is developing towards high-end and intelligent technologies (such as matrix LED, AI intelligent control, Adaptive Driving Beam (ADB) auto-adjusting light. It has increased the requirements in R&D, verification, functional safety, and information security and required more resources to maintain technology and mass production capabilities, which could led to technology and funding pressure for medium to small enterprises.

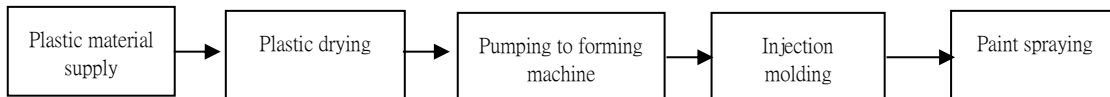
F. Changing risks in international trade environment

Changes in international circumstances and trade policies (such as tariffs and rules of origin changes) might affect the product's cost structure and price competitiveness, and further affecting supply chain allocation, delivery, and logistic cost that bring uncertainty to operation.

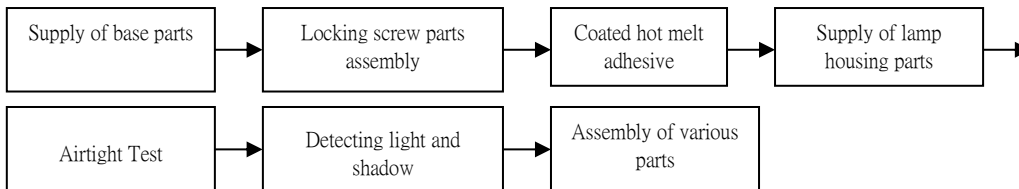
(2) Important applications and production processes of the main products.

1. Main products' important applications: Our main products are used in various brands of motorcycle lighting.
2. Main product production process:

(1) Injection molding manufacturing process:



(2) Component assembly manufacturing process.



(3) Supply status of main raw materials

Name of raw material	Supply situation
Base, lamp housing	Good
Hardware and iron parts	Good
Rubber Parts Housing	Good
Wire group	Good
Light bulb	Good
Glass lamp housing	Good
Plastics, BMC materials	Good
Paper box packaging	Good

The main raw materials for our motorcycle lights are lamp housings, lamp bulbs and plastic materials, which are mostly supplied by well-known domestic manufacturers, with only a few imported by ourselves. Since we have a wide range of customers and have maintained good cooperative relationships with major suppliers, the quality of the raw materials supplied is stable and the source of raw material supply should be safe.

(4) Name of customer who has accounted for more than 10% of the total amount of goods imported (sold) in any of the past two years:

1. Key supplier information for the past two years:

Unit:NT\$1,000 ; %

Item	2024				2025				As of March 31 of the current year			
	Name	Amount	Percentage of net purchases for the year (%)	The relationship with the issuer	Name	Amount	Percentage of net purchases for the year (%)	The relationship with the issuer	Name	Amount	Percentage of net purchases for the year (%)	The relationship with the issuer
1	A company	915,262	9.03%	Related person	A company	929,131	7.60%	Related person	A company	235,792	5.38%	Non-related person
2	Others	9,222,702	90.97%	None	Others	11,294,927	92.40%	None	Others	4,145,205	94.62%	None
	Net Purchase	10,137,964	100.00%		Net Purchase	12,224,058	100.00%		Net Purchase	4,380,997	100.00%	

Explanation of changes: None of the major suppliers accounted for more than 10% of total purchases in the last two years, so it is not applicable.

2. Key sales customer information for the past two years:

Unit:NT\$1,000 ; %

Item	2024				2025				As of March 31 of the current year			
	Name	Amount	Percentage of net purchases for the year (%)	The relationship with the issuer	Name	Amount	Percentage of net purchases for the year (%)	The relationship with the issuer	Name	Amount	Percentage of net purchases for the year (%)	The relationship with the issuer
1	A company	2,860,649	14.22%	Non-related person	A company	2,433,252	9.96%	Non-related person	A company	656,663	9.84%	Non-related person
2	Others	17,261,056	85.78%	None	Others	21,985,312	90.04%	None	Others	6,018,485	90.16%	None
	Net Purchase	20,121,705	100.00%	-	Net Purchase	24,418,564	100.00%	-	Net Purchase	6,675,148	100.00%	-

Note on changes:

(1) A decrease in net sales due to the impact of US tariffs in 2025.

3. Number of employees in the past two years and up to the date of printing of the annual report:

2026/3/31

Year		2024	2025	Current year as of March 31
No. of employees	Sales staff	240	272	265
	Management staff	970	1,108	1,119
	Factory staff	1,534	4,166	3,314
	Total	2,744	5,546	4,698
Average age		41.02	38.30	40.60
Average years of service		10.43	7.68	9.14
Education distribution ratio	Ph. D.	1	3	3
	M.D.	167	217	203
	College	1,449	2,211	2,078
	High School	910	1,467	1,258
	Below high school	217	1,648	1,156

4. Environmental Protection Expenditure Information.

- (1) We produce products without creating pollution. The discharge of runoff water is treated by the industrial area sewage treatment plant to be environmental friendly and avoid environmental pollution.
- (2) The company invested in environmental protection expense. The expense for hardware equipment, air pollution, and waste management (general waste) in 2025 was NT\$35,804,841 in total.

Unit: NTD

Expense Category	Amount	Proportion (%)
Air pollution preventive cost	15,044,257	42.0
Water pollution preventive cost	2,694,425	7.5
Waste treatment cost	12,561,859	35.1
Environmental system certification cost	674,300	1.9
Environmental hardware expense	4,830,000	13.5
Total	35,804,841	100.0

- (3) No environmental pollution has occurred in the past year.
- (4) No loss or compensation has been suffered as a result of environmental pollution in the past year and up to the date of publication of the annual report.

5.Labor relations:

Employees are TYC’s best partners for sustainable development. We continue to make improvements on the employee welfare system. In addition to providing statutory salaries and benefits, we also offer a variety of benefits that exceed legal requirements to enhance overall employee satisfaction and retention.

(1) The company's employee welfare measures, further education, training, retirement system and implementation, as well as the agreement between labor and management and the protection of employee rights and interests of the situation:

1.1. Employee welfare measures and implementation:

Benefits	Description
Annual leave/flexible system	<ul style="list-style-type: none"> • Superior to the Labor Standards Act <ul style="list-style-type: none"> ○ 2-day marriage leave for children’s wedding; 1-day marriage leave for siblings’ wedding ○ Family care leave can be 15 minutes minimum; whereas the Labor Standards Act is 1 hour minimum. • Paid volunteer leave for employees participate in environmental protection or public welfare events on the weekend. • Flexible working hours can be applied for employees with young children or health reason. A total of 3 people applied in 2025.
Bonus/subsidy	<ul style="list-style-type: none"> • Year-end bonus • Travel subsidy \$15,000 for senior employees • Meal allowances, child birth cash gift, hospitalization condolences, wedding and funeral cash gift, festival and birthday cash gift, language learning subsidies, and contracted vendors (a total of 261 contracted vendors in 2025). • If employees unfortunately pass away while employed, the Company will fully sponsor the tuition for their minor children until high school (vocational school). The accumulated amount in 2025 was \$125,270. Currently, two children from the employees still receive the subsidies.
Insurance	<ul style="list-style-type: none"> • Labor insurance, health insurance • Occupational accident insurance • Business travel insurance • Group insurance that covers life insurance, critical illness insurance, accidental injury insurance, medical insurance, and cancer insurance. • Onsite consultation from group insurance personnel.
Employee health	<ul style="list-style-type: none"> • Annual health checkup • Health promotion seminar • Employee psychological counseling
Festival and event	<ul style="list-style-type: none"> • Employee travel • Year-end banquet • Christmas dinner subsidy sponsor for foreign employees • Family Day at Ten Drum Culture Village (2025 new) • Bowling Activity (2025 new)
Other benefits	<ul style="list-style-type: none"> • afternoon snacks • Afternoon refreshment • Free facilities: scooter parking, employee meals, breastfeeding (collecting) room, reading room, automatic blood pressure monitor, AED (Automated External Defibrillator), reserved parking for disability. • Movie night: distribute movie tickets for employees to enjoy movies with families and friends. • Club activity: club can be established with the signatures from 15 or more employees. A new club can receive a subsidy of up to NT\$4,000. • Service Medal: In recognition of the contributions and high loyalty of senior employees who served over 25 years, a "25th Anniversary Service Commemorative Gold Coin" will be awarded at the year-end party. A total of 22 people received the award in 2025.

2. Implementation of Staff Development and Training:

- (1) The Company values employees' competency development and lifelong learning. It has established a comprehensive educational training system that provides diverse courses and seminars to enhance employees' professional skills and broaden their horizons.
- (2) In 2025, the total educational training were 27,705.94 hours, with 94.05% of internal training and 5.95% of external training. The total expense for training was NT\$3,398,855, and total number of person trained was 1,611 people. The average training hour was 17.20 hours/person with NT\$2,110/person for all employees.

3. Employee Retirement System and Implementation:

- (1) The Company's employee retirement method under the "Labor Pension Ordinance". The Company has allocated 6% of the employee's salary per month to the personal pension account of the Labor Insurance Bureau in accordance with the employee retirement method established in the Ordinance.
 - (2) Implementation situation: The amount of pension expenses allocated by the Company in 2025 and 2024 is NT\$44,645,000 and NT\$43,641,000 respectively.
 - (3) The employee pension scheme is a defined benefit plan established by the Company in accordance with the "Labor Standards Act", the payment of the employee pension is calculated based on the length of service and the average salary of one month at the time of approval of retirement. Two bases are given for service years within 15 years (inclusive), and one base is given for each year of service for more than 15 years, provided that the base accumulation is limited to a maximum of 45 bases. In accordance with the provisions of the Labor Standards Act, the Company allocates a pension fund on a monthly basis for 3% of the total salary, which is stored in a special account in the name of the Labor Retirement Reserve Supervision Committee in a special account of the Bank of Taiwan. In addition, the Company estimates the balance of the aforementioned workers' retirement reserve account before the end of each year. If the balance is less than the amount of the pension calculated by the estimated workers eligible for retirement in the following year, the difference will be made by the end of March of the following year.
- (2) Losses suffered as a result of labor disputes in the most recent year and as of the date of publication of the annual Report, and estimated amounts and countermeasures that may occur now and in the future:

The Company values labor-management relations. Although there is no union or group agreement, it provides various communication channels for employees, such as face to face communication, set up online/physical employee suggestion box. Employees can provide constructive feedback to all management levels and human resources at any time. For report cases, the Company handles them confidentially and verifies objectively, and employees are clearly informed that the Company will protect whistle blower's safety from revenge. In addition, the Company protects employees' employment rights by giving the minimum period of advance notice when terminates a labor contract due to significant operational changes, which complies with the Article 16 of the Labor Standards Act.

6. Cyber Security Management

(1) Cyber security risk management structure, cyber security policy, specific management plan, and resource invested in cyber security management:

1. Cyber security risk management structure:

To strengthen TYC internal data security protection, management mechanism, and customer-related information, the Company has established “Information Security System Center”, a dedicated unit of information security with 1 supervisor and 4 specialists in order to meet the requirement of cyber security by competent authority, to execute information security related business and strengthen information security defensive ability.

2. Cyber security policy:

To strengthen information security protection and management mechanism, the Company has organized and established a dedicated unit of information security with adequate professional manpower and resources, made information security policy, management procedure, and regulations, and performed risk control to reach the goal of information security management. It is TYC’s commitment to stakeholders to proactively promote on information security management system, technology reinforcement, and sensitive information protection, and to protect the interest of the customers and business partners, as well as the company’s competitiveness.

Purpose:

To strengthen information security management, establish a safe and reliable global automotive light smart manufacturer, ensure information, system, equipment, and internet security, and protect the interest of the customers and business partners, T.Y.C. Brother Ind. Co., Ltd. (hereinafter referred to as “the Company”) has established this policy for the employees and stakeholders to follow in accordance with relevant regulations in the “Regulations Governing Establishment of Internal Control Systems by Public Companies”, “Guidelines for Information Security Management and Control for the Listed Company”, and “Personal Data Protection Act”.

Goal:

It is to promote all units to enhance information security management and establish a concept of “everyone is responsible for information security” to reduce the occurring rate of information security incident and to manage the impact caused by the incident to an acceptable level. Also, the Company enhances continuous business management and information security tenacity to meet the expectation, as well as ensuring normal operation of the company’s business and protect the interest of the customers and business partners.

Scope:

- Applicable to safety management of the Company’s information asset, including its confidentiality, completeness, and availability.
- All employees, suppliers, contractors, consultants, temporary employees, customers, and third party personnel that involve with the Company’s information operation or data usage shall follow this policy.

Principle:

- All information security management regulations and procedures must follow government regulations (such as: Criminal Law, The Classified National Security Information Protection Act, Patent Act, Trademark Act, Copyright Act, Computer-processed Personal Data Protection Act, and “Guidelines for Information Security Management and Control for the Listed Company”).

- Set up information security organization and clearly stipulate its responsibility to promote and maintain information security management, execution, and verification.
- Establish information security management regulations and procedure to protect the confidentiality, completeness, and availability of the personnel, data, information system, equipment, and internet.
- Conduct regular information security management meeting to review internal and external risks, technology, business needs and latest updates for countermeasure.
- Conduct regular information security tests and audits in order to evaluate the risk of information environment and make improvement.
- Deploy information security protection system and monitoring equipment, continue to improve the security of the overall information environment, and reduce the incidence of various risks.
- Authorization must be required for using system and data, and the minimum level of authorization shall be granted based on business needs.
- Set up adequate backup and backup mechanism for information system, conduct regular emergency drill to strengthen the tenacity of information service when facing threats.
- Establish response and reporting procedure on information security incident and improve the responding and coordinating ability of the internal personnel in an emergency.
- Conduct regular employee training on information security to continue improving the awareness of information security.
- All employees and stakeholders shall be responsible to maintain cyber security and follow relevant cyber security management regulations.

Information security management and implementing priority

To prevent and reduce information security risks, the Company practices and continues to update cyber security measures more strictly, such as set up advance virus scanning tools to prevent factory equipment from virus, strengthen internet firewall and internet control to stop virus from spreading to other equipment or factory, set up virus protection and malware detection solution, improve deployment time of information security to strengthen data center security, establish and review information security performance index, introduce new technology to enhance data protection, strengthen phishing mail detection and conduct regular test on employees' awareness, establish an integrated automation information security maintenance platform by AI service to reinforce the automation for information security incident detection and handling, continue to practice on handling information security attack drill, and entrust external experts to conduct information security assessment.

On-going annual information security priorities are as follows:

1. Internet safety control
2. Assets management and data protection
3. Access control
4. Computer operation security management
5. Personnel and physical security
6. Application security
7. Information security incident handling and management

8. Supply chain security
9. Personnel information security management and educational promotion
10. Internal/External information security assessment and risk management

Cyber security incident handling and reporting

Establish corporate risk management mechanism and information security incident handling standard procedures, stipulate relevant process and measures including reporting procedure of information security incident, assign specialists to handle major cyber security incident, loss evaluation and further necessary responding measure, evaluate cyber risk's possible impact on the Company's finance and operation and its responding and make up measures.

3. Cyber security management implementation and result:

In order to enhance cyber security management, the Company obtained TISAX certification in 2025 Q3 and expects to obtain ISO 27001 external certification in 2026.

Cyber security management action	Description	2025 result
Resource investment	<ol style="list-style-type: none"> 1. Replacement of uninterruptible power supply (UPS) system in the server room at Science Park Plant. 2. Hardware upgrade (improving performance and availability) 3. Spam system protection upgrade 4. Cybersecurity antivirus protection system 5. Cybersecurity health check service 6. Cybersecurity scanning service 7. TISAX information security certification 8. AI solution 	Invested in NT\$5,092,400
Cyber threat defense	Mail management	Intercepted 134,690 quarantined emails Intercepted 2,775 virus emails
	Firewall safety management	Detected 1,999,000 threats activity <ul style="list-style-type: none"> • Medium risk 111,600 items • Low risk 1,062,700 items
	Vulnerability scan	<ul style="list-style-type: none"> • Host vulnerability scan, a total of 85 important targets; 3 items need improvement and have been improved. • Website vulnerability scan and penetration test; 5 items need improvement and have been improved.
Employee cyber security awareness improve	Email social drill	<ul style="list-style-type: none"> • A total of 893 participants were tested in the social drills. • A total of 132 people need to enhance cybersecurity awareness. All of them have completed information security educational training 100% with a total training 132 hours. 100% have passed the exam.
	Conduct employee cyber security training with courses including information and confidentiality leaks and cyberattacks.	A total of 47 new employees and 1,108 existing employees participated in the training, with a total training of 1,115.8 hours.

(2) Any losses, possible impacts therefrom, and measures to be taken due to significant cyber security incidents: None.

7. Important Contract: None

V. Analysis of the Financial Status, Business Outcomes and Risk Issues:

1. Analysis of the financial status:

Unit:NT\$ 1,000 ; %

Item \ Year	2024	2025	Difference	
			Amount	%
Current assets	11,857,759	18,742,361	6,884,602	58.06%
Real estate, plant and equipment	8,541,802	13,629,258	5,087,456	59.56%
Intangible assets	57,286	1,309,996	1,252,710	2186.76%
Other Assets	6,762,548	5,515,022	(1,247,526)	-18.45%
Total assets	27,219,395	39,196,637	11,977,242	44.00%
Current liabilities	8,905,635	17,556,451	8,650,816	97.14%
Non-current liabilities	7,826,425	11,132,708	3,306,283	42.25%
Total liabilities	16,732,060	28,689,159	11,957,099	71.46%
Share capital	3,428,979	3,428,979	0	0.00%
Capital Provident Fund	2,582,447	2,620,090	37,643	1.46%
Retention of surplus	4,317,578	3,936,628	(380,950)	-8.82%
Other interests	(159,777)	75,463	235,240	-147.23%
Treasury Stock	(5,996)	(5,996)	0	0.00%
Equity attributable to owners of the parent company	10,163,231	10,055,164	(108,067)	-1.06%
Non-controlling interests	324,104	452,314	128,210	39.56%
Total equity	10,487,335	10,507,478	20,143	0.19%

The main reasons for the significant changes in assets, liabilities and shareholders' equity in the last two years (changes of more than 20% and the amount of NT\$ 10 million) and their impact and future response plans:

- (1) The main reasons for the major change: Mainly due to US tariffs, exchange rate impact, and included TYC Changzhou Auto Parts Co., Ltd. in the consolidated statements.
- (2) Impact: There is no significant impact.
- (3) Future Response Plan: Not Applicable

2. Financial Performance Review Analysis:

Unit: NT\$ 1,000 ; %

Item \ Year	2024	2025	Increase (decrease) amount	Change ratio (%)
Operating revenues	20,121,705	24,418,564	4,296,859	21.35%
Gross profit	5,881,119	5,342,188	(538,931)	-9.16%
Operating expenses	3,530,420	4,142,526	612,106	17.34%
Non-operating income and expenses	2,350,699	1,199,662	(1,151,037)	-48.97%
Net profit before tax	(404,931)	(329,259)	75,672	-18.69%
Net income before tax	1,945,768	870,403	(1,075,365)	-55.27%
Income tax expense	352,413	220,559	(131,854)	-37.41%
Net profit (Loss) for the period	1,593,355	649,844	(943,511)	-59.22%
Other comprehensive income (expense) for the period, net of tax	130,497	237,058	106,561	81.66%
Total comprehensive income (expense) for the period	1,723,852	886,902	(836,950)	-48.55%
Net profit attributable to owner of parent company	1,544,086	597,778	(946,308)	-61.29%
Net profit attributable to non-controlling interests	49,269	52,066	2,797	5.68%
Total comprehensive income (expense) attributable to owners of the parent	1,671,117	852,984	(818,133)	-48.96%
Total comprehensive income (expense) attributable to non-controlling interests	52,735	33,918	(18,817)	-35.68%
<p>The main reasons for the significant changes in operating income, net operating income and net profit before income taxes (changes of 20% or more) in the last two years, the expected sales volume and its basis, the possible impact on the Company's future financial operations and the corresponding plans:</p> <p>(1) The main reasons for the major changes: Mainly due to US tariffs, exchange rate impact, and included TYC Changzhou Auto Parts Co., Ltd. in the consolidated statements.</p> <p>(2) Expected sales volumes and their basis: Expected AM and OEM sales volumes in 2026 are expected to grow than 2025.</p> <p>(3) Possible impact on future financial operations: No material impact</p> <p>(4) Future plans in response: Not applicable</p>				

3. Cash flow analysis:

(1) Analysis of recent annual cash flow movements:

Item \ Year	2024	2025	Increase (decrease) ratio
Cash flow ratio (%)	35.42%	5.55%	-29.87%
Cash flow ratio (%)	99.00%	62.74%	-36.26%
Cash flow ratio (%)	9.79%	-0.07%	-9.86%

Change analysis description:

1. Cash flow ratio: The main reason is the increase in current liabilities in the current period compared with the previous period.
2. Cash flow allowable ratio: The main reason for the decrease in net cash flow from operating activities in the current period compared with the previous period.
3. Cash reinvestment ratio: The main reason for the decrease in working capital in the current period compared with the previous period.

(2) Cash flow analysis for the coming year:

Unit: NT\$ 1,000

Initial cash balance	Annual net cash flow from operating activities	The total cash outflow	Cash Surplus (insufficient) amount	Remedial measures for cash shortfall	
				Investment plan	Financial plan
200,000	15,054,191	15,048,601	205,590	—	—

Description of the cash flow analysis for the coming year (2026).
In order to meet the business needs and new product development, some of the equipment was retired and replaced.

(3) Cash flow shortage improvement plan: None.

4. Impact of significant capital expenditures on financial operations in the past year :

(1) The use of major capital expenditure and sources of funds.

Unit: NT\$ 1,000

Project	Actual or anticipated source of funds	Actual or expected completion date	Total funds required	Actual or scheduled use of funds
				2025
Machines, mold equipment, etc.	Working capital and loans	2025.12	3,051,486	3,051,486

(2) Expected potential earnings:

In response to market share expansion and future operational development, the Company has continued to expand its facilities to improve production efficiency and reduce production costs.

5.Recent annual investment policy, the main reasons for its profit or loss, improvement plan and investment plan for the next year:

Company Name	Amount	Investment Policy	Main Reason for Profit or Loss	Improvement Plan	Investment Plan for the Next Year
INNOVA	US\$7,700,000	Invest in the U.S-TYC AMERICAS AUTO PARTS COMPANY LLC to expand production base	Newly founded	Not applicable	Depend on operation needs
MOTOR-CURIO	US\$1,518,000	Invest in Thai-JNS AUTOTECH (THAI)CO., LTD. to expand production base	Newly founded	ot applicable	Depend on operation needs

6.Risk Event Analysis Assessment. :

(1)Effect of interest rate, exchange rate and inflation on the Company's profit or loss and future measures.

Unit:NT\$1,000

Item \ Year	2025		3/31 of the current year	
	Amount	%	Amount	%
Net operating income	20,121,705	100.00%	6,675,148	100.00%
Net profit before tax	1,945,768	9.67%	-41,813	-0.63%
Interest income	37,515	0.19%	2,411	0.04%
Interest expenses	364,553	1.81%	125,794	1.88%
Foreign exchange gains (loss)	283,800	1.41%	87,097	1.30%

Source: Financial statements audited by certified public accountants for the year 2025 Financial statements audited by certified public accountants for the first quarter of the current year.

1. Impact of interest rate changes on the Company's profit or loss and future measures.

(1) Effect on profit or loss.

The Company's bank loans are fixed-rate loans and variable-rate loans; therefore, they did not have a significant impact on the Company.

(2) Future measures in response.

The Company maintains an appropriate mix of fixed and floating interest rates, supplemented by interest rate swap contracts to manage interest rate risk. The Company maintains good relationships with its counterparties and is able to control changes in interest rates at any time and adjust them opportunistically.

2. Effect of exchange rate changes on the Company's profit or loss and future measures.

(1) Effect on profit or loss.

The Company is primarily an external seller and is affected by changes in foreign exchange rates. The main exchange gains and losses are those arising from derivative financial instruments.

(2) Future measures in response.

A. The finance department staff keeps abreast of the exchange rate trend through newspaper publications, internet system and professional consultation with banks.

B. Forward foreign exchange operations to hedge the risk of foreign currency debts and

exchange rate fluctuations with reference to exchange rate trend forecasts.

C. In accordance with the relevant provisions of the Financial Supervisory Commission's letter dated December 20, 2013, No. 1 O2O5373, "Guidelines for the Acquisition or Disposal of Assets by Public Companies", the Company regulates the procedures for engaging in derivative financial instrument transactions and strengthens the risk control management system.

3. The impact of inflation on the Company's profit and loss in the most recent year and future measures to address it.

There is no impact from inflation in FY2025, but changes in the prices of raw materials required for production will still be closely monitored.

(2) The Company's policy on engaging in high-risk, highly leveraged investments, lending of funds to others, endorsement of guarantees and derivative transactions, the main reasons for profits or losses, and future measures:

1. The Company does not engage in high-risk, highly leveraged investments.

2. Loans of funds to others: The Company's loans of funds to others are mainly due to business transactions and are made in accordance with the "Procedures for Loans of Funds to Others", with the total amount of loans not exceeding 40% of the Company's net worth. The balance of loans of funds was RMB\$20,000,000 as of 2025.

3. The total amount of endorsement and guarantee is limited to 40% of the Company's current net worth, of which the amount of endorsement and guarantee for a single enterprise shall not exceed 20% of the current net worth, and the balance of endorsement and guarantee is US\$63,235,000 as of 2025.

4. The purpose of these transactions in 2025 is to hedge the risks arising from foreign currency debts and exchange rate fluctuations. The natural hedge and the management of exchange rate risks by means of forward exchange contracts do not meet the requirements of hedge accounting and therefore hedge accounting is not applied.

(3) Future R&D plans and estimated R&D costs.

Item	Topic	R & D Expenses	Estimated MPT	Key influences on the success of future R&D
1	25K Pixel ADB (+ Camera) headlamp	15 million	4th quarter of 2026	Pair up camera device in ADB light fixture, it combines AI image recognition and vehicle trajectory prediction to provide precise protection from light that complies with emerging regulation requirements. It can be applied to various scenarios such as straight lines and curves, and further improving driving safety at night.
2	Star-Diamond design rear lamp	8 million	2nd quarter of 2026	Unique design aesthetics that work with driving and braking regulations, it provides various optical solutions that match the customers' exterior. Not only does it improve the vehicle's exterior sophistication, but also more flexibility and creativity for the overall vehicle design.
3	Grille light	10 million	3rd quarter of 2026	Grille light technology mainly involves the integrations of LED lighting, intelligent control modules, and vehicle sensor systems. It aims to improve aesthetics, brand recognition, and driving safety, as well as the intelligent connection of electric vehicles.

(4) Effect of significant domestic and foreign policy and legal changes on the Company's financial operations and measures taken in response: None.

(5) The impact of technological (including cyber security risk) and industrial changes on the company's financial business and the corresponding measures:

We will continue to provide high technical standards and quality services through our design and development team, educate and train our sales and technical staff to adapt to product changes, maintain regular interaction with our customers, understand their operating conditions, keep abreast of market information, reduce inventory of raw materials and finished products, and make good commitment to quality and delivery to ensure the company's interests.

(6) Impact of corporate image change on corporate crisis management and response measures: Not applicable.

(7) Expected benefits, possible risks and contingencies of the merger and acquisition: Not applicable.

(8) Expected benefits, possible risks and response measures for plant expansion: Not applicable.

(9) Risks of purchase or sale concentration and countermeasures:

The company's largest purchaser accounted for about 7.06% of the total purchase amount, mainly to produce the company's products sold to North America. In addition, the largest purchaser accounted for about 9.96% of the total sales amount, in view of the future growth trend of the company, and actively mapped out global sales locations, in order to maintain more balanced and stable operating results.

- (10) The impact, risk and response measures of a significant transfer or change in the Company.:
Since the establishment of the Company, there have been changes in or transfers of shareholdings of directors or substantial shareholders, but due to the Company's sound operation and maintenance of good operating results, no significant transfer or replacement of shareholdings has occurred.
- (11) Impact of the change on the operating rights of the Company, risks and countermeasures:
Not applicable.
- (12) Litigation or non-litigation events, including litigation, non-litigation or administrative disputes that have been determined or are still pending against the Company, its directors, general manager, persons in charge of the Company, substantial shareholders holding more than 10% of the shares, and affiliated companies, the outcome of which may have a significant impact on shareholders' equity or securities pricing: None.
- (13) Other significant risks and response measures: None.

VI. Special notes:

1.Related information on affiliated companies.

(1) Report on Consolidated Operations of Affiliated Companies:

Please refer to MOPS ->single company ->electronic document download / inquiry for affiliated companies' chart

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

(2) Consolidated Financial Statements of Affiliated Companies:

Consolidated financial statements with parent and subsidiary

(3) Relationship report: None

2.Private securities in the past year and as of the date of publication of the annual report: None

3.Other necessary supplementary information: None

VII. Matters in the past year and as of the date of publication of the annual report which have a substantial impact on the owner's equity as stipulated in item 2, paragraph 3 of Article 36 of the Securities Exchange Law: None.

T.Y.C. BROTHER IND. CO., LTD

Chairman WU , KUO-CHEN