Stock Code:6129

普誠科技股份有限公司
Princeton Technology Corp.

2025 Annual Report

May 11, 2026

Website for enquires of this Annual Report:
https://mops.twse.com.tw/mops/web/index
http://www.princeton.com.tw

I. Company Spokesperson:

Name: Yu-Chen Hu

Position: CFO

Tel: (02) 6629-6288 #25233

Email address:jade@princeton.com.tw

Deputy Spokesperson

Name: Chi-Lin Chao

Job Title: Project Manager of the Chairman's Office

Tel: (02) 6629-6288 #24564

Email address:gloria@princeton.com.tw

II. Company, Factory:

Taipei Headquarters: 2F., No. 233-1, Baoqiao Rd., Xindian Dist., New Taipei City

Tel: (02) 6629-6288

Hsinchu Office: 6F.-1, No. 47, Ln. 2, Sec. 2, Guangfu Rd., East Dist., Hsinchu City

Tel: (03) 575-2191

Factory: 6F., No. 3, Aly. 6, Ln. 235, Baoqiao Rd., Xindian Dist., New Taipei City

Tel: (02)6629-6288

III. Stock transfer institution:

Name: Stock Affairs Agency Department of KGI Securities Co., Ltd

5F., No. 2, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City

Website://www.kgi.com.tw

Telephone：(02) 2389-2999

IV. Annual Certified Public Accountant:

Firm Name: Crowe (TW) CPAs

Name of CPA: Meng-Ta Wu, Chin-Shu Pan

Address: 7F., No. 122, Dunhua N. Rd., Songshan Dist., Taipei City

Website: //www.crowehorwath.net/tw/

Telephone：(02) 8770-5181

V. Overseas Securities Exchange Where Securities are Listed and Method of Inquiry: None

VI. Corporate Website:

http://www.princeton.com.tw

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Chapter 1. Letter to Shareholders

I. Business results of the previous year

1. The company's operating income for FY2025 was NT$655,876 thousand, net loss after tax was NT$197,749 thousand, and the earnings per share after tax was negative NT$1.09. The total assets of the Company at the end of 2025 were NT$1,893,126 thousand, total liabilities of NT$232,068 thousand, a debt ratio of 12% and a current ratio of 231%, with a sound financial structure.
   The consolidated operating income of the Company for FY2025 was NT$1,123,060 thousand, the net loss after tax attributable to the parent company was NT$197,749 thousand, and the earnings per share after tax was negative NT$1.09. The consolidated assets of the Company at the end of 2025 were NT$2,169,037 thousand, total liabilities of NT$454,778 thousand, the debt ratio was 21%, the current ratio of 291%, and the consolidated financial structure was sound.
2. Budget Execution: The Company did not release financial forecasts for FY2025, so it is not applicable.
3. Research and development status: To enhance the company's product competitiveness, we will plan our product and R&D strategies with a focus on being a system integration solution provider. By leveraging our system-level integration capabilities to penetrate customers' core architectures, we will deepen partnerships and explore business opportunities in diverse application scenarios to increase long-term customer value and expand revenue.
   We will establish a dedicated firmware team to promote the deep integration of motor algorithms and MCUs, and implement SiP packaging technology to integrate MCUs, motors, and LED drivers, creating a platform-based solution.

II. This year business plan summary

1. Business Goals for the Current Year: The company will focus on the automotive electronics and consumer markets, deepen its layout in high-efficiency LED drivers, automotive communications and power technologies, and develop system-level solutions by integrating driver ICs with MCUs, continuously enhancing product value and market competitiveness, and driving growth in operating scale and profitability.
2. Expected sales volume: As the company has not provided a financial forecast for the year 2026, an estimate for the expected sales volume is not applicable.
3. Key Production and Marketing Strategies: Focusing on core automotive and industrial customers, we intervene early in their development process through a design-in model to enhance project stickiness. Simultaneously, we cross-sell our platform-based product portfolio (MCU, Driver, Power) to increase the contribution of individual customers, and combine this with in-depth

strategic customer cooperation and regional agency development to accelerate market penetration and revenue growth.

III. Future company development strategy

We are comprehensively deepening our "system solutions" strategy, integrating automotive LEDs, motors, and power supply products with MCUs as the core hub. Through a design-in model, we are deeply involved in the development processes of automotive and industrial customers, expanding cross-selling and increasing the value of individual customers. Simultaneously, we are stabilizing the cash flow of existing display driver products, accelerating the mass production rollout of printer drivers, and actively developing high-margin, high-end application products. Coupled with regional agencies and a dual-track geographical layout, we are expanding into the global market, driving product structure upgrades and rapid revenue growth.

IV. Impact of the external competition, the legal environment, and the macroeconomic conditions:

The IMF projects global economic growth of approximately 3.2% to 3.4% in 2026, maintaining a moderate growth trend, while inflation is expected to further decline to around 3.5% to 4.0%. However, factors such as the monetary policy direction of major economies, continued trade protection measures, and geopolitical risks continue to bring uncertainty to global economic development.

Domestically, benefiting from the recovery in demand in the semiconductor and electronics industries, continued expansion of private investment, and stable consumption momentum, Taiwan's economic growth rate is expected to remain around 3.0% to 3.5% in 2026. However, attention needs to be paid to the impact of changes in international trade policies on exports, as well as the potential inflationary pressures brought about by adjustments in energy and electricity prices.

At the industry and operational levels, with the continued growth in demand for automotive electronics and high-performance applications, competition in related markets is becoming increasingly fierce. Our company will continue to invest in the research and development of new products and key technologies, deepen cooperation with key customers, actively expand into new application areas and market share, and strengthen supply chain management and cost control to enhance overall operational resilience and market competitiveness.

Thank you for your long-term support and encouragement to the company, thank you!

Chairman Chang-An Chiang

Chapter 2. Corporate Governance Report

I. Information on the Company's Directors, Supervisors, Presidents, Vice Presidents, Assistant Vice Presidents, and the Supervisors of All the Company's Divisions and Branch Units

(I) Directors and Supervisors

April 18, 2026

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Major experience (academic)	Other Position Concurrently Held at the Company Or Other Companies	Executives, Directors or Supervisors Who are Spouses or Within the Second Degree of Kinship			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Chang-An Chiang	Male 61-70 years old	2023.06.16	3	1999.06.14	11,557,256	6.39%	11,557,256	6.39%	0	0	0	0	1. Marketing Manager, UMC 2. Department of Electrophysics, National Yang Ming Chiao Tung University	1. President, Princeton Technology Corporation. 2. Chairman, Princeton Technology Corporation (Shenzhen) 3. Chairman, Princeton Technology Corporation Chuangzhi (Chengdu) 4. Chairman of Chengdu Chiprail Microelectronics 5. Chairman, Cherng Yih Investment Co., 6. Chairman, Princeton Silicon Corp. 7. Chairman, Morelink CO., Ltd. 8. Chairman, Foresight Technologies Co, Ltd. 9. Chairman, Sipp Technology Corporation 10. Director, Unifosa Corp	None	None	None	The Chairman and President are the same person (Note 1)

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Major experience (academic)	Other Position Concurrently Held at the Company Or Other Companies	Executives, Directors or Supervisors Who are Spouses or Within the Second Degree of Kinship			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
																11. Director, Kenmao Computer Taiwan 12. Director of Wenchuang No.1 13. Supervisor, Qunxin Venture Capital 14. Chairman, Siliac, Inc. 15. Director, Phoenix High-Tech Materials 16. Chairman, Himalayan Venture Capital 17. Chairman, Taixin Co., Ltd. 18. Chairman, Jiaxin Co., Ltd.				
Director	R.O.C.	Taihsin Co., Ltd. Representative: Wei-Ru Zhang	Female 61-70 years old	2023.06.16	3	2023.06.16	6,546,000	3.62%	6,976,000	3.86%	N/A	N/A	N/A	N/A	1.Director, Taiwan-Asia Semiconductor Corp. 2.Department of Tourism, Ming Chuan University	Director, Foresight Tech. Corp. Independent Director, Unifosa	None	None	None	
							10,000	0%	10,000	0%	0	0%	0	0%						
Director	R.O.C.	Taihsin Co., Ltd. Representative: Lin Zhong	Male 31-40 years old	2023.06.16	3	2023.06.16	6,546,000	3.62%	6,976,000	3.86%	N/A	N/A	N/A	N/A	1.Representative, Kuan Xu Interior Decoration Co.,Ltd 2.Master of Department of Architecture, NCKU	Representative, Zhonglin Architects Office	None	None	None	
							0	0%	0	0%	0	0%	0	0%						
Director	R.O.C.	National Yang Ming Chiao Tung University Representative: Hsuan-Hui Lin	Male 51-60 years old	2023.06.16	3	2005.06.13	1,225	0.00%	1,225	0.00%	N/A	N/A	N/A	N/A	1. Chairman, Department of Electronics, National Yang Ming Chiao Tung University 2. Ph.D., Department of Photonics, National Yang Ming Chiao Tung University	Professor, Department of Electrophysics, National Yang Ming Tung University	None	None	None	
							0	0%	0	0%	0	0%	0	0%						
Independent Director	R.O.C.	Hsueh-Min Wu	Female 61-70 years old	2023.06.16	3	2005.06.13	0	0%	0	0%	0	0%	0	0%	1. Teco Co., Ltd.L AUDITING 2. Master of Commerce, University of Chicago	Independent Director, Unifosa	None	None	None	

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Major experience (academic)	Other Position Concurrently Held at the Company Or Other Companies	Executives, Directors or Supervisors Who are Spouses or Within the Second Degree of Kinship			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	Yi-Chen Tsai	Female 61-70 years old	2023.06.16	3	2005.06.13	0	0%	0	0%	0	0%	0	0%	1. Saiyan Genomics CFO and Spokesperson 2. Master of Commerce, Ohio University		None	None	None	
Independent Director	R.O.C.	Yu-Feng Ma	Male 61-70 years old	2023.06.16	3	2008.06.13	0	0%	0	0%	0	0%	0	0%	1. Central Bank, Office of Economic Research 2. Ph.D., Business Administration, National Taipei University	Assistant Professor, Department of Finance and Banking, Shin Chien University Independent Director, Unifosa	None	None	None	
Independent Director	R.O.C.	Zhi-Ling Chen	Male 61-70 years old	2023.06.16	3	2023.06.16	0	0%	0	0%	0	0%	0	0%	1.Auditing member of Taipei CPA association. 2.Master of Accounting, National Cheng-Chi University	CPA of Nexia Sunrise Accounting Firm	None	None	None	

Major Shareholders of Institutional Shareholders April 18, 2026

Name of Institutional Shareholder	Major Shareholders
Taihsin Co., Ltd.	Chiahsin Co., Ltd. (100%)
Name of Institutional Shareholder	Name of donor and percentage
National Yang Ming Chiao Tung University	Please refer to the list of donations on the school website (https://www.fund.nctu.edu.tw/donation.php)

Major Shareholders of Institutional Shareholders

Name of Institutional Shareholder	Major Shareholders
Chiahsin Co., Ltd.	Chang-An Chiang (30%) Hui-Chin Weng (30%)

Directors and Supervisors

I. Disclosure of Professional Qualifications and Experience and Independence of Directors:

Criteria / Name (Note 1)	Professional Qualifications and Experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Chang-An Chiang	B.S., Department of Electrophysics, National Yang Ming Chiao Tung University, previously served as the Marketing Manager of UMC, and currently serves as Chairman and President of Princeton Technology Corp. Mr. Chang-An Chiang is the founder of Princeton Technology Corp. and a pioneer in Taiwan's IC design industry, focusing on IC design and management of semiconductor industry, with rich operational judgment ability, management ability, leadership and other diverse professional background.	Non Independent Director	0
Wei-Ru Zhang	Department of Tourism, Ming Chuan University, served as Director of Taiwan-Asia Semiconductor Corp. and is currently the Director of Foresight Tech. Corp. Ms. Wei-Ru Zhang has extensive director experience in the electronic technology industry.		0
Lin Zhong	Master of Department of Architecture,		0

Criteria / Name (Note 1)	Professional Qualifications and Experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
	NCKU, served as the representative of Kuan Xu Interior Decoration Co.,Ltd, and is currently the Representative of Zhonglin Architects Office. Mr. Lin Zhong has extensive company management capabilities.		
Hsuan-Hui Lin	Ph.D., Department of Photonics, National Yang Ming Chiao Tung University, served as Head of Department of Electronics, National Yang Ming Chiao Tung University, and currently Professor of Electrophysics at National Yang Ming Chiao Tung University. Mr. Chen has extensive academic experience and professional competence in electronic physics.		0
Hsueh-Min Wu	Master of Business, University of Chicago, USA, served as vice President of Auditing office of Dachan Great Wall Group. Ms. Wu specializes in internal audit, financial professional and corporate management.	All Independent Directors comply with Article 3 of "Rules for Independent Directors to Set and Comply with Public Companies", please note 2 for details	1
Yi-Chen Tsai	Master of Business, Ohio University, USA, served as Chief Financial Officer and Spokesperson of Vita Genomics Inc. Ms. Yi-Chen Tsai specializes in financial accounting and corporate governance.		0
Yu-Feng Ma	Ph.D., Business Administration, National Taipei University, and currently serves as an assistant professor in the Department of Finance and Banking, Shin Chien University. Mr. Yu Fung Ma specializes in financial accounting and corporate governance.		1
Zhi-Ling Chen	Master of Accounting, National Cheng-Chi University, served as auditing member of Taipei CPA association and is currently CPA of Nexia Sunrise Accounting Firm. Mr. Zhi-Ling Chen has rich academic experience, internal auditing, corporate governance and financial accounting		0

Criteria / Name (Note 1)	Professional Qualifications and Experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
	capabilities. He has extensive experience in corporate operations and growth, and has the ability to analyze and apply financial information.		

Note 1:

(1) All members of the Directors do not have any matters in Article 30 of the Company Act.

(2) Independent Director's expertise, please refer to Board members to implement diversity

Note 2: Article 3 of "Measures for Independent Directors to Set and Comply with Public Issuance Company"

(1) I, my spouse, relatives within the second level are not Directors, Supervisors or employees of the Company or affiliates

(2) Not a natural-person Shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings.

(3) Not Managers or Directors, Supervisors, spouses, relatives within two relatives or relatives within three relatives of the company holding more than one percent of the issued shares or Shareholders of the top 10 natural persons

(4) Not a Director, Supervisor or employee of a company with a particular relationship with the Company

(5) In the last 2 years, the Director himself or the Director of the company has not provided the Company's exclusive or professional services

II. Board Diversity and Independence:

(I) Board Diversity:

To strengthen the operation of the Board of Directors and functions "Board Diversity", the company has a diversified and professional Board of Directors composed of experts and scholars with industry, accounting, business and investment. The Board members have industry experience, covering operation judgment, corporate governance and management professional areas such as risk management and sustainability management.

1. General board members: Composed of members with a bachelor's degree in Electrophysics from National Yang Ming Chiao Tung University, Ph.D., Department of Photonics, National Yang Ming Chiao Tung University and a master's degree from the National Cheng Kung University's Institute of Architecture.
2. Independent director members: Composed of members with professional backgrounds such as a master's degree from the Graduate School of Business of the University of Chicago, a master's degree from the Graduate School of Business of Ohio State University, a PhD from the Graduate School of Business Administration of Taipei University, and a master's degree from the Accounting Institute of National Chengchi University.
3. The company pays attention to the industrial experience and professional abilities of board members: the specific management goal of the board member diversity policy is to have at least 3 directors with financial accounting and taxation expertise, and at least 2 female directors; currently, among the 8 directors of the company, four of them have financial qualifications and

3 female directors, all of which account for 100% of the seats.

4. Six directors of the company are aged 61-70 years old, one director is aged 51-60 years old, and the other director is aged 31-40 years old.
5. The Company’s two independent directors have a term of 21 years, one independent director has a term of 18 years, and the other independent director has a term of 3 years.
6. Board of Directors 8 seats, including 1 natural person Director, 3 Corporate Directors and 4 Independent Directors, Diversified composition, with different core competencies, Independent Directors with different professional background, effectively undertaking their duties, including establishing a good board governance system and guiding the company management The hierarchy is committed to maximizing Stakeholder equity by strengthening management functions and overseeing the overall operating conditions of the company.

Diversified Core Projects / Name of Director	Basic composition									Diversified Situation								
	Nationality	Gender	Adjunct employees of the Company	ages			Years of office of independent Directors			Operational judgment	Accounting and Financial Analysis	Business management	Industry Knowledge	Corporate Governance	leadership	Decision-making ability	Risk Management	International Market View
				31 to 40	51 to 60	61 to 70	Under 3 years	3 years to 9 years	9 years or more									
Chang-An Chiang	R.O.C.	Male	V			V				V	V	V	V	V	V	V	V	V
Taihsin Co., Ltd. Representative: Wei-Ru Zhang	R.O.C.	Female				V				V		V	V			V	V	V
Taihsin Co., Ltd. Representative: Lin Zhong	R.O.C.	Male		V						V		V			V	V		V
National Yang Ming Chiao Tung University Representative: Hsuan-Hui Lin	R.O.C.	Male			V					V		V	V		V	V		V
Hsueh-Min Wu	R.O.C.	Female				V			V	V	V	V		V		V	V	
Yi-Chen Tsai	R.O.C.	Female				V			V	V	V	V		V		V	V	
Yu-Feng Ma	R.O.C.	Male				V			V	V	V	V		V		V	V	
Zhi-Ling Chen	R.O.C.	Male				V	V			V	V	V		V		V	V	

(II) Independence of the Board:

1. The Company implements the corporate governance system, all operations and arrangements, and the Board of Directors shall exercise its powers in accordance with laws, Articles of Association or Shareholders' Meeting resolutions. The company respects the professionalism of Directors, all board motions can be fully discussed before the meeting, major motions or other projects as needed to consult the Directors to communicate in advance, and consult the Directors

during the meeting, effectively improve the effectiveness of the decision making of the motion, and forming a good Board Meeting culture. The Independent Directors objectively exercise their powers, audit the existence or potential risks of the Company to ensure the effective implementation of internal control, Visa Accountant's choice (solution) and independence and financial statements. The proportion of directors with employee status is 12.5%, and the proportion of independent directors is 50%.

2. According to the Company's “Director Election Method”, the election of Directors (including independent Directors) adopts the cumulative voting system and the candidate nomination system, encourages Shareholders to participate, Shareholders holding more than a certain number of shares may propose a list of candidates, the candidate's eligibility conditions are reviewed and whether they violate the provisions of Article 30 of the Company Law Confirmation and related acceptance operations are carried out in accordance with the law and announcement to protect the rights and interests of Shareholders, and maintain independence. The Directors of the Company have no spouse and kinship within the second class, and no matter as stipulated in item 3 and 4 of Article 26 of Article 26 of the Securities Trading Act.

(II) President, Vice Presidents, Associate Managers, and Supervisors of All the Company's Divisions and Branch Units

April 18, 2026

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who are Spouses or Within the Second Degree of Kinship			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C.	Kuo-Wei Lee	Male	2024.05.09	32,000	0.02%	0	0%	0	0%	1.Vice President, Princeton Technology Corporation. 2. Master of Department of Electronic and Computer Engineering, National Taiwan University of Science and Technology	None	None	None	None	)
Assistant	R.O.C.	Fang-Tien Kuo	Male	2010.09.15	0	0%	0	0%	0	0%	1. Director, Tien Yu Semiconductor 2. Master of Electrical Engineering, National Tsing Hua University	None	None	None	None	
Assistant	R.O.C.	Ching-Hsing Huang	Male	2014.03.12	13,000	0.01%	0	0%	0	0%	Institute of Physics, National Taiwan University	None	None	None	None	
Assistant	R.O.C.	Chien-Yu Yang	Male	2017.09.01	0	0%	0	0%	0	0%	Graduate Institute of Accounting, Tamkang University	None	None	None	None	
Assistant	R.O.C.	Yi-Nan Chen	Male	2018.06.20	0	0%	0	0%	0	0%	Delin Institute of Technology Department of Electronic Engineering	None	None	None	None	
Assistant	R.O.C.	Li-Ying Chang	Male	2020.02.01	0	0%	0	0%	0	0%	Tamkang University	None	None	None	None	
Head of Finance	R.O.C.	Yu-Chen Hu	Female	2007.01.25	0	0%	0	0%	0	0%	1. Senior Manager, Standard Chartered 2. Master of Business Administration, St. John's University	1. Director, Cherng Yih Limited. 2. Supervisor, Morelink Co., Ltd 3. Director, Princeton Technology Corporation (Chengdu) 4. Supervisor, Qunxin Venture 5. Chairman, Group Management 6. Supervisor Chengdu Chiprail Microelectronics	None	None	None	
Audit Supervisor	R.O.C.	Yen-Chao Li	Female	2008.09.01	0	0%	0	0%	0	0%	1. Director, Hongguo Audit Office 2. Department of Accounting, Chinese Culture University	None	None	None	None	
Chief Accounting Officer	R.O.C.	Wen-Yu Lin	Female	2007.09.27	3	0%	0	0%	0	0%	1. Head of Audit, Ming Teng Industrial 2. Master of Accounting, Soochow University	1. Head of Accounting, Cherng Yih Limited 2. Director, Cherng Yih Limited 3. Supervisor, Chengdu Chiprail Microelectronics	None	None	None	

II. Compensation paid to Directors, supervisors (or independent Directors of audit committee) the most recent year

1. Compensation for General Directors and Independent Directors

units:

Title	Name	Compensation								Total amount and Ratio of Total Compensation (A+B+C+D) to Net Income (%)		Relevant Compensation Received By Direct				
		Base Compensation (A)		Severance Pay and Pension (B)		Director Compensation (C)		Business Execution Expenses (D)				Salary, Bonuses, and Allowances (E)		Severance Pay and Pension (F)		
		The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements	The Cash
Chairman (Note 1)	Chang-An Chiang	0	0	0	0	0	0	60	60	NA	NA	3,044	3,044	0	0	0
Director	Representative of Taihsin Co., Ltd.: Wei-Ru Zhang	0	0	0	0	0	0	40	40	NA	NA	0	0	0	0	0
Director	Representative of Taihsin Co., Ltd.: Lin Zhong	0	0	0	0	0	0	50	50	NA	NA	0	0	0	0	0
Director	National Yang Ming Chiao Tung University Representative: Hsuan-Hui Lin	0	0	0	0	0	0	60	60	NA	NA	0	0	0	0	0
Independent Director	Yu-Feng Ma	0	0	0	0	0	0	140	140	NA	NA	0	0	0	0	0
Independent Director	Hsueh-Min Wu	0	0	0	0	0	0	140	140	NA	NA	0	0	0	0	0
Independent Director	Yi-Chen Tsai	0	0	0	0	0	0	120	120	NA	NA	0	0	0	0	0
Independent Director	Zhi-Ling Chen	0	0	0	0	0	0	140	140	NA	NA	0	0	0	0	0

1. The company's independent Directors' compensation, in addition to the results of the performance evaluation of Directors, in accordance with the company's “Compensation Committee Organization Rules”, the compens to the company's operation, linking the reasonable fairness of performance risk to the compensation, and Suggestions submitted to the Board of Directors after reference to the company's operating performance and the i
2. Other than disclosures in the table above, compensation paid to Directors for providing services (such as consulting services as a non-employee) for all companies in the consolidated financial statements in the most rece

Note 1: As the Company suffered a loss after tax for the current period, no directors' compensation was distributed and the calculati not applicable.

2. Compensation of President and Vice President

unit: NT$1,000, 1000 shares /April 18, 2026

Title	Name	Salary (A)		Severance Pay and Pension (B)		Bonuses and Allowances		Employee Compensation				Total amount and Ratio of Total Compensation (A+B+C+D) to Net Income (%)		Compensation from Ventures Other Than Subsidiaries or from the Parent Company
		The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements	The Company		Companies in the Consolidated Financial Statements		The Company	Companies in the Consolidated Financial Statements	
								Cash	Stock	Cash	Stock			
President	Kuo-Wei Lee	3,400	3,400			820	820	0	0	0	0	NA	NA	None

Note 1: As the Company suffered a loss after tax for the current period, no employee compensation was distributed and the calculation of the proportion of net profit after tax was not applicable.

3. Compensation for the top five employees

Unit: NT$1,000, 1000 Shares /April 19, 2025

Title	Name	Salary (A)		Severance Pay and Pension (B)		Bonuses and Allowances		Employee Compensation				Ratio of Total Compensation (A+B+C+D) to Net Income (%)		Compensation from Ventures Other Than Subsidiaries or from the Parent Company
		The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements	The Company		All companies in the financial report		The Company	Companies in the Consolidated Financial Statements	
								Cash	Stock	Cash	Stock			
Chairman	Chang-An Chiang	3,400	3,400	0	0	820	820	0	0	0	0	NA	NA	None
President	Kuo-Wei Lee	2,460	2,460	0	0	584	584	0	0	0	0	NA	NA	None
Head of Finance	Yu-Chen Hu	1,824	1,824	0	0	420.4	420.4	0	0	0	0	NA	NA	None
Senior Manager	Chien-Yu Yang	1,800	1,800	0	0	415	415	0	0	0	0	NA	NA	None
Senior Manager	Fang-Tien Kuo	1,800	1,800	0	0	310	310	0	0	0	0	NA	NA	None

4. Employee dividends

Compensation to Managerial Officers and Distribution Status

April 18, 2026 Unit: NT$1000; 1000 Shares

	Title	Name	Stock	Cash	Total	Ratio of Total Amount to Net Income (%)
Managerial Officer	President	Kuo-Wei Lee	0	0	0	0
	Senior Manager	Fang-Tien Kuo				
	Senior Manager	Ching-Hsing Huang				
	Senior Manager	Chien-Yu Yang				
	Senior Manager	Yi-Nan Chen				
	Senior Manager	Li-Ying Chang				
	Head of Finance	Yu-Chen Hu				
	Chief Accounting Officer	Wen-Yu Lin				

Note 1: The amount of compensation of Managers for the year 2025 was passed by the Board of Directors.

Note 2:This is the amount of employee compensation (including stocks and cash) distributed to managers approved by the board of directors in the most recent year. If it cannot be estimated, the proposed distribution amount for this year will be calculated based on the proportion of the actual distribution amount last year.

5. Separate Comparisons and Descriptions of Total Compensation, as a Percentage of Net Income Stated in the Parent Company-Only Financial Reports or Individual Financial Reports, as Paid by the Company and All Other Companies Included in the Consolidated Financial Statements During the Past Two Fiscal Years to Directors, Supervisors, the President, and Vice Presidents, with Analysis and Description of Compensation Policies, Standards, and Packages, Procedure for Determining Compensation, and Linkage Thereof to Operating Performance and Future Risk Exposure

If the Company's profit in the year, 5% ~ 20% of the employee compensation shall be allocated by the resolution of the Board of Directors to share or cash distribution, which includes employees of affiliated companies that meet certain conditions; the company has the above profit amount, the resolution of the Board of Directors to allocate 1.5% to the Director's compensation. The distribution of employee and Director's compensation should be reported to the Shareholders' Meeting. However, if the company still has accumulated losses, the amount of compensation should be retained in advance, and then the compensation of employees and Directors is proportional to the preceding. The President and Vice

President's compensation, including salary, bonus, employee bonus, employee stock warrants, etc., is based on the position held and responsibility, according to the level of counterparts for similar positions.

1. The compensation of Directors, President and Vice President of the Company is the company, and does not receive the feud of other companies in the consolidated report.
2. Total compensation of Directors, President and Vice President in 2025 and 2024 to individual financial report profit after tax

ratio / Title	FY2025 Ratio of Total Amount to Net Income (%)		FY2024 Ratio of Total Amount to Net Income (%)	
	The Company	Companies in the Consolidated Financial Statements	The Company	Companies in the Consolidated Financial Statements
Director	NA	NA	NA	NA
Supervisor (Note 1)	-	-	-	-
Name of the President and Vice Presidents	NA	NA	NA	NA

Note 1: The Company elected three independent Directors in shareholders' meeting of 2023/6/16 under nomination system and set up an audit committee to substitute supervisors.

Note 2: As the Company suffered a loss after tax for the current period, the calculation of the proportion of net profit after tax was not applicable.

3. Director's compensation includes compensation, business execution costs and Directors' compensation, etc. Business execution costs are paid by all Directors according to the number of attendance; Director's compensation is allocated according to the company's articles of association, the profit of 1.5% to the Director's compensation. The proportion of directors' remuneration distribution is based on the results of evaluation projects such as the company's grasp of the company's goals and tasks, the degree of participation in the company's operations, and the directors' professional and continuing education, and is distributed based on the weighted results. Individual compensation has been reported to the Compensation Committee and Board of Directors resolutions.
4. The compensation of President and Vice President includes fixed salary, performance bonus, employee compensation and other compensation, performance bonus and employee compensation are linked to operating performance. Evaluation indicators include position, management performance and department annual performance target achievement rate, such as revenue, gross profit margin, net profit rate and department customization key indicators, and pay the compensation to the Compensation Committee and Board resolutions after considering the company's overall profit, future risks and development strategies for the year.

III. Implementation of Corporate Governance

(I) Board of Directors

1. Board of Directors

The most recent (2024) annual meeting of the Board of Directors (A), the attendance of the Directors (including independent Directors of the Audit Committee) is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance rate (%) [B/A]	Remark
Chairman	Chang-An Chiang	5	0	100%	2023.6.16 Elected
Director	Taihsin Co., Ltd. Representative: Wei-Ru Zhang	3	2	60%	2023.6.16 Newly Elected
Director	Taihsin Co., Ltd. Representative: Lin Zhong	4	1	80%	2023.6.16 Newly Elected
Director	Yang Ming Chiao Tung University Representative: Hsuan-Hui Lin	5	0	100%	2023.6.16 Elected
Independent Director	Yu-Feng Ma	5	0	100%	2023.6.16 Elected
Independent Director	Hsueh-Min Wu	5	0	100%	2023.6.16 Elected
Independent Director	Yi-Chen Tsai	4	1	80%	2023.6.16 Elected
Independent Director	Zhi-Ling Chen	5	0	100%	2023.6.16 Newly Elected

Other matters:

I. With regard to the operations of the Board of Directors, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, all independent Directors' opinions, and the Company's response shall be specified:
   (I) The items listed in Article 14 of Article 3 of the Securities Exchange Act are not required because the Company has established an Audit Committee.
   (II) Any recorded or written Board resolutions to which independent Directors have dissenting or qualified opinions to be noted in addition to the above: None.
   None.

II. Regarding recusals of Directors due to conflicts of interests, the names of the Directors, contents of motions, reasons for recusal, and results of voting shall be specified:
   None.

III. TWSE/TPEx-listed companies shall disclose the evaluation cycle and duration, scope of evaluation, methodology, and evaluation contents of the self (peer) evaluation of the Board of Directors and fill out Table II (2) Implementation of the Evaluation of the Board of Directors: Not applicable.
   Please refer to Schedule 2 (2) for the execution of the Board's evaluation.

IV. Measures taken to strengthen the function of the Board (including establishing the Audit Committee and enhancing information transparency) and results thereof:
   The Company is committed to implementing the governance of board members, sound supervision function, strengthening the effectiveness of board management and information transparency, and will continue to strengthen the functions and operational efficiency of the board and audit committee, so as to better supervise the operation of the company.
   1. On June 16, 2023, the company was elected by the 2023 Shareholders' Meeting according to the nomination system of four Independent Directors of the "Audit Committee", according to the "Audit Committee Rules" to implement the supervision responsibilities.
   2. The company in the public information observing station, Annual Report and the company's website information disclosure operations, all comply with relevant laws and regulations of the competent authorities, for the voluntary disclosure of information transparent company.
   3. The Company pays attention to the diversity of board members. "Board Performance Evaluation Method" was passed in 2021, the Board of Directors, Audit Committee and Compensation Committee internal assessment results for 2025 are "Excellent" and reported to the Board of Directors on March 6, 2026.

4.	The company has established “Corporate Governance Code of Practice” and corporate governance evaluation indicators according to the authorities to continue to strengthen corporate governance, the official website will update the corporate governance related information immediately to enhance the transparency of the company.

2. Implementation of Board Evaluation

Evaluation Cycle	Evaluation Period	Scope of assessment	Evaluate Method	Evaluation Content
Run once a year	2025/1/1-2025/12/31	Performance Evaluation of Board and Individual Board Members and Functional Committees	Internal self-evaluation of the board and self-evaluation of the members of the Directors	1. Evaluating Board Performance: Engagement of the Company's Operations, Quality of Board Decisions, Composition and Structure of the Board, Election of Directors, Continuous Education and Internal Control 2. Performance evaluation of individual Directors: mastery of company goals and tasks, awareness of Directors' responsibilities, participation in company operations, internal relationship management and communication, professional and continuous development of Directors and internal control 3. Performance evaluation of the functional committee: the degree of participation in the operation of the company, awareness of functional committee responsibilities, enhance the quality of decision-making of functional committees, the composition of functional committees and member selection and internal control

(II) Audit Committee

The most recent (2024) Audit Committee Meeting 4 times(A), the attendance of Independent Directors is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)	Remark
Independent Director	Yu-Feng Ma	4	0	100%	2023.6.16 Elected
Independent Director	Hsueh-Min Wu	4	0	100%	2023.6.16 Elected
Independent Director	Yi-Chen Tsai	3	1	75%	2023.6.16 Elected
Independent Director	Zhi-Ling Chen	4	0	100%	2023.6.16 Newly Elected

Other matters:

I. With regard to the operations of the Audit Committee, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, all Audit Committee resolutions, and the Company's response to the Audit Committee's opinions shall be specified:

(I) Matters referred to in Article 14-5 of the Securities and Exchange Act:

Date	Term	IMPORTANT RESOLUTIONS	Opinions of all Independent Directors and the company's handling of Independent Directors' opinions
2025/02/27	7th meeting of 6th term	1. Recognized the company's 2024 annual financial statements and consolidated financial statements. 2. The company's 2024 internal control system statement.	No objection or reservation of all Independent Directors

		3. 2025 Annual CPA fee.	
2025/05/07	8th meeting of 6th term	1. Recognized the company's 2025 Q1 consolidated financial statements. 2. 2025 Annual CPA Independence Assessment	No objection or reservation of all Independent Directors
2025/08/12	9th meeting of 6th term	1. Application for exposure limit of derivative financial products with TCB bank 2. Recognized the company's 2025 Q2 consolidated financial statements. 3. Revised certain chapters of the company's "Internal Control System"	No objection or reservation of all Independent Directors
2025/11/13	10th meeting of 6th term	1. Recognized the company's 2025 Q3 consolidated financial statements. 2. Application for exposure limit of derivative financial products with TCB bank .	No objection or reservation of all Independent Directors

(II) Other matters that were not approved by the Audit Committee but were approved by two-thirds or more of all Directors: None.
None.

II. Regarding recusals of independent Directors due to conflicts of interests, the names of the independent Directors, contents of motions, reasons for recusal, and results of voting shall be specified: None.
None.

III. Communications between the independent Directors, the Company's chief internal auditor, and CPAs (shall include the material items, methods and results of audits of corporate finance or operations, etc.).
The company's internal audit supervisor and financial supervisor report to the independent directors on a regular quarterly basis on the implementation of the internal audit plan and financial report review in accordance with the audit committee's organizational procedures. They also hold meetings from time to time based on the company's financial and business needs. This year's independent communication meeting between the independent directors, the internal audit supervisor and the CPA was held on December 24, 2025, to discuss and communicate via video conference on the audit strategy formulated during the audit planning process, related corporate governance matters and the independence of the accountant; all achieve a full understanding of the results, and interact well with each other.

IV. Annual work priorities and operation:

1. The audit committee of the company consists of four independent Directors, according to the organizational rules of the audit committee, the annual deliberation focus includes:
   (1) Financial statements.
   (2) Revision of internal control system and implementation status of internal audit
   (3) Visa accountant appointment, resignation and compensation assessment
   (4) Major Assets, Derivatives, Capital Lending and Endorsement Guaranteed Transactions
   (5) Matters involving the Directors' own interest
   (6) Major matters stipulated by the competent authorities
2. In 2025, the audit committee meeting was held four times and attendance rate is 93.75%. Good attendance, relevant motions were scrutinised and passed without objection, and smooth communication with independent directors and CPAs.

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

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Description	
I. Does the Company establish and disclose its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	✓		The Company has taken the “Code of Practice on Corporate Governance” under the “Code of Practice on Listed OIPO Corporate Governance”. The company website also has a section “Corporate Governance” for investors to inquire and download the relevant corporate governance regulations.	No difference
II. Shareholding structure & Shareholders' rights (I) Does the Company establish internal operating procedures to deal with Shareholders’ suggestions, doubts, disputes, and litigations, and implement based on the procedures? (II) Does the Company possess a list of its major Shareholders with controlling power as well as the ultimate owners of those major Shareholders? (III) Has the Company established, and does it execute, a risk management and firewall system within its affiliated companies? (IV) Has the Company established internal rules against insiders trading with undisclosed information?	✓ ✓ ✓ ✓		I. To ensure Shareholders' rights, a Spokesperson has been set up in the Chairman's Office and appointed KGI Security's Agency Department to handle Shareholders' proposals or disputes. (II) The Company manages the major Shareholders and their ultimate controllers based on the register of Shareholders of the Shareholders of the Shareholders of the Shareholders of the Shareholders, and regularly report the changes in the shareholding of Directors and managers. (III) The company and affiliated companies “related party transaction management”, “endorsement guarantee”, “loan and”, “acquisition or disposition of assets” have methods to control and implement, establish risk control mechanism and firewall. (IV) On November 10, 2022 and May 4, 2023, the company's board of directors approved the revision of the "Internal Major Information Processing Operation Procedures" and the "Insider Trading Prevention Management	No difference

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td></td><td></td><td></td><td>Operation Procedures", both of which informed insiders to strictly follow them. Insiders are strictly prohibited to use undisclosed information in the market to buy and sell securities, and it is expressly stipulated that directors are not allowed to trade company stocks during the closed period of 30 days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report.</td><td></td></tr>
<tr><td>III. Composition and responsibilities of the Board of Directors
(I) Does the Board have diversified policies, specific management objectives and implementation?

(II) Does the Company voluntarily establish other functional committees in addition to the Compensation Committee and the Audit Committee?
(III) Has the Company established standards to measure the performance of the Board, and does the Company implement such annually, and report the results of evaluations to the Board, and use them as a reference for individual</td><td>✓

✓</td><td>
✓</td><td>(I) The Company has formulated a "Corporate Governance Code of Practice". The company has a diversified and professional board of Directors composed of experts and scholars with industry, accounting, business and investment. The Board members have industry experience, covering operation judgment, corporate governance and management Professional areas such as risk management and sustainability management.

(II) At present, the Company has not set up any functional committees other than the Compensation Committee and the Audit Committee.

(III) The company has established the “Board and Functional Committee Performance Evaluation Measures” and performs the performance evaluation of the Board every year. The evaluation methods include internal self-evaluation of the board, self-evaluation of the members of the Directors, functional committee internal self-</td><td>No difference</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Description	
Directors' compensation and nomination and renewal?			evaluation, and report the results to the board as future selection or nomination of Directors and individuals Reference basis for salary compensation of other Directors.	
(IV) Does the Company regularly evaluate the independence of the CPAs?	✓		(IV) The company conducts an independent assessment of accountants on the board of Directors once a year according to the Corporate Governance Code of Practice. The assessment includes confirming unrelated relationship with the company's senior executives, no funds borrowing or non-public fee monetary interests, not continuously performing visa services for more than seven years After the approval of the Audit Committee resolution on 6 May 2026, the latest assessment was reported to the Board of Directors for approval.	
IV. Does the Company appoint a suitable number of competent personnel and a Supervisor responsible for corporate governance matters (including but not limited to providing information for Directors and Supervisors to perform their functions, assisting Directors and Supervisors with compliance, handling work related to meetings of the Board of Directors and the Shareholders' Meetings, and producing minutes of Board Meetings and Shareholders' Meetings)?	✓		On May 4, 2023, the company appointed Yuzhen Hu, Finance Manager, as the Corporate Governance Manager and appointed a Corporate Governance Officer. The main duties are to handle matters related to the Board and Shareholders' Meetings, provide information necessary for the conduct of the business, assist Directors to continue the redevelopment matters, etc. Please refer to the company website for FY2025 business execution focus and learning status of the corporate governance director.	No difference
V. Has the Company established communication channels and built a dedicated section on its website for Stakeholders	✓		The company maintains good relationships with customers, suppliers and other stakeholders, adheres to the principle of integrity, provides sufficient business information, and properly	No difference

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td>(including but not limited to Shareholder, employees, customers, and suppliers) to respond to material corporate social responsibility issues in a proper manner?</td><td></td><td></td><td>safeguards their legitimate rights and interests. The company has a Spokesperson, and has set up a Stakeholder area on the company's website, including customers, suppliers, investors, employees and others, providing email addresses and specific contact windows for all kinds of Stakeholders to ask questions, and timely reply by the main business person in charge, maintain a good communication channel.</td><td></td></tr>
<tr><td>VI. Has the Company appointed a professional Shareholder service agency to deal with Shareholder affairs?</td><td>✓</td><td></td><td>The Company appoints KGI Stock Affairs Agency Department to handle the Shareholders' Meeting of the Company.</td><td>No difference</td></tr>
<tr><td>VII. Information disclosure
(I) Does the Company have a corporate website to disclose both the Company’s financial standings and corporate governance status?

(II) Does the Company have other information disclosure channels (e.g., setting up an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, and webcasting investor conferences)?</td><td>
✓

✓</td><td></td><td>(I) The Company has set up a corporate website (www.princeton.com.tw) to disclose financial information and corporate governance (“Board resolutions and audit committee organizational rules”, “internal audit operations” and “important internal regulations”).
(II) The company's website has four versions of Chinese, English, Japanese, and Korean, designated customer service units are responsible for collecting and revealing the company's new product/exhibition information, company material information, financial reports, announcements, corporate governance information on the company website, and before and after the legal person briefings. Set up the company's website for the investment public reference. The company also assigned a spokesperson and spokesperson to explain the company's finance, business, R&D and other development status to implement the spokesperson system.</td><td>No difference</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Description	
(III) Does the Company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report the financial statements of the first three quarters, as well as monthly operation results, before the prescribed time limit?	✓		(III) The company announced and reported its annual financial report within two months after the end of the fiscal year. The company completed the announcement and submit the first, second and third quarter financial reports and operation status of each month before the specified deadline.	
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, Directors' and supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by Directors and supervisors)?	✓		1. Employee rights and employee care: For the maintenance of employees' rights and interests, each employee is added labor insurance, health insurance and pension reserves to protect the rights of employees in accordance with the law, in addition to the relevant labor laws and regulations, the company also complies with some of the company's regulations even better than the regulations Set, such as paternity leave, paternity leave, sick leave during hospitalization is still full pay and the first year leave. In addition to free group insurance for employees and children, to make up for the lack of national health insurance, to provide employees a free medical examination a year, annual staff sports meeting or family day activities, quarterly birthday party, and provide condolences to hospital colleagues. 2. Investor Relations: The Company assigns a spokesperson and acting spokesperson to explain the company's financial, business, R&D and other development status, maintaining communication channels with investors. 3. Supplier Relations: The company has related methods for supplier management, in addition to requiring close cooperation from suppliers,	No difference

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Description	
			we also regularly audit suppliers to ensure delivery and quality and good interaction with them. 4. Rights of Stakeholders: For the company's stakeholders, such as shareholders, investors, customers, etc., the company maintains a smooth communication channel at any time, and publishes public information immediately to maintain the interests of stakeholders. The Company has company introduction, product/business information, and investor services [including major company information, quarterly/annual Report information, legal information, corporate governance information, shareholder column (such as spokesperson, stock agency, the company's latest share price, dividend distribution Shareholders' meeting announcements and analyst reports)] and other information. 5. Directors' Education Status: The Company establishes a mechanism for further learning for Directors to achieve the goal of corporate governance improvement. In addition to maintaining their professional strengths and abilities, we encourage Directors to maintain their professional strengths and abilities, to choose to cover the topics related to corporate governance. Finance, Risk Management, Business, Business, Accounting or Law courses for further training. For this year, Directors participated in the professional training courses designated by "Listed TPEs Directors/Supervisors Training Guidelines", please refer to the above Directors and supervisors training situation. 6. The implementation of risk management policies and risk measures: The Company has	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Description	
			various management procedures such as "Derivatives Trading Procedures", "Procedures for Managing Risks in Derivatives Trading", "Acquisition or Disposal Procedures" and "Endorsement Guarantee Measures" for the execution unit and audit the basis of the nuclear unit. 7. Protect the implementation of consumer or customer policy: In order to take into account the full range of customer services and consumer protection, we provide 2 channels: customer complaint handling and website real-time service system, to promote PTC, customer interaction effect, and to meet everyone through the service network and regular review improvements at weekly quality Meetings, monthly supervisors meetings and quarterly QBR meetings. 8. The case of liability insurance for Directors: We continue to purchase liability insurance for all Directors every year since 1992.	

IX. Please describe the improvement in the latest corporate governance evaluation results published by the Taiwan Stock Exchange Corporation's Corporate Governance Center, as well as priority enhancements and measures for those not yet improved:

The company has taken to continuously improve the results of corporate governance assessments:

1. Indicator 4.27: The company has disclosed the three categories of greenhouse gases and their annual emissions over the past year.

Those who have not yet improved should propose priority improvements:

1. Indicator 1.2: The regulations between related parties will stipulate that major transactions must be submitted to the board of directors for approval and to the shareholders' meeting for consent or reporting.
2. Indicator 2.8: More than half of the independent directors of the company have served for more than three consecutive terms and will be re-elected at FY2026 shareholders' meeting.

(IV) Composition, Duties, and Operation of the Compensation Committee

1. Professional Qualifications and Independence Analysis of Compensation Committee Members

<table>
<tr><th colspan="2">Criteria / Name / Identity (Note 1)</th><th>Professional Qualifications and Experience (Note 2)</th><th>Independence (Note 3)</th><th>Number of Other Public Companies Where the Individual Concurrently Serves as a Compensation Committee Member</th></tr>
<tr><td>Independent Director</td><td>Hsueh-Min Wu</td><td colspan="2" rowspan="4">1. More than 20 years of experience in business, finance and accounting
2. For professional qualifications and experience and independence, please refer to Directors' Information page 11-13
3. Each member complies with Article 3 of "Measures for Independent Directors' Setting and Compliance for Public Offering Companies" two years before election and during their tenure.</td><td>1</td></tr>
<tr><td>Independent Director</td><td>Yu-Feng Ma</td><td>1</td></tr>
<tr><td>Independent Director</td><td>Yi-Chen Tsai</td><td>0</td></tr>
<tr><td>Independent Director</td><td>Zhi-Ling Chen</td><td>0</td></tr>
</table>

Terms of reference of the Compensation Committee:

According to the scope of the responsibilities of Article 2 of the Company's "Organization Rules of Compensation Committee", the Company shall faithfully perform the following functions with the attention of a Good Manager and submit the proposals to the Board for discussion:

(1) To formulate and regularly review the performance evaluation criteria for Directors and Managers, annual and long-term performance targets, and compensation policies, systems, standards and structures, and discloses the performance evaluation criteria in the Annual Report.

(2) Evaluate the performance goals of Directors and Managers on a regular basis, and determine the content and amount of individual compensation based on the evaluation results obtained from performance evaluation criteria. The Annual Report shall disclose the individual performance evaluation results of Directors and Managers, and the correlation and rationality of the content and amount of individual compensation and performance evaluation results, and report in the Shareholders' Meeting.

The Committee shall comply with the following principles in the performance of its previous functions:

(1) The performance evaluation and salary compensation of Directors and Managers should refer to the usual level of expenditure, and consider the personal performance evaluation results, personal performance, company operating performance and future risks.

(2) Directors and Managers should not be guided to the pursuit of salary and compensation to overtake the company's risk appetite.

(3) The ratio of dividend disbursement for the short-term performance of Directors and Senior Managers and part of the change in salary payment time should be determined by taking into account industry characteristics and the business nature of the company.

(4) The content and amount of compensation of Directors and Managers should consider its rationality. The decision of compensation of Directors and Managers should not be significantly deviated from financial performance. If there is a major recession in profit or long-term loss, the salary shall not be higher than the previous year, if still higher than the previous year, the Annual Report should be Disclosure of the rationality statement and reported at the Shareholders' Meeting.

(5) Members of the Committee shall not join the discussion and vote on their decisions on their personal compensation.

The first two referred to compensation include cash compensation, stock options, dividend shares, retirement benefits or resignation payments, various allowances and other measures with real incentives.

The compensation of Directors and Managers of the company's subsidiaries shall be subject to the approval of the Board of Directors and shall be submitted to the Board for discussion after the recommendations of the Committee.

2. Operation Status of the Compensation Committee:

(1) The Company's Compensation Committee members total 4 people.

(2) The current term of appointment: from June 16, 2023 to June 15, 2026, the most recent year (2025) of the Compensation Committee Meetings (A), the qualifications and attendance are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)	Remark
Convener	Hsueh-Min Wu	2	0	100%	
Committee Member	Yi-Chen Tsai	1	1	50%	
Committee Member	Yu-Feng Ma	2	0	100%	
Committee Member	Zhi-Ling Chen	2	0	100%	Newly elected

Other matters:

(I) If the Board of Directors refuses to adopt or amend a recommendation from the Compensation Committee, the date of the meeting, session, contents of the motions, resolution by the Board of Directors, and the Company’s response to the Compensation Committee’s opinion (e.g., the circumstances and cause for the difference if the compensation passed by the Board of Directors exceeds the recommended amount by the Compensation Committee) shall be specified: None.
None.

(II) If there were resolutions by the Compensation Committee to which members have dissenting or qualified opinions, and for which there is a record or declaration in writing, the date of the meeting, session, contents of the motions, all members’ opinions, and the response to members’ opinions shall be specified: None.
None.

(V) Promotion of sustainability implementation and differences and reasons from the Code of Practice for Listed Companies

Evaluation Item	Operation (Note 1)			Differences and causes
	Yes	No	Abstract(Note 2)	
I. Whether the company establishes a governance structure to promote sustainable development, and set up a special (part-time) unit to promote sustainable development, and is authorized by the Board of Directors to the senior management, and the supervision of the board	✓		On August 9, 2024, the company's board of directors approved the establishment of a unit to promote sustainable development and established a "Sustainable Development Code of Practice". The members of the Sustainable Development Promotion Group include the General Sanitation, Quality, Human Resources, Audit and Chairman's Office. The Sustainable Development Promotion Group was held once a year and submitted to the board of directors for discussion and approval. Risk assessments on environmental, social and corporate governance issues are ongoing and promoted, and the preparation of the first sustainability report was completed before end of August 2025.	No difference
II. Does the Company assess ESG risks associated with its operations based on the principle of materiality, and establish relevant risk management policies or strategies?		✓	The company expects to formulate "Risk Management Policies and Procedures" in 2026 with reference to the "Code of Practice for Risk Management of Listed Companies" considering the company's overall scale, business characteristics, risk nature and operating activities. The current part-time units promoting corporate social responsibility are the General Affairs and Environmental Safety Management Department and the Human Resources and Administration Department. In the future, the board of directors will be the highest governance unit for risk management. The board of directors will be responsible for the overall risk governance of the company. The audit committee will assist the board of directors in supervising the risk management system, including reviewing the company's enterprise risk management framework and processes to facilitate the identification and management of risks, and reporting to the board of directors on major issues, findings and recommendations related to risk management.	Risk management policy is not defined
III. Environmental issues (I) Has the Company established environmental management systems based on its industry's characteristics?	✓		(I) 1. The company has personnel responsible for environmental management to promote environmental management operations and implement environmental laws and regulations. In addition, according to the characteristics of the industry, it has established relevant methods such as "waste management procedures", "chemical and	No difference

Evaluation Item	Operation (Note 1)			Differences and causes
	Yes	No	Abstract(Note 2)	
			chemical waste management regulations", and "noise management procedures". 2. Our company has obtained the ISO14001:2015 Environmental Management System Certificate (Certification Number: TW20/10225; Validity Period: 2023/10/01 ~ 2026/10/01.	
(II) Does the Company endeavor to utilize all resources more efficiently and use renewable materials that have low impacts on the environment?	✓		(II) 1. Since the defective scraps of waste electronic components still contain valuable metals such as gold, silver, palladium, platinum, and recyclable metals such as copper, lead, zinc, aluminum, tin, and iron, our company entrusts qualified Class A waste removal and treatment companies to carry out resource recycling operations for these scrapped semiconductor components, and provide relevant treatment process certificates for follow-up tracking. 2. The head office installed a food waste disposer to reduce the amount of food waste in the kitchen and increase the recycling rate of food waste.	
(III) Does the Company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	✓		(III) 1. The IC design industry is located at the upstream of the semiconductor industry. Our company does not have related manufacturing processes. If there is any actual risk caused by climate change, the only cost increase should be caused by the increase in electricity and water consumption for air conditioning and office lighting. Therefore, the company promotes paperless operations and the use of energy-saving lamps and water-saving appliances. At the same time, it implements the policy of turning off lights and saving water, actively pays attention to various energy-saving, carbon-reduction and greenhouse gas reduction issues, and continues to promote and implement them. 2. Our IC products are designed to be energy-saving and power-efficient to reduce excessive burden on the environment. The company conducts temperature control of the air-conditioning system and power consumption time control on weekdays, and uses LED energy-saving lamps to achieve the goal of energy saving and carbon reduction.	
(IV) Does the Company take inventory of its greenhouse gas emissions, water	✓		(IV) The company has actively evaluated and planned the statistics of greenhouse gas emissions, water consumption and total	

Evaluation Item	Operation (Note 1)			Differences and causes
	Yes	No	Abstract(Note 2)	
consumption, and the total weight of waste in the last two years, and formulate policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?			weight of waste to reduce the impact on natural resources and reduce environmental pollution. We also plan to disclose quantitative statistics on environmental information, such as the use of purchased electricity, renewable energy, water resources and various raw materials. Greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulate policies on energy conservation and carbon reduction, greenhouse gas reduction, water reduction or other waste management. Please refer to pages 34-37 for details.	
IV. Social Issues (I) Has the Company formulated appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights? (II) Does the Company formulate and implement reasonable employee benefit measures (including compensation, leave, and other benefits) and appropriately employee compensation based on operating performance or results?	✓ ✓		(I) The company recruited, appointed personnel does not vary due to their gender, race, province, etc., and according to the relevant laws and regulations to provide parental leave, paternity leave, paternity leave, paternity leave, paternity leave, full appointment with disabilities for our employees. The employees' rights and obligations comply with China's Labor Standards Act, Gender Equality Act, Personal Data Protection Act, Employment Services Act and other relevant regulations. (II) The company has a “employee welfare committee” to promote a variety of welfare system, weekday employee welfare activities include community activities, birthday party, holiday gifts, travel activities, marriage and funeral subsidies, etc., increase the emotional exchange and team spirit among employees. In addition to labor insurance and health insurance, we also have group life insurance, accident insurance and hospitalization medical insurance and cancer insurance. The recruitment, promotion and remuneration of employees of the Company are determined based on their job category, academic experience, professional knowledge and skills, professional years of experience and personal performance, and do not differ based on age, gender, race and other factors. The company integrates gender balance into all human resources practices. In 2025, the average ratio of	No difference

Evaluation Item	Operation (Note 1)			Differences and causes
	Yes	No	Abstract(Note 2)	
			female employees to all employees was 34%, and the ratio of female supervisors was 33%. It continues to promote gender balance to make the best decisions and innovations, and improve employee satisfaction.	
(III) Does the Company provide a healthy and safe work environment, and does it organize health and safety training for its employees on a regular basis?	✓		(III) The Company enhances the safe and healthy working environment of employees through the following ways: 1. Regularly handle employee health checks. 2. Promote a smoke-free working environment to allow employees to work in a comfortable and healthy environment. 3. Provide employees with clean and safe drinking water and regularly testing, maintenance and disinfection. 4. Irregular drills such as fires, earthquakes, etc. to improve the staff's emergency response ability and minimize the impact of employees. 5. Irregular outdoor activities, such as hiking or travel, so that employees can take care of their health and exercise habits while working.	
(IV) Has the Company established effective career development and training plans for its employees?	✓		(IV) The company has "education and training control procedures", including the company's education and training system, education and training specifications, respectively, for different levels, professions and new personnel planning suitable training courses. Annual education and training plans are arranged for quality, HSE related personnel and regulations to arrange internal and external training courses.	
(V) Does the Company comply with relevant regulations and international standards regarding customer health and safety, right to privacy, marketing and labeling of its products and services and set up relevant consumer protection policies and complaint procedures?	✓		(V) In order to take into account the full range of consumer services and consumer protection, the company provides 2 channels: customer complaint handling and website real-time service system to promote the effect of PTC and customer interaction, and to meet everyone's needs through the service network every time and every time; and in the weekly quality meeting, Monthly supervisors meeting and quarterly QBR meeting to review improvements regularly. In addition, the company's marketing and labeling of	

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Operation (Note 1)</th><th rowspan="2">Differences and causes</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract(Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>products and services are in compliance with relevant regulations and international standards.</td><td></td></tr>
<tr><td>(VI) Does the Company formulate supplier management policies that require suppliers to follow relevant regulations on issues, such as environmental protection, occupational safety and health, or labor rights? If so, describe the results.</td><td></td><td>✓</td><td>(VI) The company has formulated supplier management policies. In addition to regular audits and evaluations on product quality and specifications, it has also formulated management policies and requires suppliers to comply with relevant norms on issues such as environmental protection, occupational safety and health, and labor rights, and regularly assess whether suppliers have records that impact the environment and society. If suppliers do not meet the requirements, they are required to complete improvements and meet standards within a specified period.</td><td></td></tr>
<tr><td>V. Does the company make reference to international guidelines or guidelines for preparing reports that disclose non-financial information such as ESG reports? Does the report obtain the assurance or assurance of third party verification units?</td><td></td><td>✓</td><td>The company has referred to the GRI standards issued by the Global Sustainability Reporting Association and completed the 2025 Annual Sustainability Report in August 2025 in advance. The content covers sustainable development policies and promotion status, corporate governance policies, environmental sustainability management, workplace safety and health, etc. The Company has obtained assurance from a third-party verification agency. The Company will continue to comply with environmental, social and corporate governance standards in the future.</td><td>No difference</td></tr>
<tr><td colspan="5">VI. If a company has its own CSR Code of Practice in accordance with the “Code of Practice on Corporate Social Responsibility for Listed Companies”, please state the difference between its operation and the prescribed rules: The company has established a "Sustainable Development Code of Practice" and has internal systems to regulate related issues such as sustainable management, environmental protection, employee rights, social welfare and related information disclosure. In order to fulfill its corporate social responsibility, the company will make its contribution to environmental protection, social contribution, social service, safety and health and other activities from time to time.</td></tr>
<tr><td colspan="5">VII. Other important information that helps to understand the operation of CSR:
1. Our company is a professional IC design company, focusing on IC R&D and design. It is a pollution-free industry and has no environmental pollution.
2. The company participates in social welfare-related activities from time to time.
3. The company manages its employees in accordance with the "Labor Standards Act" and relevant labor laws, and has dedicated personnel to handle employees' work matters to protect their basic rights and interests.
4. Our company handles safety and health work in accordance with relevant occupational safety and health laws and regulations to ensure the health and safety of workers.</td></tr>
</table>

Climate-related information for listed companies

1. Climate-related information implementation status project

Items	Implementation
1. Describe the board's and management's oversight and governance of climate-related risks and opportunities.	● The Company will regularly submit reports on the monitoring and governance of climate change-related risks and opportunities to the Board of Directors, which will monitor the management process since 2025.
2. Describe how the identified climate risks and opportunities will affect the business, strategy and finances of the company (short-term, medium-term and long-term).	● Define short-term (1-3 years), medium-term (3-5 years) and long-term (5-10 years) climate-related risks and opportunities based on the internal target management process, and assess the potential impact of climate risk factors on the company's strategy, operations and financial planning. ● The company will introduce the ISO14064-1 greenhouse gas inventory standard for independent inventory in 2024, and will continue to promote carbon reduction programs and other practices in the future, hoping to achieve the goal of carbon neutrality by 2050. ● The main financial impact of the company's climate risks and opportunities is the increase in financial costs caused by the increase in air-conditioning electricity consumption, and the short-, medium- and long-term impact on the financials is minimal.
3. Explain the financial impacts of extreme climate events and transformational actions.	● According to the data from the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), extremely high temperatures may cause temporary power outages, but our company has a complete uninterruptible power system, emergency generator system, and data backup measures to avoid operational risks. ● The company's main business is IC design, and we are not involved in IC production activities. The risk of production line shutdown due to long-term drought is not

	included in the major risk considerations.
4. Describe how the climate risk identification, assessment and management process is integrated into the overall risk management system.	● Our company currently has ISO14001 risk assessment operations, which can identify important issues and include climate change issues as part of risk management, and formulate control strategies and action plans based on this.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained. 。	● Currently, the company has not used scenario analysis to assess its resilience to climate change risks.
6. If there is a transformation plan to manage climate-related risks, describe the content of the plan and the indicators and targets used to identify and manage physical and transformation risks.	● The company's climate-related risk indicators include electricity usage and greenhouse gas emissions. ● There is currently no transformation plan to manage climate-related risks.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.	● The company has no internal carbon pricing plan yet.
8. If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon reduction credits or the number of renewable energy certificates (RECs) used should be explained.	● The company's climate-related risk indicators include electricity usage and greenhouse gas emissions. ● The company has not yet set climate-related targets. ● The company currently does not use carbon offsets and renewable energy certificates (RECs).
9. Greenhouse gas inventory and confirmation status and reduction targets, strategies and specific action plans (fill in 1-1 and 1-2).	● The company began to entrust an external consulting company to assist in the implementation of greenhouse gas inventory work in 2024, and issued greenhouse gas inventory reports and confirmation report every year since 2024. ● Please provide details of greenhouse gas inventory in 1-1, and reduction targets, strategies and specific action plans in 1-2.

1-1 Greenhouse gas inventory and confirmation status of the company in the last two years

1-1-1 Greenhouse gas inventory information

State the greenhouse gas emissions (tonnes CO2 e), intensity (tonnes CO2 e/million dollars) and data coverage for the most recent two years.

Year	**2024**	**2025**	**2024**	**2025**	**Confirmation authority**	**Description of Confirmation**
Category 1	Gas emissions (onnes CO2 e)		Intensity (tonnes CO2 e/million dollars)			
Parent	30.5868	32.8057	0.02667	0.02921	Crowe(TW) CPAs	Confirmation report released
Subsidiary	56.8679	42.8324	0.04959	0.03814		
Total	87.4547	75.6381	0.07627	0.06735		
Category 2	Gas emissions (onnes CO2 e)		Intensity (tonnes CO2 e/million dollars)			
Parent	587.6410	604.0501	0.51247	0.53786	Crowe(TW) CPAs	Confirmation report released
Subsidiary	370.749	375.26	0.32333	0.33414		
Total	958.39	979.3101	0.83580	0.87200		
Category 3	Gas emissions (onnes CO2 e)		Intensity (tonnes CO2 e/million dollars)			
Parent	16.3146	79.6171	0.01423	0.07089	Crowe(TW) CPAs	Confirmation report released
Subsidiary	29.1456	32.2450	0.02541	0.02871		
Total	45.4602	111.8621	0.03964	0.09960		
Category 1	87.4547	75.6381	0.07627	0.06735		
Category 2	1,027.9480	979.3101	0.89646	0.87200		
Category 3	45.4602	111.8621	0.03964	0.09960		
Total	1,160.8629	1166.8103	1.01237	1.03895		

1-1-2 Greenhouse Gas Confirmation Information

A statement of the assurance status for the most recent two years ending on the date of publication of the annual report, including the assurance scope, assurance organization, assurance criteria and assurance opinions.
According to the "Sustainable Development Roadmap for OTC Listed Companies" of the Stock Exchange, our company should complete the inventory in 2026 and complete the confirmation in 2028. The consolidated subsidiaries should complete the inventory in 2027 and complete the confirmation in 2029. There is no need for confirmation at present, but our company has already conducted a voluntary greenhouse gas inventory in 2024, and issued greenhouse gas inventory reports in August 2024 and April 2025, respectively. It is expected that Crowe will be commissioned to issue a confirmation report in 2025.

1-2 Greenhouse gas reduction targets, strategies and specific action plans

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies and specific

action plans, and the status of achievement of reduction targets.
1. Base year for greenhouse gas reduction: 2024. 2. Reduction targets, strategies and specific action plans: The carbon reduction target is to reduce carbon emissions by 1% each year compared to the base year. 3. Achievement of reduction targets: The Chengdu subsidiary in China has completely replaced its two official gasoline vehicles with electric vehicles and hybrid vehicles, and installed public charging stations in the park's parking lot, creating a friendly and green transportation environment. The parent company continues to implement energy-saving measures in its offices; lighting has been completely replaced with energy-saving LED flat panel lights and other energy-saving lamps; office lights are turned off for half an hour during lunch breaks; and chiller units are turned off at set times after work to reduce energy consumption. 4.In 2025, the total greenhouse gas emissions were 1,054.9482 tCO2e, an increase of 0.87% compared to 1,045.8447 tCO2e in 2024. This was mainly due to the increase in the number of employees at the parent company (29 people, accounting for 15% of the total number of employees at the parent company) and the addition of energy-consuming facilities in the laboratory (two constant temperature and humidity machines), which indirectly increased the carbon emissions of air conditioning, electricity and lighting systems. Therefore, the target of reducing carbon emissions by 1% per year since 2024 was not achieved. In 2025, the greenhouse gas emissions from the subsidiary in China were 418.0924 tCO2e, a decrease of 9.52450 tCO2e from 427.6169 tCO2e in 2024, representing a reduction of 2.23%. This is a concrete result of the subsidiary's main greenhouse gas emission reduction measures in 2025.

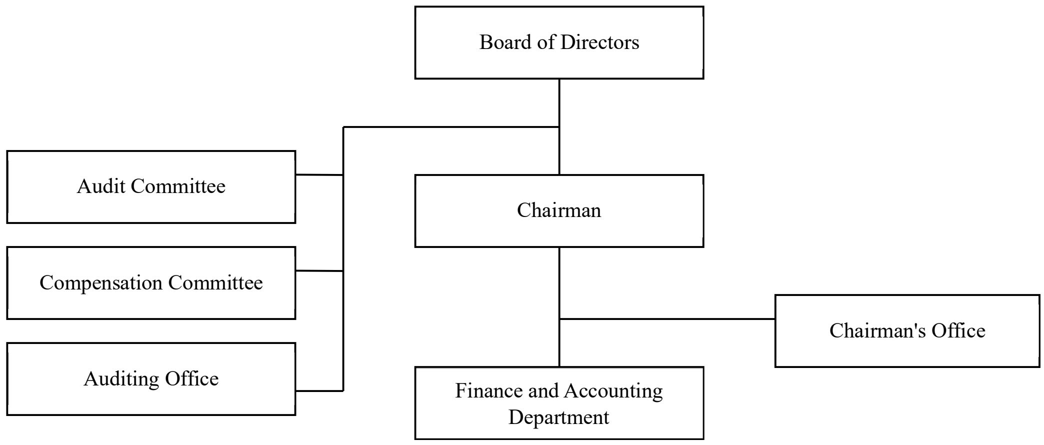
(VI) Implementation of Ethical Corporate Management and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Description	
I. Establishment of ethical corporate management policies and programs				
(I) Does the Company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and senior management towards implementation of such policy?	✓		(I) On August 9, 2024, the Board of Directors of the Company approved the formulation of the "Integrity Management Code" and "Integrity Management Operating Procedures and Behavior Guidelines" to clearly state the policies and practices of integrity management, as well as the commitment of the Board of Directors and senior management to actively implement the management policy. The Company has always adhered to the management and operation principles of integrity, openness, insistence on quality, encouragement of innovation and focus on efficiency, and requires compliance with all laws and regulations from top to bottom.	No difference
(II) Does the Company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risks of unethical conduct within the scope of business? Does the Company implement programs to prevent unethical conduct accordingly and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	✓		(II) On August 9, 2024, the Board of Directors of the Company approved the formulation of the "Code of Ethics for Directors and Managers", which explicitly prohibits the provision or acceptance of improper benefits. The Company's internal regulations also clearly stipulate the reporting and punishment system for employees' honest behavior, and through the effective implementation of the internal control system, the risk of dishonest behavior is reduced to achieve preventive effect.	No difference
(III) Does the Company define the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the	✓		(III) The company has established the "Code of Ethics for Directors and Managers", "Integrity Management Code" and "Integrity Management Operating Procedures and	No difference

programs against unethical conduct? Does the Company enforce the programs effectively and perform regular reviews and amendments?			Behavior Guidelines", which clearly define the relevant operating procedures and behavior guidelines to prevent dishonest behavior. For any suspected violation of professional ethics, if it is confirmed to be true, the violator will be subject to severe disciplinary measures such as termination of employment or business relations, and legal action will be taken when appropriate.	
II. Fulfilment of ethical corporate management (I) Does the Company evaluate business partners' ethical records and include ethics-related clauses in the business contracts?	✓		(I) The Company has established the "Integrity Management Code" and "Integrity Management Operating Procedures and Behavior Guidelines", which clearly stipulate that before engaging in business dealings, the Company should consider the legality of its agents, suppliers, customers or other business dealing partners and whether they are involved in dishonest behavior. The content of the contract signed with the dealing partner should include compliance with the integrity management policy and the clause that the contract can be terminated or rescinded at any time if the counterparty is involved in dishonest behavior.	No difference
(II) Does the Company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors that reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	✓		(II) In August 2024, the Company established a dedicated unit under the Board of Directors to promote corporate integrity management. Its main members include the first-level supervisors of the Purchasing Department, Legal Department, Audit Department and Human Resources Department of the Chairman's Office. However, the relevant implementation status has not yet been reported to the Board of Directors. However, matters related to major operating policies, investment projects, acquisition and disposal of assets, endorsements and guarantees, capital loans, bank financing, etc. have all been evaluated and analyzed by the relevant responsible departments and must be approved by the Board of Directors.	No difference
(III) Does the Company establish policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly?	✓		(III) The Company has established the "Integrity Management Code" and "Integrity Management Operating Procedures and Behavior Guidelines". The communication channels between the Company's employees and management are smooth. If any problems are found, they can be reported to the management.	No difference

(IV) Does the Company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit devise audit plans based on the results of unethical conduct risk assessments and audit the systems accordingly to prevent unethical conduct, or hire external CPAs to perform the audits? (V) Does the Company regularly hold internal and external educational trainings on ethical corporate management?		✓ ✓	(IV) The company has not yet established an internal control system for honest business operations, but the accounting department reviews transaction accounts in accordance with accounting principles and consults with accountants for confirmation of major or questionable cases; the audit office conducts regular and irregular audits of various departments to implement supervision mechanisms and control various risk management. (V) The company has not held regular integrity management training courses, and will be held regularly as needed in the future.	No internal control system for honest business operations has been established Education and training of integrity management is not held regularly
III. Operation of the whistle-blowing system (I) Has the Company established both a reward/whistle-blowing system and convenient whistle-blowing channels? Are appropriate personnel assigned to the accused party for the follow-up? (II) Does the Company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures? (III) Does the Company provide proper whistleblower protection?		 ✓ ✓ ✓	The company has not yet established a reporting system, and the plan will be set at an appropriate time in the future.	No reporting system yet
IV. Strengthening information disclosure Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	✓		The company's annual report and sustainability report posted on its external website and public information observation station have disclosed relevant policy requirements and information on honest management.	No difference
V. If a company has its own operating code of integrity in accordance with the "Code of Conduct of Integrity", please state the difference between its operation and the prescribed rules: The company has established the "Integrity Management Code" and "Integrity Management Operating Procedures and Behavior Guidelines" and operates in accordance with these operating procedures and behavioral guidelines.				
VI. Other important information to facilitate a better understanding of the Company's ethical corporate management (e.g., review of and amendments to ethical corporate management policies): None.				

(VII) Other Important Information Regarding Corporate Governance:



Board of Directors: responsible for supervising activities and loyal attention, and authorizing the audit committee to oversee the normal operation of the company.

Audit Committee: Supervises whether the company's financial statements allow expression, the effective implementation of internal control, compliance with relevant laws and regulations, and control the existing or potential risks, and submit the proposed motion to the Board for resolution.

Compensation Committee: Responsible for formulating and regularly reviewing the policies, systems, standards and structures of performance evaluation and compensation of Directors and Managers, and regularly evaluates and sets the compensation of Directors and Managers, and delivers the proposed motion to the Board for resolution.

Auditing Office: Responsible for self-assessment of internal control, compliance and confirmation of internal policies and external laws.

(VIII) Implementation status of internal control system:

1. Statement on Internal Control

Princeton Technology Co., Ltd.
Statement of Internal Control System

Date: March 6, 2026

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

I. The Company acknowledges that the establishment, implementation, and maintenance of an internal control system is the responsibility of the Board of Directors and managerial officers, and the Company has established an internal control system. The internal control system is designed to provide reasonable assurance for the effectiveness and efficiency of the operations (including profitability, performance, and protection of assets), reliability, timeliness, transparency of reporting, and compliance with applicable laws and regulations.

II. The internal control system has innate limitations. No matter how robust and effective the internal control system is, it can only provide reasonable assurance of the achievement of the foregoing three goals; in addition, the effectiveness of the internal control system may vary due to changes in the environment and conditions. However, the internal control system of the Company has self-monitoring mechanisms in place, and the Company will take corrective action against any defects identified.

III. The Company uses the assessment items specified in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations") to determine whether the design and implementation of the internal control system are effective. Based on the process of control, the assessment items specified in the Regulations divide the internal control system into five constituent elements: 1. Control the environment, 2. Risk Assessment, 3. Control operations, 4. Information and Communication, and 5. Monitor the operation. Each constituent element includes a certain number of items. For more information on such items, refer to the Regulations.

IV. The Company has adopted the aforesaid assessment items for the internal control system to determine whether the design and implementation of the internal control system are effective.

V. Based on the results of the determination in the preceding paragraph, the Company is of the opinion that, as of December 31, 2025, the internal control system (including the supervision and management of subsidiaries), including the design and implementation of the internal control system relating to the effectiveness and efficiency of the operations, reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations, are effective and can reasonably assure the achievement of the foregoing goals.

VI. This statement will constitute the main content of the Company's annual report and the prospectus and will be disclosed to the public. Any falsehood or concealment with regard to the above contents will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

This statement was approved by the Board of Directors on March 6, 2026, and out of the eight directors in attendance, none had dissenting opinions of it, and all approved the content expressed in this statement.

2. The certification period requires the company to appoint an accountant project to review the internal control system, should disclose the accountant review report: N/A

(IX) Major Resolutions of Shareholders' Meeting and Board Meetings During the Most Recent Fiscal Year up to the Date of Publication of the Annual Report:

1. Implementation of important resolutions of Shareholders' Meeting in 2025

IMPORTANT RESOLUTIONS	Review of implementation
1. Recognized the Company's 2024 financial statements and business report. 2. Adoption of the Proposal for 2024 deficit compensation. 3. Adoption of amendment to Articles of Incorporation	1. The related operation was performed. 2. The related operation was performed. 3. The related operation was performed.

2. Important Board of Directors Resolutions for the year 2025

Date	IMPORTANT RESOLUTIONS
2025/02/27 13th meeting of 8th term	1. Approved the company's 2024 internal control system statement. 2. Approval of the change of the company's senior manager. 3. Pass the 2025 accountant's verification of visa public expenses. 4. Acknowledge the 2024 financial statements and consolidated financial statements. 5. Acknowledge the company's 2024 earnings distribution proposal. 6. Adopt the remuneration distribution of employees and directors in 2024. 7. Define the scope of the company's frontline employees. 8. Adoption of amendment to certain articles of the Company's Articles of Association. 9. Use our company's subsidiary PTC Chengdu to borrow financing from China Merchants Bank to renew the contract. 10. Pass the renewal of the company's bank quota for 2025. 11. Approved the company's 2025 operating plan. 12. Approved the date, location and resolutions of the company's 2025 regular shareholders' meeting.
2025/05/07 5th meeting of 9th term	1. Acknowledge the company's consolidated financial statements for the first quarter of 2025. 2. Pass the 2025 CPA independence assessment. 3. Approved the company's 2025 business report. 4. Approval of our company's subsidiary PTC Chengdu to borrow financing from Sinopac Bank (China). 5. Approval of the investment in Chiprail Microelectronics through subsidiary, PTC Chengdu. 6. Approved the date, location and resolutions of the company's 2025 regular shareholders' meeting.
2025/05/27 6nd meeting of 10th term	1. Approval of the investment in Chiprail Microelectronics through subsidiary, PTC Chengdu (Supplementary Reasonableness Opinion).
2025/08/12 7rd meeting of 11th term	1. Acknowledge the company's consolidated financial statements for the second quarter of 2025. 2. Approval of FY2024 Sustainability Report. 3. Approval of the application for the company's exposure limit for derivative financial products with the TCB bank. 4. Approval of revised certain chapters of the company's "Internal Control System".
2025/11/13 8th meeting of 12th term	1. Approval of the company's FY2026 audit plan.. 2. Pass the 2025 annual key performance indicators and measurement mechanism for managers. 3. Pass the 2025 annual performance appraisal and the payment of year-end bonuses. 4. Approved the Company's consolidated financial statements for the third quarter of 2025. 5. Approved the application of the company's bank line.

Date	IMPORTANT RESOLUTIONS
	6. Approval of the application for the company's exposure limit for derivative financial products with the TCB bank.
2026/03/06 9th meeting of 13th term	1. Approved the company's 2025 internal control system statement. 2. Revised the "Shareholders' Equity" clause of the company's internal control financing cycle. 3. Revised certain clauses of the Company's "Operating Procedures for Transactions with Specific Companies, Group Enterprises and Related Parties". 4. Approved the 2026 CPA certification fee. 5. Acknowledge the 2025 financial statements and consolidated financial statements. 6. Acknowledge the company's 2025 deficit compensation proposal. 7. Adopt the remuneration distribution of employees and directors in 2025. 8. Approved the application of the company's bank line. 9. Approved the resolution to elect new directors of the Company. 10. Approved to lift the non-compete restrictions on the newly appointed directors and their representatives. 11. Approved the company's 2026 operating plan. 12. Approved the date, location and resolutions of the company's 2026 regular shareholders' meeting.
2026/05/06 9th meeting of 14th term	1. Acknowledge the company's consolidated financial statements for the first quarter of 2026. 2. Pass the 2026 CPA independence assessment. 3. Approval of the investment by the subsidiary, PTC(ShenZhen) , in increasing its shareholding in Chiprail Microelectronics Co., Ltd. 4. Renewal of the loan from China Merchants Bank by the Company's subsidiary, PTC (Chengdu) Technology Co., Ltd. 5. Approval of the proposed correction to the Company's 2025 deficit compensation. 6. Approval of the Company's capital reduction to offset losses. 7. Approval of the Company's "Sound Operations Plan". 8. Approved the company's 2026 business report. 9. Approval of the nomination of candidates for directors and independent directors.. 10. Approved the date, location and resolutions of the company's 2026 regular shareholders' meeting. (New proposal)

(X) Any Dissenting Opinion Expressed by a Director or Supervisor with Respect to a Major Resolution Passed by the Board of Directors During the Most Recent Fiscal Year and up to the Date of Publication of the Annual Report, Where Said Dissenting Opinion Has Been Recorded or Prepared as a Written Declaration, and Its Main Content: None.

IV. Information on CPA Professional Fees

Unit: NT$ thousands

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee	Total	Remark
Kwok Fu Horwah & Joint CPAs	Meng-Ta Wu	2025.1.1~2025.12.31	3,180	1,698	4,078	
	Chin-Shu Pan	2025.1.1~2025.12.31				

Note: In the non-audit public fees, 1,698 thousand covers fees for sustainability reports, tax returns, transfer pricing reports, greenhouse gas assurance services, and project services.

(I) **When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed:** N/A

(II) **Audit fees reduced by more than 10 per cent from the previous year should disclose the amount, proportion and reasons for the reduction in public fees:** N/A

V. Information on Replacement of CPAs: N/A

VI. Company Chairman, President, or Any Managerial Officer in Charge of Finance or Accounting Matters in the Most Recent Fiscal Year Holding a Position at the Company's CPA Accounting Firm or at an Affiliated Enterprise of Such Accounting Firm: None.

VII. Any Transfer of Equity Interests and/or Pledge of or Change in Equity Interests (During the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report) by a Director, Supervisor, Managerial Officer, or Shareholder with a Stake of More than 10 Percent:

Title	Name	2025		For the year ended April, 18	
		Increase (decrease) number of shares	Increase (decrease) number of pledged shares	Increase (decrease) number of shares	Increase (decrease) number of pledged shares
Chairman	Chang-An Chiang	0	0	0	0
Director	Taihsin Co., Ltd.	0	0	0	0
	Representative: Wei-Ru Zhang	0	0	0	0
Director	Taihsin Co., Ltd.	0	0	0	0
	Representative: Lin Zhong	0	0	0	0
Director	National Yang Ming Chiao Tung University	0	0	0	0
	Representative: Hsuan-Hui Lin	0	0	0	0
Independent Director	Yu-Feng Ma	0	0	0	0
Independent Director	Hsueh-Min Wu	0	0	0	0
Independent Director	Yi-Chen Tsai	0	0	0	0
Independent Director	Zhi-Ling Chen	0	0	0	0
President	Kuo-Wei Lee	0	0	(6,000)	0
Assistant	Fang-Tien Kuo	0	0	0	0
Assistant	Ching-Hsing Huang	(14,000)	0	0	0
Assistant	Chien-Yu Yang	0	0	0	0
Assistant	Yi-Nan Chen	0	0	0	0
Assistant	Li-Ying Chang	0	0	0	0
Head of Finance	Yu-Chen Hu	0	0	0	0

Chief Accounting Officer	Wen-Yu Lin	0	0	0	0

The relative person of the transfer or pledge of equity shall disclose the name of the relative, the relationship with the Company, Director, Supervisor, Shareholder of more than 10 percent Shareholder and number of shares acquired or pledged: None of the cases.

VIII. Relationship among the Company's 10 Largest Shareholders who are Related to, Spouse of, or a Relative Within the Second Degree of Kinship of Another

Information on the relationship between the top 10 Shareholders

April 18, 2026

NAME	I SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEE ARRANGEMENT		NAME AND RELATIONSHIP BETWEEN THE COMPANY'S TOP TEN SHAREHOLDERS, OR SPOUSES OR RELATIVES WITHIN THE SECOND DEGREE OF KINSHIP		REMARK
	Shares	%	Shares	%	Shares	%	Company Name	Relation	
Chang-An Chiang	11,557,256	6.39%	0	-	0	-	Taisin	Representative	
Taisin Co., Ltd.	6,976,000	3.86%	0	-	0	-	Chang-An Chiang	Representative	
Representative: Chang-An Chiang	11,557,256	6.39%	0	-	0	-			
Xin Xin Co., Ltd.	3,495,197	1.93%	0	-	0	-	None	-	
Representative: Sheng-Chieh Chen	0	-	0	-	0	-			
Ying-Chuan Chiu	1,223,086	0.68%	0	-	0	-	None	-	
Wang,Hsin-Chuu	1,059,000	0.59%	0	-	0	-	None	-	
Chin-Chien Cho	900,000	0.50%	0	-	0	-	None	-	
Citi Hosting Berkeley Capital SBL/PB Investment Client	759,000	0.42%	0	-	0	-	None	-	
Wen-Yu Zheng	600,000	0.33%	0	-	0	-	None	-	
HSBC (Taiwan)	502,330	0.28%	0	-	0	-	None	-	

Goldman Sachs International Investment Account									
Lin,Chao-Sheng	450,000	0.25%	0	-	0	-	None	-	

IX. Total Number of Shares and Total Equity Stake Held in any Single Enterprise by the Company, Its Directors and Supervisors, Managers, and Any Companies Controlled Either Directly or Indirectly by the Company

March 31, 2026; Unit: Share; %

Investee business (Note 1)	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares	Shareholding	Shares	Shareholding	Shares	Shareholding
Princeton Silicon Corporation. .	33,500,000	100.00%	0	0%	33,500,000	100.00%
Cherng Yih Co., Ltd.	15,000,000	100.00%	0	0%	15,000,000	100.00%
Microlink Communications Inc.	8,000,000	25.00%	0	0%	8,000,000	25.00%
Morelink Technology Corporation	1,580,000	7.87%	10,480,774	52.22%	12,060,774	60.09%
Foresight Technologies Co., Ltd.	4,573,650	8.80%	5,565,184	10.70%	10,138,834	19.50%
Chengdu Chiprail Microelectronics Co.,Ltd.	10,625,000	85.00%	0	0%	10,625,000	85.00%

Chapter 3. Capital Overview

I. Capital and Shares

(I) Source of Share Capital

April 18, 2026

Unit: NT$ thousands; 1,000 shares; %

Month/ Year	Par Value (NT$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Others
1986.05	10	1,000	10,000	1,000	10,000	Founding	None	None
1987.12	10	10,000	100,000	6,000	60,000	Cash Capital Increase	None	None
1988.01	10	10,000	100,000	10,000	100,000	Cash Capital Increase	None	None
1989.12	10	20,000	200,000	12,500	125,000	Cash Capital Increase	None	None
1990.04	10	20,000	200,000	20,000	200,000	Cash Capital Increase	None	None
1998.11	10	60,000	600,000	35,000	350,000	Cash Capital Increase	None	None
1999.07	10	60,000	600,000	45,000	450,000	Cash Capital Increase	None	None
2000.07	10	100,000	1,000,000	62,325	623,250	Dividend and surplus capital transfer	None	None
2001.10	10	100,000	1,000,000	76,659	766,597	Dividend and surplus capital transfer	None	None
2002.09	10	150,000	1,500,000	90,823	908,231	Dividend, Capital Accumulation and Surplus Capital Increase	None	None
2002.12	10	150,000	1,500,000	90,874	908,742	Convertible Corporate Bond (Pruson One) Conversion	None	None
2003.08	10	150,000	1,500,000	112,374	1,123,737	Dividend, Capital Accumulation and Surplus Capital Increase	None	None
2003.10	10	150,000	1,500,000	112,422	1,124,225	Convertible Corporate Bond (Pruson One) Conversion	None	None
2004.08	10	230,000	2,300,000	138,946	1,389,460	Dividend and surplus capital transfer	None	None
2005.06	10	230,000	2,300,000	139,109	1,391,086	Employee Stock Option Certificate Execution	None	None
2005.10	10	230,000	2,300,000	154,941	1,549,410	Dividend and surplus capital transfer	None	None
2005.12	10	230,000	2,300,000	150,941	1,509,410	Deregistration of Treasury Shares	None	None
2006.05	10	230,000	2,300,000	151,002	1,510,025	Employee Stock Option Certificate Execution	None	None
2006.08	10	230,000	2,300,000	160,339	1,603,385	Dividend and surplus capital transfer	None	None
2007.02	10	230,000	2,300,000	160,930	1,609,390	Employee Stock Option Certificate Execution	None	None
2007.05	10	230,000	2,300,000	161,071	1,610,710	Employee Stock Option Certificate Execution	None	None

Month/ Year	Par Value (NT$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Others
2007.08	10	230,000	2,300,000	163,035	1,630,348	Employee Stock Option Certificate Execution	None	None
2007.08	10	230,000	2,300,000	170,902	1,709,016	Dividend and surplus capital transfer	None	None
2007.11	10	230,000	2,300,000	172,327	1,723,273	Employee Stock Option Certificate Execution	None	None
2008.03	10	230,000	2,300,000	172,948	1,729,483	Employee Stock Option Certificate Execution	None	None
2008.05	10	230,000	2,300,000	173,479	1,734,788	Employee Stock Option Certificate Execution	None	None
2008.07	10	230,000	2,300,000	173,675	1,736,748	Employee Stock Option Certificate Execution	None	None
2008.08	10	230,000	2,300,000	178,962	1,789,622	Dividend and surplus capital transfer	None	None
2010.03	10	230,000	2,300,000	179,729	1,797,292	Employee Stock Option Certificate Execution	None	None
2010.05	10	230,000	2,300,000	180,168	1,801,677	Employee Stock Option Certificate Execution	None	None
2010.09	10	230,000	2,300,000	180,306	1,803,059	Employee Stock Option Certificate Execution	None	None
2010.11	10	230,000	2,300,000	180,710	1,807,097	Employee Stock Option Certificate Execution	None	None
2011.03	10	230,000	2,300,000	180,750	1,807,497	Employee Stock Option Certificate Execution	None	None
2011.05	10	230,000	2,300,000	180,857	1,808,567	Employee Stock Option Certificate Execution	None	None
2011.11	10	230,000	2,300,000	180,902	1,809,017	Employee Stock Option Certificate Execution	None	None
2011.12	10	230,000	2,300,000	180,921	1,809,207	Employee Stock Option Certificate Execution	None	None
2015.01	10	230,000	2,300,000	180,944	1,809,437	Employee Stock Option Certificate Execution	None	None

April 18, 2026
Unit: Share

Share Type	Authorized Capital			Remark
	Issued Shares (Note)	Un-issued Shares	Total	
Registered Common Shares	180,943,675	69,056,325	250,000,000	

Note：Stock of the Company is listed as OTPEs.

Information about the blanket reporting system: None.

(II) List of major Shareholders (Shareholders with more than 5% shareholdings or the name of the top 10 Shareholders, shareholding amount and proportion)

April 18, 2026

List of Major shareholders	Shareholding (Shares)	%
Chang-An Chiang	11,557,256	6.39%
Taisin Co., Ltd. Representative: Chang-An Chiang	6,976,000	3.86%
Xin Xin Co., Ltd. Representative: Sheng-Chieh Chen	3,495,197	1.93%
Ying-Chuan Chiu	1,223,086	0.68%
Wang,Hsin-Chuu	1,059,000	0.59%
Chin-Chien Cho	900,000	0.50%
Citi Hosting Berkeley Capital SBL/PB Investment Client	759,000	0.42%
Wen-Yu Zheng	600,000	0.33%
HSBC (Taiwan) Goldman Sachs International Investment Account	502,330	0.28%
Lin,Chao-Sheng	450,000	0.25%

(III) Dividend Policy and Implementation Status

1. **Corporate Dividend Policy**

   The company's annual calculation if there is a surplus, tax payment according to law, make up for the accumulated losses, and then raise 10% as a statutory surplus, but the statutory surplus has reached the company's paid-up capital amount, the rest will be listed or revolved in accordance with the law of special surplus; if there is a balance, and accumulate undivided With the surplus, the Board proposed a bill of earnings distribution, proposed by the Shareholders' Meeting to decide to distribute dividends to Shareholders. The Company's dividend policy is to tie in with current and future development plans, considering the investment environment, capital requirements, domestic and foreign competition, and considering the interests of Shareholders, and allocating the dividend dividends to Shareholders by providing no less than 50% of the distributable earnings each year. where the cash dividend is not less than 50% of the total dividend.

2. **Distribution of Dividends Proposed in the Shareholders' Meeting**

   Due to the after-tax loss in 2025, the company does not intend to pay dividends to shareholders.

3. **Expected Material Change in the Dividend Policy:**

   N/A

(IV) Effect upon Business Performance and Earnings per Share of Any Stock Dividend Distribution Proposed or Adopted at the Most Recent Shareholders' Meeting: None.

As the Shareholders' Meeting proposes no unpaid allotment, it is not applicable.

(V) Employee compensation and Director Compensation

1. **The percentages or ranges with respect to employee, Director, and supervisor compensation,**

as set forth in the company's Articles of Incorporation.

If the Company has a profit in the year, 5% ~ 20% of employee compensation shall be allocated by the resolution of the Board of Directors to share or cash distribution, which includes employees of affiliated companies that meet certain conditions; the company has the above profit amount, and 1.5% is allocated to the Director's compensation by the resolution of the Board of Directors. The distribution of employee and Director's compensation should be reported to the Shareholders' Meeting. However, if the company still has accumulated losses, the amount of compensation should be retained in advance, and the compensation of employees and Directors' compensation is proportional to the preceding.

2. **The basis for estimating employee compensation and Director compensation amounts for the current period, the basis of the number of shares of employee compensation distributed by shares, and the actual distribution amount if there is a difference from the estimated number of rows:**

   If the actual distribution amount differs from the number of rows, it will be accounted as an accounting estimate change.

3. **Distribution of Compensation of Employees, Directors, and Supervisors Approved in the Board of Directors Meeting**

   (1) **The amount of any employee compensation distributed in cash or stock and compensation for Directors and supervisors. If there is a difference between the annual estimated amount of the recognized expense, the number of differences, reasons, and handling:** No difference.

   (2) **The amount of any employee compensation distributed in stock, and the size of that amount as a percentage of the sum of the after-tax net income for the current period and total employee compensation:** N/A

4. **Information on Distribution of Compensation of Employees, Directors, and Supervisors (With an Indication of the Number of Distributed Shares, Monetary Amount, and Stock Price) And, If There Is Any Discrepancy Between the Actual Distribution and the Recognized Employee, Director, or Supervisor Compensation, Additionally the Discrepancy, Cause, and How It Is Treated:**

(1) Actual Allotment in the previous year:

A. Employee bonus: None

B. Director's compensation (including Independent Directors): None

(2) Proposed Allocations and Differences Passed by the Original Board

The actual allocation of employee dividends and Director's compensation in the last year's surplus is as follows:

	Actual Allotment	Proposed Allotments Passed by Original Board of Directors and Shareholders' Meeting	Number of differences	Reason for Difference
1. Employee Bonus	0	0	0	N/A
2. Director Compensation	0	0	0	N/A

(VI) Share Repurchases:

No application for repurchase of shares of the Company for the most recent year and up to the date of publication of the Annual Report.

II. Corporate Bonds

The Company has no outstanding or processed corporate debt.

III. Preferred Shares

The Company does not have any special shares in circulation or under processing.

IV. Global Depository Shares

The Company does not have any overseas depositary certificates that have not been fully redeemed or processed.

V. Employee Stock Options:

(I) Handling employee stock certificates: The company's employee warrants have expired, so it is not applicable.

(II) Names, Acquisition, and Subscription Status of Managerial Officers Who Have Obtained Employee Stock Options And Top Ten Employees With Most Subscribable Shares Under the Employee Stock Options: The company's employee warrants have expired, so it is not applicable.

(III) Limit employee rights IPO processing situation: The company does not have such a matter, so it does not apply.

(IV) The manager who obtains restricted employee rights and the name of the top ten employees obtained: The company does not apply to this case.

VI. Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies

(I) The latest year and to the date of publication of the Annual Report has completed mergers and acquisitions or has been sent to issue new shares of his company:

None

(II) The latest year and to the date of publication of the Annual Report has been resolved by the Board of Directors to issue new shares through mergers and acquisitions or shares of his company shall disclose the implementation and basic information of the acquired or transferable company:

N/A

VII. Implementation of the Company's Capital Allocation Plans

(I) Program Content

Up to the quarter before the publication date of the Annual Report, each previous issue or private placement of securities not completed or completed within the last three years and the programme benefits have not been revealed:
None

(II) Execution scenarios

For the purposes of each plan in the preceding paragraph, one by one analysis and comparison with the original expected benefits as of the quarter before the publication date of the Annual Report. If the progress or benefits do not meet the expected target, the reasons, impact on Shareholders' equity and improvement plan: Not applicable.

Chapter 4. Operational Highlights

I. Business Activities

(I) Business Scope

1. Main content of the business

(1) Manufacturing and trading of electronic instruments and components (except for controlled products and medical devices).

(2) Computer software system design and planning business.

(3) Manufacturing and trading of computer and peripheral equipment and its components.

(4) Design, manufacture, and installation of industrial automation control systems.

(5) IC (integrated circuit) design and manufacturing business.

(6) Consulting business on the latest technology information.

(7) The previous related import and export trade business.

(8) Operation and investment business of the previous related business.

2. Proportion of Business

The company's main business is the design, manufacture, and sales of LCD driver ICs, motor driver ICs, LED lighting ICs, and other ICs.

Unit: NT$ thousands; %

Main Product Items	Turnover in 2025	Proportion of Business
Integrated Circuits (ICs) Products	1,117,244	99.48%
Others(Note)	5,816	0.52%
Total	1,123,060	100.00%

Note: Including digital image processors, customer-commissioned design ICs, power management series ICs, motor drive series ICs, remote control ICs, and microprocessor control ICs.

3. Current Item

Item	Main Product Content	Usage and Functions
Display Driver IC Series	1. Thin-Film Transistor LCD Display Driver IC (TFT LCD Driver IC) 2. Organic light-emitting diode driver IC 3. Fluorescent Display Driver IC (VFD Driver IC) 4. LCD Driver IC (LCD Driver IC) 5. Light emitting diode driver integrated circuit(LED Driver IC)	Automotive dashboard, head-up display (HUD), all kinds of consumer electronics products display, and various industrial instrument displays.
Motor drive integrated circuit series	1. DC Motor Driver IC 2. Stepping Motor Driver IC 3. Servo Motor Driver IC 4. 3 Phase Brushless DC Motor Driver/Controller (3 Phase BLDC Motor Driver/Controller) 5. Gate Driver IC	Power tool machine, POS machine, Refrigerator, Network camera, Security camera, Servo motor, Electric fan, Car air conditioning actuator, Home/door lock control, 3D printer
MCU	ARM Cortex M microcomputer control	Automotive Body LED, Motor MCU
Others	1. Customer commissioned design integrated	1. Inkjet/Optical Printer Heads

Item	Main Product Content	Usage and Functions
	circuit (ASIC IC) 2. Printer Head Driver IC Series 3. Multimedia Audio Control IC Series 4. RF Integrated Circuits (RF ICs) 5. Power Management ICs	2. Car audio, home appliances, audio-visual products 3. Remote control device for wireless headset\ speaker\ microphone, AV transceiver, home appliance products infrared transmitter, and reception 4. Power Supplies, AC/DC Converters

4. New Products and Services to Be Developed

- Integrate driver chip development for automotive microcontroller (MCU) products
- Develop new automotive power management chip product lines and matrix-type automotive imaging chips
- Continue developing inkjet printer head driver ICs, expanding from industrial applications to consumer applications
- Develop new ultra-low jitter crystal oscillators supporting AI/6G communication

(II) Industry Overview

The company's main products are based on car/consumer electronics ICs. The following is based on the industry for a rough analysis:

1. Current Status and Development

According to ITIS data, the IC industry can be subdivided into the design, manufacturing, packaging, and testing industry. Taiwan's IC industry vertical division architecture has become completer and more professional after many years of operation; relatively also provides the opportunity for the IC design industry to flourish, and in recent years, China's IC design industry has had a proud growth in both the number of manufacturers and turnover. Under the cooperation, grasp the business opportunities and continue to maintain prosperity.

2. Relationship Amongst Upstream, Midstream, and Downstream Sections of the Industry

IC Design → Photomask → Wafer Fabrication → Wafer Testing

→ Package → IC Testing → Yield Shipment

In terms of upstream and downstream relationship, the IC design industry is the most upstream in the IC industry, wafer manufacturing is the midstream, the packaging and testing industry is the most downstream, and IP, CAD/CAE, wafer raw materials, lead frame, etc., belong to related industries.

The professional degree in IC design is the highest in the world in Taiwan. With the advantages of wafer foundry and packaging with perfect vertical division in Taiwan, the products are quite competitive in function and price, which also causes the Taiwan IC design industry to have a relatively competitive advantage in international countries.

3. **Various development trends and competition of the product**

In the early years, the company used consumer IC as the main axis of research and development, the current research and development spindle has been transformed into in-vehicle and livelihood ICs. Especially to improve the comfort and performance of human life, resulting in rapid advances in AI and automated machines. Therefore, the R&D direction focuses on the transmission of visual information/driving of electronic and mechanical drive/LED lighting, following the successful development of automotive display driver IC over the years, and other product lines to the field of automotive electronics. With the focus of the company's research and development: display driver IC series, motor driver IC series, automobile/commercial LED lighting IC series, ASIC, etc., the related product development trends are explained respectively.

(1) Display Driver IC Series

Our company initially started with display driver ICs (VFD/STN-LCD) for home and automotive audio-visual systems, and expanded to automotive HUD panel driver ICs (TFT), laying a solid foundation in high-voltage (HV) technology. However, facing the recent shift of the panel industry to China and fierce price competition, the company has pragmatically adjusted its strategic approach. For existing VFD, STN, and TFT display driver products, we continue to control rising costs by adjusting designs and launching competitor-compatible TFT products to support the Chinese panel market. This reduces our reliance on a single Japanese customer and mitigates declining competitiveness, allowing us to maintain stable product cash flow with the most efficient resource allocation.

Simultaneously, the display driver R&D team has successfully shifted its focus to printer head driver (PHD) chips, a unique and highly competitive technology exclusive to the Japanese market. Leveraging years of accumulated high-voltage precision control technology, we have established deep customized partnerships with leading global manufacturers. By targeting the high-end industrial and commercial sectors and gradually expanding into commercial applications, the extremely high technical precision and the "consumable" nature of inkjet heads not only ensure long-term order demand but also form a natural barrier, avoiding the fiercely competitive low-price market dominated by Chinese manufacturers. In the future, PHD will replace traditional display drivers, becoming the most promising high-margin profit cornerstone for display driver R&D teams in the long term.

(2) Motor Driver IC Series

In response to global trends in automation and high-performance computing, our company has established a complete and scalable technology portfolio, with products covering the drive and control of brushed motors, stepper motors, and brushless DC motors (BLDC). Faced with a highly homogenized market and fierce price competition, our company is transforming from a single driver IC supplier into a provider of integrated system solutions combining "drive, control, and algorithms".

(3) Automotive and commercial LED lighting IC series

The automotive industry is rapidly moving towards intelligent and electrified solutions. Automotive lighting has evolved from simply providing visibility to becoming a core system integrating driver assistance systems, brand characteristics, and in-vehicle HMI (Human-Machine Interface). Leveraging our strong driver IC design capabilities and AEC-Q100 automotive-grade certification experience, our company has established a complete LED product line (covering DC/DC buck/boost, constant voltage/constant current control, and linear drivers), solidifying our market foundation in automotive and commercial lighting.

Faced with the market's trend towards higher pixel counts and intense price competition, our strategy is shifting from a "single component supplier" to a "system-level solution provider." We will further provide customers with complete platform-based reference designs through in-depth collaborative design of "multi-channel LED drivers," "high-efficiency front-end DC/DC power management," and "MCU communication diagnostics." This move will not only address the pain points of automakers in thermal management and software integration, but will also drive up the average selling price (ASP) of the overall solution, ensuring that the company achieves a leading market position with high gross margins and high value in the future wave of digital lighting and zonal architecture in vehicles.

(4) Oscillator IC Series

Our company's oscillator chips (Ultra Low Jitter Oscillator) are specifically targeted at the high-speed computing blue ocean markets of AI data centers, 5G/6G, and high-end network communication equipment, possessing core commercial value of "high usage, high unit price, and excellent gross profit."

This product series will lead PTC into the high-end communication and computing supply chain, serving as a key engine for enhancing overall product value, optimizing gross profit structure, and driving explosive growth in the medium to long term. This will completely transform PTC's product value positioning, officially placing it among the core supply chains for high-end communication and computing applications.

(III) Technology and R&D Overview

1. Research and development expenses for the latest year and up to the date of publication of the annual report

Unit: NT$ thousands; %

Year / Item	2025	As of March 31, 2026

R&D Expense	373,544	101,200
Net Operating Revenue	1,123,060	332,276
ratio	33.26%	30.46%

2. Technology or Product Successfully Developed

- Expand and upgrade general-purpose microcontroller (MCU) products and obtain IEC 60730 certification
- Expand automotive LED lighting driver ICs (exterior/interior)
- Newly developed automotive matrix LED systems
- Inkjet printer head driver ICs
- ASIL-compliant head-up display TFT driver ICs

(IV) Long- and Short-Term Business Development Plans

1. Short-term Program Overview

(1) Marketing Strategy

A. Develop marketing strategies for different market characteristics, for China (including Hong Kong) and US markets, and continue to cultivate the market based on the existing basis; Japan market is the focus on expanding the region, and actively looking for agents to establish marketing channels.

B. Develop sales strategies for different product nature and market characteristics, adjust the sales department manpower structure, and adjust the agent products according to agent characteristics and expertise so as to make full use of human resources to achieve a deep market purpose.

(2) Production strategy

A. At present, the company's testing and processing are outsourced production and strengthen long-term good cooperative relations with packaging factories, test factories, and other outsourcing manufacturers in order to obtain sufficient capacity and supply customer demand.

B. In addition to continuing to establish a more stable division of labor relationship with some OEM factories, and seek other suitable new factories to diversify the source of incoming goods, reduce production risk, and increase the space of negotiation.

(3) Product Development Direction

A. Continue to strengthen the competitiveness in the field of automotive electronics and maintain the certain quality of automotive products.

B. Collect analytic agents or customer feedback messages to actively develop the demand products in the customer's market.

(4) Operational scale and financial fit

A. To expand the performance, through the stock listing, through the openness of finance and business, to attract the public to participate in the investment, improve the company's visibility, and make the use of funds to achieve maximum efficiency.

B. In line with the capital needs of business expansion, without compromising profitability, timely financing or borrowing from banks to support and use funds flexibly to create appropriate financial profits.

2. Long Term Business Development

(1) Marketing Strategy

A. Continue to strengthen the training of marketing professionals, expand to internationally renowned manufacturers and agents as the main customers through the establishment of subsidiaries, establish a global network and sales base, and become a global brand.

B. Expand sales locations outside Asia, gradually establish a global marketing network, and strive for internationally renowned manufacturers to become partners in new product development.

(2) Production Policy

To maintain a good cooperative relationship with the existing foundry, in order to avoid the involvement of the foundry, seek new foundry cooperation, in addition to the possibility of investment, and continue to use advanced processes to reduce costs and establish competitive advantage.

(3) Product Development Direction

A. At the technology level of display driver IC products, current product development focuses on the expanding automotive electronics market. Significant progress has been made in the HUD field, and in response to the development of intelligent electric vehicles, the company will continue to focus on display driver ICs for various in-vehicle information transmission.

B. The automotive industry is at a historical juncture, transitioning from traditional fuel power to electrification and intelligentization. In this process, automotive lighting systems are no longer merely about providing basic visibility. Besides the huge market opportunities in LED lighting and backlight ICs, the company currently possesses a complete LED driver product portfolio, covering DC/DC architecture (including Boost and Buck), constant voltage and constant current control, linear drivers, and backlight-related solutions. The basic product portfolio is nearly complete. Among these, Bulk Boost LED Drivers are mainly used in automotive headlights, high-efficiency buck constant current drivers are used in fog lights, turn signals, and brake lights, while linear drivers are mostly used in taillights and turn signals. Currently, LED driver ICs for automotive interior and exterior lighting are a key focus of the company's R&D, and the company will continue to monitor the development of this industry.

C. The motor drive market has experienced rapid growth in recent years, with applications spanning industrial automation, automotive electronics, home appliances, and robotics, demonstrating strong demand momentum. However, market competition is also intensifying, exhibiting a clear polarization: major European and American manufacturers such as TI, Infineon, and Rohm maintain their dominance in the high-end market thanks to their long-accumulated system capabilities and brand advantages; on the other hand, Chinese manufacturers are rapidly rising with policy support and capital investment, particularly penetrating the automotive and mid-to-low-end markets with significant price advantages. In this competitive landscape, traditional pure driver ICs, due to relatively limited technological barriers, are gradually falling into a state of high homogenization, with product prices and gross margins facing continuous pressure. To address this structural challenge, the company launched a product upgrade and differentiation strategy starting in 2025, investing in the development of Smart Gate Driver. This product, in addition to cost improvements through architectural optimization, incorporates multiple proactive protection mechanisms, enhancing system reliability and application security. This shift from a purely price-driven approach to value-driven competition helps widen the gap with low-priced Chinese competitors and raises the barrier to entry for customers and the unit price of the product.

D. Regarding its MCU product line, PTC's development strategy is not to enter the general-purpose microcontroller market, but rather to clearly position itself as an "application-oriented MCU supplier." Its core logic lies in combining the company's existing advantages in driver circuit design, its long-standing channel foundation in the automotive market, and its years of accumulated experience in automotive electronics development and quality systems (such as AEC-Q100, IEC60730) to create a differentiated MCU product positioning, rather than directly competing with the highly competitive general-purpose MCU market.

(4) Operational scale and financial fit

We are adhering to the concept of sustainable operation through the long-term planning of human resources expansion and product diversification so that the operation scale continues to expand to become a well-known IC design company at home and abroad.

II. Analysis of the Market as well as Production and Marketing Situation

(I) Market Analysis

1. Sales area of the main products

Unit: NT$ thousands; %

Year / Type	2025		2024	
	Amount	Ratio (%)	Amount	Ratio (%)

Japan	320,144	28.51%	210,550	18.36%
Mainland China	704,387	62.72%	828,713	72.27%
Others	98,529	8.77%	107,411	9.37%
Net Operating Amount	1,123,060	100.00%	1,146,674	100.00%

2. Market share

According to ITRI's obstetrics international statistics, Taiwan's IC design output value was NT$1,420 trillion in 2025, and the company's revenue was NT$1.12 billion in 2025, accounting for about 0.08% of Taiwan's IC design industry output value.

3. Future Market Supply, Demand, and Growth Potential

The annual output value of Taiwan's IC design industry was about NT$1,420 trillion in 2025, increased 11.6% from NT$1,27 billion in 2024. It is estimated that the annual output value of 2026 will be NT$1,500 trillion, an increase of 5.6% from 2025.

4. Competitive Niches

The main competitive niche of IC design companies is the accumulation of their long design experience. The company is currently transforming to the direction of visual information for drive/LED lighting, such as electronic machinery. In particular, display driver ICs, motor driver ICs, and LED lighting driver ICs have invested considerable manpower and material effort in R&D for a long time, thus accumulating considerable technology and experience, which is the core technology that our company relies on at present. In addition, the insistence on quality, the establishment of the channel, and the establishment of the brand are the best ways for the company to maintain competitiveness. Our brand is well known in China, and Princeton has a certain reputation in the automotive products industry in Japan.

5. Favorable and Unfavorable Factors of Development Prospects and Countermeasures

(1) Favorable factors

A. China's IC industry has a good structure and complete

The industrial structure of the professional division of labor is the biggest difference between China's IC industry and foreign countries. Most international manufacturers are designed, manufactured, packaged, tested, and even system products vertically integrated with upstream and downstream vertical integration, while domestic resources are concentrated in a single industry sector and the vertical division of upper and downstream operations. However, in the rapidly changing industrial environment and the expanding capital equipment investment, China's unique professional division of labor model does meet the needs of industry trends.

B. Less affected by the climate cycle

As IC design companies operate based on wafer outsourcing OEM production, rely on brainpower development, less investment in fixed equipment, and product design changes with different market needs, it is more flexible in operation and can quickly adapt to external changes, so it is affected by the boom cycle. Small.

C. Consumer Electronics Market Continues to Grow

Consumer electronics has a wide range of applications with unlimited potential opportunities. As new consumer products continue to evolve, domestic companies can accurately capture (or create) market demand; there will still be considerable room for growth in the future.

D. Mastery of customer identity and OEM capacity

The company is committed to developing new product technology for application or commissioned by customers to design their IC because its IC is used in customer products, so from product development direction, market forecast, engineering and after-sales service, the IC design company must cooperate with downstream customers for a long time to obtain it. Recognize and create good cooperative relationships.

On the other hand, the company is a professional IC designer, which is the business type of Fabless Design House. The most important part of its operation is the acquisition of production capacity, and the company maintains a good and stable cooperation relationship with the semiconductor wafer foundry, the midstream and downstream system professional packaging, and testers. Therefore, customer recognition and abundant capacity are competitive advantages for the company's operation.

E. Excellent quality R & D team

As of March 31, 2026, the company's R & D personnel, 114 people have college degrees or above and rich working experience; since the establishment of the company for 40 years, stable personnel, company has accumulated a solid technical foundation.

(2) Unfavorable factors and countermeasures

A. Fierce competition in the industry

In general, consumer electronic IC design has relatively low technical barriers and low funding threshold, so competitors are not high. In view of the leading power of IC design to the semiconductor industry, stakeholders invest in IC design companies based on the trend of strategic alliances or upstream and downstream integration. IC manufacturers experienced the impact of IC prices in 1996; consumer IC profit space is relatively attractive, some IC manufacturers or by reinvestment or independent design department cross the design and manufacturing of consumer IC, the capital and own capacity to penetrate the market, thereby increasing market competitiveness.

Countermeasures:

(A) Expand product line breadth, enrich technology types, and add high-end products to provide customers with more applications and create market demand.

(B) To master customers with excellent technology, stable quality, punctual delivery, and perfect after-sales service.

(C) Accelerate the generational turn of products, improve processes to reduce average costs, and provide customers with more competitive prices.

(D) Actively extend the development of industrial/vehicle driver ICs to enhance performance and profitability stability.

B. Fast product change in the market and short product life cycle

Rapid advances in semiconductor technology, increased demand for product features, and the development of new products in the industry have accelerated the pace of replacing old and new ones.

Countermeasures:

(A) Accelerate the development of niche products to cope with rapid market movements and enhance the introduction of advanced development systems and modular design to shorten product development time and gain market opportunities.

(B) Constantly invest a lot of R&D workforce and funds, develop new patented technologies, and make full use of the accumulated results and experience to maintain the leading position in R&D, expand the technical gap with competitors, and eliminate the trend of price competition.

(C) Due to the stability of cyclical and transformative in both industrial/vehicle areas, expanding the development of these two areas is our key response.

C. The cost of professional manpower is rising

As the resources of IC design services come from a strong R&D team, R&D talent becomes the key factor for the successful operation of the company. In recent years, due to the booming development of the IC industry, professional manpower demand has been increasing, but the professional R & D personnel development period is longer, and in order to condense the focus of professionals to the company, the company will pay higher labor costs.

Countermeasures:

(A) Increase the proportion of high-value-added products and enhance personnel output value.

(B) Formulate annual education and training plans for employees to provide adequate education and training for employees so that employees have the opportunity to self-realization and enhance their company-oriented efforts.

(C) Good working environment, full authorization, giving employees maximum play space.

D. High dependence on upstream wafer foundry and outsourcing plant

Due to the professional IC design company, there is no own fab. Its product manufacturing process is to commission the self-developed product design by foundry, after testing and then outsourcing to the packaging factory for packaging, and then after testing, the assembly is then sold after the completion of the test. Therefore, the development space of IC designers is closely related to the supply of OEM production capacity. With the supply of OEM production capacity, IC designers can fully develop new products, so stable wafer foundry capacity is the key to the continuous development of the business of IC design companies.

Countermeasures:

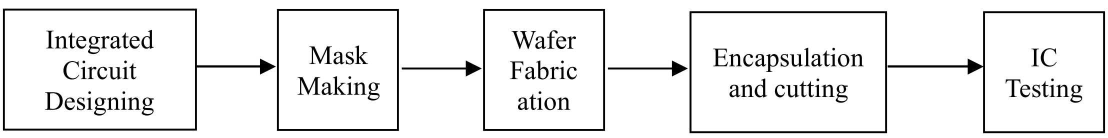
According to product process requirements and cost considerations, we are commissioned by a number of domestic and foreign manufacturers to disperse the foundry source to stabilize the company's wafer foundry capacity acquisition.

(II) Functions and Manufacturing Processes for Main Products

1. Important Functions of Main Products

Item	Main Product Content	Usage and Functions
Display Driver IC Series	1. Thin-Film Transistor LCD Display Driver IC (TFT LCD Driver IC) 2. Organic light-emitting diode driver IC 3. Fluorescent Display Driver IC (VFD Driver IC) 4. LCD Driver IC (LCD Driver IC) 5. LED Driver IC	Automotive dashboard, head-up display (HUD), all kinds of consumer electronics products display, and various industrial instrument displays.
Motor drive integrated circuit series	1. DC Motor Driver IC 2. Stepping Motor Driver IC 3. Servo Motor Driver IC 4. 3 Phase Brushless DC Motor Driver/Controller (3 Phase BLDC Motor Driver/Controller) 5. Gate Driver IC	Power tool machine, POS machine, Refrigerator, Network camera, Security camera, Servo motor, Electric fan, Car air conditioning actuator, Home/door lock control, 3D printer
MCU	ARM Cortex M microcomputer control	Automotive Body LED, Motor MCU
Others	1. Customer commissioned design integrated circuit (ASIC IC) 2. Printer Head Driver IC Series 3. Multimedia Audio Control IC Series 4. RF Integrated Circuits (RF ICs) 5. Power Management ICs	1. Inkjet/Optical Printer Heads 2. Car audio, home appliances, audio-visual products 3. Remote control device for wireless headset\ speaker\ microphone, AV transceiver, home appliance products infrared transmitter, and reception 4. Power Supplies, AC/DC Converters

2. Production Process



(III) Supply of Major Raw Materials

Major Raw Material	Supplier	Supply Situation
Wafer	TSMC	steady
Wafer	UMC	steady

(IV) List of major customers in the last two years

1. Information on major clients in the last two years

Unit: NT$ thousands

	2024				2025				To the previous quarter in 2026			
Item	Company Name	Amount	Proportion to Annual Net Sales (%)	Relationship with Issuer	Company Name	Amount	Proportion to Annual Net Sales (%)	Relationship with Issuer	Company Name	Amount	Ratio of net stop sales for the year ended prior quarter	Relationship with Issuer
1	C16	113,236	9.88%	None	C16	209,816	18.68%	None	C16	47,336	14.25%	None
2	C22	126,067	10.99%	None	C22	116,160	10.34%	None	C22	30,290	9.12%	None
3	C20	119,861	10.45%	None	C20	116,135	10.34%	None	C20	43,094	12.97%	None
4	C6	140,301	12.24%	None	C16	93,119	8.29%	None	C6	34,437	10.36%	None
5	Others	647,209	56.44%	None	Others	587,830	52.35%	None	Others	177,119	53.30%	None
	Net Sales	1,146,674	100.00%		Net Sales	1,123,060	100.00%		Net Sales	332,276	100.00%	

Cause of change: The decrease in net sales in this period compared to the previous period was due to the decrease in demand in the Japanese consumer electronics IC market in 2024.

Explain: The Company’s product sales are mainly exported, and the US dollar quotation accounted for the highest percentage of sales.

2. Information on Major Suppliers in the Last Two Years

Unit: NT$ thousands

	2024				2025				To the previous quarter in 2026			
Item	Company Name	Amount	Proportion to Annual Net Purchases (%)	Relationship with Issuer	Company Name	Amount	Proportion to Annual Net Purchases (%)	Relationship with Issuer	Company Name	Amount	Ratio of net imports for the year ended the previous quarter [%]	Relationship with Issuer
1	V9	55,147	7.41%	None	V9	87,344	12.84%	None	V9	35,538	14.98%	None

2	V11	72,397	9.73%	None	V11	70,076	10.30%	None	V11	25,503	10.75%	None
3	V2	88,372	11.88%	None	V2	62,042	9.12%	None	V2	24,913	10.50%	None
5	Others	527,942	70.98%	None	Others	460,744	67.74%	None	Others	151,258	63.77%	None
	Net Purchase	743,858	100.00%		Net Purchase	680,206	100.00%		Net Purchase	237,212	100.00%	

Reason for Increment: Adjust supply source to match product development needs.

Explain: The main raw material of our company's products is wafers, and both quality and process capabilities are at a considerable level. The Company and its suppliers also regularly review prices, product quality and service conditions; overall, the Company's long-term cooperative relationship with these suppliers is stable and good.

III. Employees

Number of Employees for the Two Most Recent Fiscal Years, and During the Current Fiscal Year Up to the Date of Publication of the Annual Report

Year		2024	2025	This year as of the publication of the Annual Report
Number of Employees	Managerial Officer	29	27	27
	R & D Staff	107	114	115
	Production staff	23	12	12
	General Staff	52	57	56
	Total	211	210	210
Average Age		48.2	47.3	47.4
Average Years of Services		17.1	15.3	15.4
Education	Ph.D.	0	0	0
	Masters	69	80	81
	College	131	122	122
	High school	11	8	7
	Below High School	0	0	0

IV. Environmental Protection Expenditure

The total amount of losses (including compensation) and disposition arising from the polluting environment in recent years and up to the publication of the annual report, and state future countermeasures (including improvement measures) and possible expenses:

The company is committed to the maintenance of the environment and the establishment of ISO14001 environmental management system and ISO45001 occupational safety and health management system. In May of 2005, SONY Japan Green Partner certification, all exported products to Europe, America, Japan, Korea, Singapore, and Malaysia all comply with RoHS regulations; and we are a professional IC design company, the wafer processing and manufacturing are commissioned by foundry, IC package testing is also commissioned by professional testing factory OEM, factory only a few test equipment for project verification and auxiliary design of computer equipment, so there is no pollution to the environment.

V. Labor Relations

(I) Employee Benefit Plans, Continuing Education, Training, and Retirement Systems and the Status of Their Implementation, and the Status of Labor-management Agreements and Measures for Safeguarding Employees' Rights and Interests

1. Employee Welfare

(1) The company has an “Employee Welfare Committee” to promote a variety of welfare systems. Weekday employee welfare activities include community activities, birthday parties, annual gifts, travel activities, charitable activities, weddings, funerals, festive subsidies, etc., increasing the emotional exchange and team spirit among employees.

(2) In addition to labor insurance and health insurance, we also have group life insurance, accident insurance and hospitalization medical insurance, and cancer insurance.

2. Employee Development and Training

The company has an "education and training control program," which covers the whole company's education and training system, etc., respectively, for different levels, professional and new personnel to plan suitable training courses. Annual education and training plan is established, and the quality, HSE-related personnel and regulations require relevant personnel to arrange internal, and external training courses.

In addition to the on-the-job training and internal training of new personnel in various departments, the company also included ISO 9001 lead auditor training, occupational safety and health management training, first aid and fire protection personnel training, production technology training, circuit design research, semiconductor product trend discussion, customer service, paperwork, Accounting practice, human resources management, MIS network management and software application, auditing, corporate governance director and supervision practice, patent and intellectual property.

2025 annual education and training mainly enhance the internal organization learning mechanism, using self-organized courses to let related departments or departments of the same business attribute share and interact so that the experience is sustained to achieve the performance goals of each department, improve internal training function and reduce the cost of related training costs, so KPI training indicators The total number of training courses is greater than 40 times for the total number of training courses, the index achievement was 275%, the internal training sessions have held a total of 110 sessions, the total number of training hours was 315 hours; and the external professional training, the training number was 57 people and the total training time for about 410.5 hours, the annual training expenses totaled NT$118,000.

Among the managers involved in the training and training of corporate governance:

Manager Job Title	Name	Name of Training Courses	Training Hours
Audit Supervisor	Yen Chao Li	Key Elements and Audit Focus of Establishing a Sustainable Information Management Internal Control System	6
		Key Practices in Sustainable Information Management and Internal Control Audit	6
Accounting Supervisor	Wen-Yu Lin	2025 accounting seminar series	32
CFO	Jade Hu	Resilient Taiwan - OTC Perpetual Bond and ETF Forum	3
		Trends and Risk Management of Digital Technology and Artificial Intelligence	3
		Issuance, Impact, and Responses to IFRS S1 and S2 Sustainable Disclosure Standards	3
		How Directors and Supervisors Supervise the Establishment and Implementation of a Sound Risk Management System	3

The company currently obtained the relevant license of the competent authorities:

Certification and Examination Title	Headcount	Position Title	Headcount
Senior Securities Dealer	2	Competency Manager	1
Futures Business Clerk	2	A-type labor safety and health supervisor	6
Professional Competence Test of Stockholder Services	2	Labor Health Safety Administrator	1
Securities investment Analysts Test	1	Waste Removal and Handling Technician	1
CFA Chartered Financial Analyst	1	Fire Protection Administrator	4
CIA Internal Auditor License	3	First Responders	9
Investment Consultant	1	Hazardous Operations Supervisor Safety and Health	1
Trust Business Personnel Quiz	1	Operation Supervisor, Organic Solvent	2
Foreign Exchange Staff Proficiency Test	1	EHH Lecturer Foundation	1

3. Retirement system and its implementation

After the enactment of the Labour Pension Ordinance on July 1, 2005, the labor pension applies to the Labor Pension Ordinance; pensions are paid monthly and stored in the Labor Pension Personal Account set up by the Labor Insurance Bureau. The company's retirement method is handled according to the relevant laws of the government, retaining the old working years of working seniors, the old working years of pension according to the labor standard law, and setting up a labor retirement reserve supervision committee to regularly allocate retirement reserve and hold a pension reserve supervision committee meeting to ensure labor equity.

4. Agreement between labor and management

The company has a “labor meeting,” which is held regularly every quarter to enhance communication opportunities and establish a consensus, to achieve employee welfare goals and business objectives.

5. Measures to protect employees' rights

The company has various management regulations such as “employee manual,” “employment contract,” “employee confidentiality agreement,” “employee assessment method,” “employee job title and promotion method” and “employee reward and punishment methods,”... etc., all of which are based on the company management culture “adhere to quality, encourage innovation, focus on efficiency “The spirit of setting the code of conduct and ethics and related rights and obligations that employees and managers should abide by. The relevant rules and regulations are available at any time on the company's internal website. For the directors and supervisors of the company, there are rules for the avoidance of conflict of interest in the “Rules of Board Meeting,” and “Audit

Committee Organizational Rules" which require members to avoid interests and do the duties of good managers. In addition, the training of new employees includes general safety and health education, anti-bullying advocacy, workplace abuse and sexual harassment prevention education and training, and the code of conduct for employees is also included in the training curriculum so that employees can understand and comply with the relevant regulations of the company.

(1) Staff manual and safety and health work code: detailed company introduction, corporate culture, and policy, leave management methods, incentive, insurance, gift subsidy, welfare measures, company products/agents/top ten customers introduction, quality policy, and office equipment usage, etc., so that new employees have to the company A complete understanding helps them adapt quickly and effectively to the new environment and comply with the relevant requirements of the company.

(2) Employment contract: set out hours, access control security management, ethics (including honesty, morality, avoidance of conflict of interest, confidentiality, fairness, asset protection, compliance, etc.), and various management methods so that new employees can understand and comply with the company's regulations effectively and effectively.

(3) Employee Confidentiality Agreement: specify that the company's confidential business information should be maintained confidential and combined with the reward and punishment.

(4) Staff assessment methods: specify the types, periods, procedures, and scoring methods of an annual assessment to enhance staff performance and achieve work goals in a reasonable, impartial, and institutional way.

(5) Staff job titles and promotion methods: the relationship between the categories, functions, and procedures of the promotion, and the assessment results, with a view to improve the development of the company and create win-win results under the smooth promotion system.

(6) Employees reward and punishment methods: all incentive rules, all weekly employees to comply with, let employees clearly know the code of conduct; employees have enough to encourage deeds or punishment behavior, according to the provisions of the opening provisions of the reward and punishment. And set out the rules of conduct of commendation, small work, great power, and warning, small, oversized, dismissed job, strict work discipline, implement the principle of reward and punishment, to ensure the smooth progress of all work.

(7) Employee leave method and access control management: set out various leave, number of days, and related regulations, so that employees take leave to follow, and set up access control system and security personnel to enhance the safety and security of the company and employees.

(8) Health inspection management regulations: set out the inspection items and period for new employees, employees, and employees engaged in hazardous operations to maintain the health of all employees and improve work efficiency.

(9) Sexual Harassment Prevention Measures and Punishment Measures: To protect gender equality and personality dignity, specify the procedures and penalties for their complaints and investigation, and prevent sexual harassment in employment places.

6. Procedures for handling critical information:

(1) All important information of the Company is published in the public information site according to Article 57 of the Securities Trading Act and posted on the company's website “Investor Service” important information page so that the investors and all employees can get the most timely information of the company at the first time.

The “Investor Services” website contains important information, financial information, legal information, corporate governance, and shareholders columns (including contact information of company spokesperson and stock agent, stock price inquiry, ex-right dividend information, shareholders' meeting announcements, dividend announcements, and analyst reports).

(2) All new managers and directors are received on the first day of the company personnel announcement received the stock affairs group's directors' manuals and publicized information files of the directors of the listed counter company directors for their reference, and on the email focused on the key points of shareholding declaration and emphasizing the penalty of securities law, to avoid violating and issuing them The act of insider trading.

(II) The latest year and up to the date of publication of the annual report, the loss arising from labor disputes, and disclose the estimated amounts and measures that may occur at present and in the future:

The company has been adhering to the “harmonious labor” business philosophy to manage and has established a good and stable corporate culture and working environment. In the future, the company will continue to strive to expand the various management rules, benefits, systems, etc., to seek more and better rights and obligations for all colleagues.

VI. Information and Communication Security Management

(I) Information and Communication Security Risk Management Framework

The company's information security system is responsible for the information security technology control to ensure the operation of the company's information security management system, identify the information security management system within the information security management system, external issues, and related groups of information security requirements and expectations, implement information security protection related Work, security incident response handling, and post-security incident recovery capabilities to prevent security incidents and reduce the loss of security incidents.

(II) Information and Communication Security Policy

We ensure the confidentiality, integrity, availability, and lawfulness of information assets, avoid deliberate or accidental threats, evaluate our business needs, continue to implement IT management tools, and continuously strengthen information security management mechanisms to continuously operate information security management and privacy protection mechanisms.

(III) Information and communication security specific management plan and investment resources

1. Information security management mechanism:
   The audit department of the company implements information security management mechanism to establish, implement, maintain, and improve the information security management system in the circular mode of PDCA.
2. Information Security Technology Control
   Prevent hackers from hacking and stealing company sensitive data by building information security monitoring systems. Establish a complete information system security network, including computer rooms, network equipment, network connection, and management of personal information equipment (e.g., desktop, laptop, tablet, smartphone, etc.) to protect personal data, company confidential data, and customer and supplier data.
3. Information Security Training
   To enhance the awareness and awareness of our employees on information security:
   (1) Information security awareness: In order to raise employee awareness of information security, timely announcement and promotion of information security-related information through various channels and conferences.
   (2) Information Security Training:
      A. New employees sign the Professional Ethics Service Agreement and receive training on information security on the day of registration to understand the company's information security policy and requirements.
      B. In addition to the education and training held by the company, the unit's information personnel participated in external training events or seminars (including online) to attract information security mechanisms and the latest types of information security attacks. The company has also joined the Taiwan Computer Network Crisis and Coordination Center (TWCERT/CC) to strengthen information security protection.
      C. To enhance employee security awareness through irregular drills.

(IV) Losses, possible impacts, and countermeasures arising from major information security incidents

In the latest year, and as of the publication of the Annual Report, there is no financial compensation or loss related to the operation due to the major events of the information security incident.

Committed to protecting the security and privacy of information assets related to internal and external operations, focusing on the defense of security threats from internal and external, and continue to follow up with relevant threat intelligence at home and abroad, and managing security operations and monitoring in a timely manner, to reduce the operational impact caused by security threats and implement the operational impact of enterprises The responsibility of safety to achieve sustainable development of the enterprise.

VII. Important Contracts

31 March 2026

Type of Contract	Counterparty	Period	Major Contents	Restrictions
Technical Cooperation Contract	Aplus Flash Technology, Inc.	2003.10.20~	Technology Licensing	None
	Faraday Technology Co., Ltd.	2004.02.04~	Technology Licensing	None
	Faraday Technology Co., Ltd.	2004.08.25~	IC Development Support	None
	DVD Copy Control Association	2004.11.04~	Technology Licensing	None
	Aplus Flash Technology, Inc.	2004.11.11~	Technology Licensing	None
	United Microelectronic Corporation	2005.01.17~	Technology Licensing	None
	Faraday Technology Co., Ltd.	2005.04.08~	Technology Licensing	None
	Macros International Semiconductor Co., Ltd.	2007.06.04~	Technology Licensing	None
	Silicon Ocean, Inc.	2008.05.14~	Technology Licensing	None
	Cadence Design Systems Limited	2008.08.29~	Software Licensing and Maintenance	None
	Back-End Service Trade Intelligence Integration Corp.	2013.01.18~	Wafer Test Project	None
	ARM LIMITED	2013.04.11~	Technology Licensing	None
	Taiwan Semiconductor Manufacturing Co., Ltd.	2003.11.21~	Technology Licensing	None
	Taiwan Semiconductor Manufacturing Co., Ltd.	2003.11.22~	Technical Support	None
	ARM LIMITED	2014.03.27~	Technology Licensing	None
	Dolphin Integration SA	2014.03.31~	Technology Licensing	None
	Taiwan Semiconductor Manufacturing Co., Ltd.	2014.07.07~2017.07.06	Technology Licensing	None
	ARM LIMITED	2018.02.27~	Technology Licensing	None
	CHAO FENG ELECTRONIC CO., LTD.	2026.1.10~2029.1.9	Procurement contract	None
	Greatek Electronics Co., Ltd.	2026.1.3~2029.1.2	Package Contract	None
	ARM LIMITED	2024.10.21~	Technology Licensing	None

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

I. Analysis of Financial Status

Financial position comparative analysis

Unit: NT$ thousands

Item \ Year	2025	2024	Difference	
			Amount	%
Current assets	1,206,263	1,395,775	(189,512)	(13.58%)
Current assets	962,774	965,202	(2,428)	(0.25%)
Total assets	2,169,037	2,360,977	(191,940)	(8.13%)
Current liabilities	414,022	246,156	167,866	68.19%
Non-current liabilities	40,756	57,281	(16,525)	(28.85%)
Total liabilities	454,778	303,437	151,341	49.88%
Capital stock	1,809,437	1,809,437	0	0.00%
Capital surplus	73,923	73,923	0	0.00%
Retained earnings	(203,696)	(10,444)	(193,252)	(1850.36%)
Other equity items	(18,606)	(5,957)	(12,649)	(212.34%)
Non-controlling interest	53,201	190,581	(137,380)	(72.08%)
Total shareholders' equity	1,714,259	2,057,540	(343,281)	(16.68%)

1. **Analysis of change of increase and decrease ratio of more than 10%**
   - Decrease in current assets and total assets: This was due to a decrease in cash and inventory of NT$126,954,000 and NT$84,016,000 respectively compared to the previous period.
   - Increase in current liabilities: This was mainly due to an increase in short-term borrowings of NT$96,009,000 for operating needs and an increase in equity payments payable for the acquisition of subsidiary equity of NT$57,014,000.
   - Decrease in non-current liabilities: This was mainly due to the refund of a portion of capacity deposits of NT$11,730,000 during the period.
   - Increase in total liabilities: This was mainly due to an increase in short-term borrowings and other payables during the period.
   - Decrease in retained earnings: This was due to a decrease in operating revenue and net profit after tax, and an increase in exchange losses during the period.
   - Decrease in other equity items: This was due to a decrease in exchange differences recognized in the financial statement translation of foreign operating entities during the period.
   - Decrease in non-controlling interests: This was due to an increase in subsidiary equity during the period, resulting in a decrease in minority stakes compared to the previous period.
   - Decrease in total shareholders' equity: This was due to a decrease in operating revenue and net profit after tax during the period, as well as an increase in exchange losses..
2. **Impact of changes in financial position:** No significant impact on financial position.
3. **Future Response Plan:** Not applicable.

II. Financial Performance

The Comparative Analysis of Business Results for the Last Two Years

Unit: NT$ thousands

Item \ Year	2025	2024	Increase (Decrease) Amount	% Change
Net operating revenue	1,123,060	1,146,674	(23,614)	(2.06%)
Operating costs	758,650	804,580	(45,930)	(5.71%)
Gross Profit	364,410	342,094	22,316	6.52%
Operating expenses	611,089	601,699	9,390	1.56%
Operating Profit	(246,679)	(259,605)	12,926	4.98%
Non-operating income and expenses	62,986	90,988	(28,002)	(30.78%)
Continue the business department before net tax profit	(183,693)	(168,617)	(15,076)	(8.94%)
Income tax expenses	(6,597)	(1,585)	(5,012)	(316.21%)
Continue business department net profit after tax	(190,290)	(170,202)	(20,088)	(11.80%)

1. **Analysis of changes of more than 20%:**
   - Increase in non-operating income and expenses: This was mainly due to a decrease of HK$24,672,000 in subsidies and other income compared to the previous period, and an increase of HK$17,919,000 in exchange losses compared to the previous period.
   - Increase in income tax expense: This was mainly due to adjustments from previous years, the arising and reversal of temporary differences.
2. **Expected Sales Quantities and Based on:** Financial forecasts are not published, so they are not applicable.
3. **Possible impact on future financial business and response plan:** Financial forecast has not been published, so it is not applicable.

III. Cash Flow

Cash flow change analysis

Cash balance, the beginning of year	Year round from operating activities: cash flow	Year-round net cash flow due to investment and financing activities	Effect of exchange rate changes on cash and cash	Estimated cash surplus (deficit) amount	Estimated remedial measures for cash deficit	
December 31, 2024	2025	2025	2025	December 31, 2025	Investment Plan	Financial Planning
445,013	(37,648)	(94,543)	5,237	318,059	-	-

1. **Analysis of changes in cash flow for the current year:**
   - Cash outflows from operating activities were approximately HK$37,648,000: primarily due to a pre-tax net loss of HK$183,693,000 and a cash inflow of HK$84,016,000 from a decrease in inventory.
   - Cash outflows from investing activities were approximately HK$87,158,000: primarily due to cash outflows of HK$63,860,000 from the acquisition of real estate, plant and equipment, and financial assets measured at fair value through profit or loss, respectively.
   - Cash outflows from financing activities were approximately HK$7,385,000: primarily due to an increase of HK$95,773,000 in short-term borrowings, a cash outflow of HK$59,850,000 from the acquisition of subsidiary equity, and a cash outflow of HK$31,391,000 from changes in non-controlling interests.
2. **Insufficient liquidity improvement plan:** Not applicable if there is no shortage of cash.

3. **Cash Flow Analysis for the Coming Year:** Financial forecast has not been published, so it is not applicable.

IV. Effect Upon Financial Operations of Any Major Capital Expenditures During the Most Recent Fiscal Year

(I) Use of major capital expenditures and sources of funds: None.

(II) Expected possible benefits: Not applicable.

V. Company Reinvestment Policy for the Most Recent Fiscal Year, Main Reasons for Profits/Losses Generated Thereby, Plan for Improving Reinvestment Profitability, and Investment Plans for Coming Year

As of December 2024, the Company reinvested indirectly in mainland China by investing in PRINCETON SILON LIMITED in Hong Kong, totaling USD 33,500,000:

1. Princeton Technology (Shenzhen) Co., Ltd: Due to internal operation adjustment, IC wholesale and retail business gradually transferred to Chengdu sales, mainly responsible for post-sales service and promotion services in mainland China, recognized an investment gain of $18,603 thousand in 2025.
2. Princeton Innovation (Chengdu) Technology Co., Ltd: To expand the business and recruit outstanding R&D personnel in the West through its subsidiary Princeton Silicon Limited. Established in Chengdu, China, on November 7, 2014. It mainly engaged in IC design, software design, wholesale and import and export related services of IC products and electronic products, etc., which helps to enhance the quality and cost advantages of the parent company's products. 2025 recognized investment loss of $12,367 thousand.
3. Chiprail Co., Ltd. in Chengdu: In order to continue to expand the mainland market and is optimistic about the continued growth of Chiprail revenue and profitability, PTC(Shenzhen) Co., Ltd. has been acquiring Chiprail shares since September 2013. As of December 2025, its investment in Chiprail holds a 85% stake. It is mainly engaged in the research and development, manufacturing and sales of high-performance analog and mixed-signal ICs and power management ICs. In 2025, it recognized investment profits of RMB4,999 thousand.

Looking forward, in order to continue to enhance product competitiveness and closer to market demand, the Company will actively invest in China market development to increase market share and brand visibility, hoping to increase further the Company's revenue and profit in mainland China.

VI. Risk Analysis and Assessment for the Most Recent Fiscal Year and During the Current Fiscal Year and as of the Date of Publication of the Annual Report

(I) Effects of Changes in Interest Rates, Foreign Exchange Rates, and Inflation on

Corporate Finance and Future Response Measures

1. Effect on Company's Gains and Losses:

Item	2025 (NT$1,000; %)
Interest income and expenses, net	2,304
Net exchange gain or loss	(4,986)
Ratio of net interest income and expenses to net operating income	0.21%
Net interest income and expenditure to net income before tax	(1.25%)
Conversion Gain/Loss to Net Revenue Ratio	0.44%
Net Exchange Gain/Loss to Net Profit Before Tax Ratio	(2.71%)

(1) Interest Rate Changes

The Company's financial assets and financial liabilities with interest rate change cash flow risk at the end of 2025 were $398,311 thousand and $149,433 thousand, respectively. If the market interest rate changes, the effective rate of such financial products will change the market interest rate.

An increase of 1% will increase the annual benefit of the Company by approximately $2,489 thousand.

(2) Exchange rate changes

The Company has foreign currency-denominated import and export business funds, and exchange rate changes mainly affect IC costs.

Revenue, net receivables at risk of exchange rate change at the end of 2025 is minus JPY847 thousand and USD1,639 thousand. If the change in the Taiwan dollar exchange rate changes the fair value accordingly, the TWD exchange rate will increase the gain of approximately $503 thousand.

(3) Credit risk

The principal credit risk of the Company is due to the recovery of receivables, so exposure to credit risk if net assets at the end of 2025 was $271,932 thousand.

(4) Inflation

The global economy is now in a gradual downturn toward recovery, with interest rates in lower regions.

Inflation has a limited impact on the profit and loss of the Company.

2. Future workarounds:

(1) Responses to Interest Rate Changes

Most of our financial assets exposed to market interest rate changes are required for operational turnover, but in order to minimize exposure, our risk assessment team will, from time to time, account for idle funds and invest in fixed-income financial assets such as creditworthy bond funds, convertible bonds, etc. Profit or loss derived from insurance.

(2) Countermeasures for exchange rate changes

The Company has ample working capital and large financial flexibility to cope with the risk of interest rate changes. For exchange rate changes, in addition to some dynamic natural avoidance, the Company's risk assessment team will choose a better exchange point for spot selling or signing forward foreign exchange contracts with reputable banks in China. Avoid the risk of changes in exchange rates.

(3) Measures to Respond to Credit Risk

The Company only deals with approved and creditworthy third parties. Our policy requires credit confirmation procedures to be used before credit transactions with customers, and we continue to evaluate receivables and bills receivable recycling. Once the risk assessment team evaluates the possibility of default, the other party will be requested to provide due guarantee and appropriate backing, and the book balance has been properly taken into account and reflect the credit risk.

(4) Inflation

The tightening monetary policies initiated by central banks worldwide in 2022 have yielded significant results. After two years of high interest rates, global inflation has generally fallen back to the target range of central banks (around 2%). The current policy focus has shifted from "strongly combating inflation" to "precautionary interest rate cuts" or "neutral interest rate levels" to maintain economic growth momentum and ensure long-term stable and moderate price increases.

(II) The Company’s Policy Regarding High-Risk Investments, Highly Leveraged Investments, Loans to Other Parties, Endorsements, Guarantees, and Derivatives Transactions; The Main Reasons for the Profits/Losses Generated Thereby; And Response Measures to Be Taken in the Future:

The company is committed to the development of the industry and did not engage in high-risk, high-leverage investment, money lending, and others; endorsement guarantees are enforced according to the company's endorsement guarantee; as of Mar 31, 2026, the company provides bank financing required endorsement guarantee to second-tier subsidiary - Princeton, Endorsement The amount is USD10,000 thousand; in order to reduce the impact of exchange rate changes on the company's profit and loss, the company is engaged in pre-sale and foreign exchange selection at any time depending on the exchange rate change Derivatives such as options are traded to avoid the impact of a company's profit from changing exchange rates.

(III) Research and Development Work to Be Carried Out in the Future, and Further Expenditures Expected for Research and Development Work:

For future R&D plans, please refer to the section of this annual report, “Operation Overview - New Products Planned to Develop.” The company has continuously invested relevant human resources and technical resources for new product development.

(IV) Effects of and Response to Changes in Policies and Regulations At Home and Abroad Relating to Corporate Finance and Sales:

The Company has a legal office and legal adviser to study and consult on the impact of important domestic and foreign policy and legal changes on the company's financial business. Based on its data, there is no significant impact, so it is not applicable.

(V) Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales

The high prevalence rate of DVD-player will cause market saturation and profit reduction in the future. The company's response is to develop automotive IC and SoC products, and actively develop markets in North East Asia, such as Japan and Korea, to enhance revenue and gross profit.

(VI) The Impact of Changes in Corporate Image on Corporate Risk Management and the Company’s Response Measures:

The Company does not currently have a corporate image change, so there is no impact on corporate crisis management, so it is not applicable.

(VII) Expected Benefits from, Risks Relating to, and Response to Merger and Acquisition Plans:

The Company does not currently have a M&A plan, so there is no expected benefit or potential risk, so it is not applicable.

(VIII) Expected Benefits from, Risks Relating to, and Response to Factory Expansion Plans

The Company does not currently plan to expand the plant, so there are no expected benefits or possible risks, so it is not applicable.

(IX) Risks Associated With Any Consolidation of Sales or Purchasing Operations, and Mitigation Measures Being or to Be Taken:

The Company does not currently have the phenomenon of purchase or sales concentration, so there is no possible risk, so it is not applicable.

(X) Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10% :

The Company does not currently have a large transfer or replacement of shareholders' shareholders' shares, so it does not apply.

(XI) Effects of, Risks Relating to and Response to the Changes in Management Rights:

The Company currently has no operating rights change, so there is no impact or risk, so it is not applicable.

(XII) Disclosure of issues in dispute, the monetary amount of claims, filing date, counterparties, and status of any litigation or other legal proceedings in the most recent fiscal year and during the current fiscal year up to the publication date of the annual report where the Company and/or any of its directors, supervisors, General Manager, the de facto person in charge, shareholders with 10% or more share ownership, or affiliated companies are involved in pending litigation, legal proceedings or administrative proceedings, or a final judgment or ruling which may have a material adverse effect on the shareholders' equity or price of securities:

The Company currently does not have such a significant impact on shareholders' equity or the price of securities and is not applicable.

(XIII) Other Important Risks and Mitigation Measures:

Risk Assessment Analysis and Countermeasures: We have established a complete network and computer security system to control or maintain the functions of important enterprises, such as our operations and accounting, but there is no guarantee that the computer system will completely avoid cyberattacks from any third-party cracking systems. As a result, we review and evaluate cybersecurity regulations and procedures annually, and the audit establishes the following information security management tasks to ensure the security of our information is protected:

1. Computer system operation and maintenance control procedures
2. Data Backup Implementation Rules
3. Information Systems Recovery Policy
4. Information System Permissions Help

In 2025 and as of the publication of the annual report, the company did not find any major cyberattacks or incidents, nor was it involved in any legal cases or regulatory investigations related to this. In the future, the company will continue to strengthen security protection and establish prevention mechanisms to reduce the company's information security risk and regular security assessment to enable the Company's information security management system to be maintained.

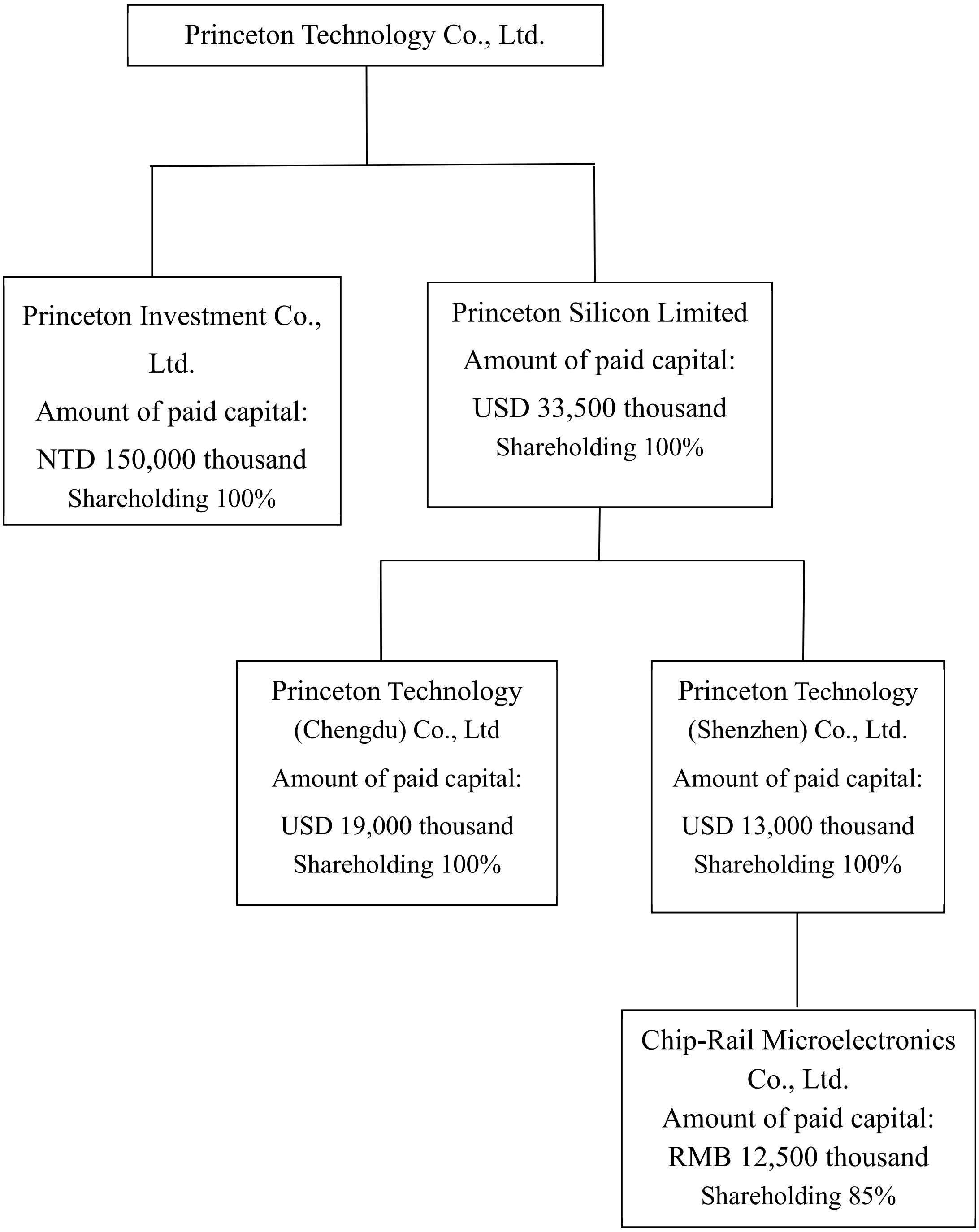
VII. Other Important: None.

Chapter 6. Special Disclosure

I. Information on the Company Affiliates

(I) Consolidated Business Report

1. Affiliate Company Structure



2. **Name, date of establishment, address, amount of paid capital, main business items of each affiliated enterprise**

Unit: NT$ thousands

Name of Affiliate	Set up date	Address	Amount of paid capital	Major Business Activities
Princeton Investment Co., Ltd.	2003.10.29	No. 152, Chaozhou Street, Da'an District, Taipei City	150,000	General Investment Business
Princeton Silicon Limited	2017.04.25	Hongkong	1,056,197	Investment in mainland China and other regions.
Princeton Technology (Shenzhen) Co., Ltd.	2002.07.30	18/F, Building 1, SOHO Building, 230 Xixiang Avenue, Bao'an District, Shenzhen City, China	417,942	IC wholesale industry, IC retail and international trade business, computer system development, IC design and software design, lithium-ion battery diaphragm and various functional films research and development, communication technology consulting, and after-sales service.
Princeton Technology (Chengdu) Co., Ltd	2014.11.07	No. 309, Hezuo Road, Gaoxin District, Chengdu City, Sichuan Province, China	591,690	IC design and software design, technology transfer, technical consulting, after-sales technical services; design, development, and wholesale of electronic system modules; wholesale and import/export support services of integrated circuit products and electronic products; R&D and wholesale of communication equipment, import and export, communication technology consulting and door-to-door Maintenance; R&D, wholesale and import and export related supporting services for lithium-ion battery diaphragm and various functional films; own housing rental.
Chip-Rail Microelectronics Co., Ltd.	2010.08.05	7/F, No. 309, Hezuo Road, Gaoxin District, Chengdu City, Sichuan Province, China	54,300	Computer system development, set circuit design, computer hardware and software design, and integrated circuit technical services.

3. **Presumed to be controlled and subordinated by Article 369-3 of the Company Act:** None.

4. **Data about persons with presumed causes that have inferred control and affiliation:** None.

5. **Industries covered by the business of an overall affiliated enterprise:** the main business items in Table 2 above.

6. **Name of director and general manager of the overall related company and its shareholding**

Unit: Share

Name of Affiliate	Title	Name or Representative	Shareholding	
			Shares	ratio
Princeton Investment Co., Ltd.	Chairman	Princeton Technology Co., Ltd. (Representative: Chang-An Chiang)	15,000	100%
	Director	Princeton Technology Co., Ltd. (Representative: Yu-Chen Hu)		
	Director	Princeton Technology Co., Ltd. (Representative: Wen-Yu Lin)		
	Supervisor	Princeton Technology Co., Ltd. (Representative: Jen-Hung Tang)		
Princeton Silicon Limited	Chairman	Princeton Technology Co., Ltd. (Representative: Chang-An Chiang)	33,500	100%
Princeton Technology (Shenzhen) Ltd.	Chairman	Princeton Silicon Limited (Representative: Chang-An Chiang)	13,000	100%
	Director	Princeton Silicon Limited (Representative: Yueh-Lan Tseng)		
	Director	Princeton Silicon Limited (Representative: Chi-Lin Chao)		
Princeton Technology (Chengdu) Co., Ltd	Chairman	Princeton Silicon Limited (Representative: Chang-An Chiang)	19,000	100%
	Director	Princeton Silicon Limited (Representative: Yu-Chen Hu)		
	Director	Princeton Silicon Limited (Representative: Jen-Hung Tang)		
	Supervisor	Princeton Silicon Limited (Representative: Chi-Lin Chao)		
Chip-Rail Microelectronics Co., Ltd.	Chairman	Chang-An Chiang	10,625	85%
	Director	Chang-Ming Chu		
	Director	Ming-Hsueh He		
	Director	Yi-Nan Chen		
	Director	Chien-Yu Yang		
	Supervisor	Yu-Chen Hu		
	Supervisor	Wen-Yu Lin		
	Supervisor	Yu Yang		

7. Overview of Operations of Affiliates

December 31, 2025 Unit: NTD thousand

Name of Affiliate	Amount of capital	assets liabilities	Total liabilities	Net worth	Operating revenues	Operating interest	Interest in the current period (after tax)	Earnings per Share (after tax)
Princeton Technology Co., Ltd.	1,809,437	1,893,126	232,068	1,661,058	655,876	(200,380)	(197,749)	(1.09)
Princeton Investment Co., Ltd.	150,000	192,039	50	191,989	0	(93)	2,908	0.19
Princeton Silicon Limited	1,056,197	955,113	0	955,113	0	0	6,262	0.19
Princeton Technology (Shenzhen) Co., Ltd.	417,942	453,368	58,629	394,739	14,134	(7,166)	18,575	1.43
Princeton Technology (Chengdu) Co., Ltd	591,690	674,575	162,697	511,878	398,440	(54,814)	(12,220)	(0.64)
Chip-Rail Microelectronics Co., Ltd.	54,300	406,640	51,964	354,676	342,392	12,212	29,086	2.33

II. Private Placement of Securities During the Most Recent Fiscal Year or the Current Fiscal Year up to the Date of Publication of the Annual Report: None.

III. Other necessary supplementary instructions: None.

IV. Matters that have a material impact on shareholders’ equity or securities prices:

None