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HYUNDAI



SANYANG MOTOR CO., LTD Annual Report 2025

三陽工業

SANYANG MOTOR

Annual Report 2025

Stock Code:2206



型動美學 Fiddle DX 158
水冷風格旗艦



SANYANG MOTOR CO., LTD.

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M.O.P.S. Taiwan Stock Exchange Corporation : <http://www.mops.twse.com.tw>

Website of the Company : <http://www.sanyang.com.tw>

HYUNDAI

Turbo Hybrid

TUCSON L

高性能油電首選



超越極限 依然

DRGBT

白牌唯一搭載彎道ABS、彎道TCS



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None.

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Table of Contents

	<u>Page</u>
Chapter 1. Letter to Shareholders.....	1
I. 2025 Business Report.....	1
II. Outline of 2026 Business Plan.....	17
III. Future Development Strategies of the Company and Effects of External Competitions, Legal Environment and Overall Business Environment.....	19
Chapter 2. Corporate Governance Report.....	21
I. Information of Directors of the Board and Main Managers.....	21
II. Remuneration of Directors, Independent Directors, President, and Vice Presidents in 2025.....	30
III. Corporate Governance and Operations.....	35
IV. Information about CPA Professional Fee.....	86
V. CPAs Replacement Related Information.....	86
VI. Information Regarding the Chairman, Presidents, Financial and Accounting Managers Holding a Position at an Accounting Firm or an Affiliate in the Most Recent Fiscal Year.....	87
VII. Conditions of Share Transfer and Changes in Equity Pledge from the Director, Managers, and Shareholders Holding over 10% of Shares in the Most Recent Year and as of the Date of the Annual Report.....	88
VIII. Information on Relationships among top 10 Shareholders.....	90
IX. Number of Shares Held by the Company, Its Directors, Managers or Any Companies under Direct or Indirect Control of the Company in a Single Enterprise, and Their Total Shareholding Ratio.....	92
Chapter 3. Funding Status.....	93
I. Capital and Shares.....	93
II. Issuance of Corporate Bonds, Preferred Stocks, Overseas Depository Receipts, Employee Stock Option Certificates, Mergers and Acquisitions or Issuance of New Shares for Acquisition of Other Companies.....	98
III. Implementation of the Company's Capital Allocation Plans.....	99
Chapter 4. Overview of Operations.....	100
I. Business Activities.....	100
II. Overview of the Market, Production and Sales.....	109
III. Employee Information.....	123
IV. Environmental Protection Expenditures.....	123
V. Labor Relations.....	124
VI. Cyber Security Management.....	128
VII. Important Contracts.....	131
Chapter 5. Review and Analysis of Financial Position and Financial Performance, and a Listing of Risks.....	133
I. Financial Position.....	133
II. Financial Performance.....	135
III. Cash Flow.....	136
IV. Impacts of Material Capital Expenditure in the Most Recent Fiscal Year upon Financial Business.....	137

V.	Investment Policy for the Most Recent Fiscal Year, Main Causes of Profits or Losses Resulting Therefrom, Improvement Plans and Investment Plan for the Upcoming Fiscal Year.....	138
VI.	Risk Management and Assessment.....	138
VII.	Other Important Matters.....	143
Chapter 6.	Special Notes.....	144
I.	Information on Affiliates.....	144
II.	Issuance of Private Placement Securities of the Most Recent Fiscal Year and as of the Date of the Annual Report.....	144
III.	Other Necessary Supplementary Information.....	144
IV.	Situations Listed in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act, which Might Materially Affect Shareholders' Equity or the Price of the Securities, Occurring during the Most Recent Fiscal Year and as of the Date of the Annual Report.....	144

Chapter 1. Letter to Shareholders

I. 2025 Business Report

(I) Results of Implementation of Business Plan

The net consolidated sales in 2025 was NT\$62,631,961 thousand, a decrease of 4.56% from the net consolidated sales of NT\$65,624,544 thousand in 2024.

(II) Budget Execution

Not applicable, as the Company does not disclose its consolidated financial forecast to the public.

(III) Financial Revenue and Expenditure and Profitability Analysis

1. Financial Revenue and Expenditure :

In 2025, net consolidated operating revenue was NT\$62,631,961 thousand, consolidated operating cost was NT\$49,638,905 thousand, consolidated operating expense was NT\$7,545,685 thousand, consolidated net operating income was NT\$5,447,371 thousand, consolidated net profit of non-operating income and expense was NT\$727,113 thousand and consolidated profit before income tax was NT\$6,174,484 thousand.

2. Profitability Analysis :

Item	2025	2024
Return on assets (%)	6.50	8.36
Return on equity (%)	13.87	19.02
Net profit margin (%)	7.85	7.82
Earnings per share (current period) (NT\$)	5.78	6.02

(IV) Research and Development

1. Motorcycles

(1) New mass production models launched in 2025:

A. 『MMBCU 158 』 (Taiwan)

Model Introduction

In January 2025, the MMBCU model was updated and launched. MMBCU takes the mamba as its design inspiration and is a flagship cruise-touring model emphasizing long-distance riding comfort and high practicality. Since its launch in 2022, MMBCU has consistently led sales in its class due to its distinct product positioning and a well-rounded performance.

The key focus of this revision is the introduction of a new high-compression engine featuring a redesigned cylinder head. Intake efficiency was improved through air passage optimization, and the compression ratio was increased to 12:1 by adjusting the combustion chamber. Maximum horsepower increased to 15.8 ps, while fuel efficiency improved by 12%, making it the most fuel-efficient vehicle in its class. Additionally, MMBCU features a new full-color VA instrument panel, and the high-contrast color display allows riders to read information more quickly. The LED headlights have also been upgraded to provide equal brightness for both high and low beams, further enhancing riding safety.

Product Positioning

Main customers are men aged 30 to 40. MMBCU is a vehicle model that balances performance and comfort. MMBCU satisfies riders' enjoyment of riding through its practicality, comfort, convenience, and suitability for mid- to long-distance travel.

B. 『Fiddle 125/158 』 (Taiwan)

Model Introduction

In June 2025, the Fiddle 125/158 debuted as a next-generation model. Building on the elegant design concept of the “Queen of Musical Instruments”, classic lines of the Fiddle 125/158 were reinterpreted to create a fresh look with greater distinction. The overall design is more fashionable and refined, with a distinct style and a unique personality, successfully differentiating it from competitors in the same class.

The entire vehicle features LED lighting, providing a sleek and modern look

day and night. This not only improves visibility but also enhances driving safety. In terms of power, the Fiddle 125 is equipped with a high-tech EnMIS engine that delivers smooth acceleration and improved fuel efficiency. The Fiddle 158 features the only liquid-cooled engine in its class, offering more stable power output and ensuring durability and reliability for long rides. In terms of equipment, the Fiddle 125 focused on energy-saving technology and practicality, while the Fiddle 158 emphasized safety and comfort features such as an ABS + TCS braking system and double rear shock absorbers.

Product Positioning

The main customer group is urban women aged 25 to 34 who emphasize design, lifestyle, and the quality of their daily commute. Fiddle 158 targets urban men aged 25 to 34 who emphasize exterior styling, riding experience, and equipment specifications. Fiddle 125/158 offers urban commuters a well-rounded option combining style, safety, riding performance, and practicality—fashionable scooter accessible to riders of all generations.

C. 『JET SL 125 / SL+ 158 SUPER C 』 (Taiwan)

Model Introduction

In June 2025, the all-new JET SL 125 / SL+ 158 SUPER C series launched, featuring a new generation of high-compression engines and combined with a competitive electric drive system. These improvements comprehensively enhanced the performance of the JET series, providing more responsive power output and quicker acceleration, allowing riders to enjoy an excellent handling experience whether commuting in the city or riding on mountain roads. Meanwhile, the series is also equipped with a full-color VA instrument panel, and the tachometer is designed with the image of a spreading raptor's wings, combining visual impact with practicality, allowing riders to monitor the vehicle's condition at all times. The all-new JET SL 125/SL+ 158 SUPER C series is a scooter that combines performance, handling, technology, and visual appeal to meet the needs of young consumers.

Product Positioning

The main customers are young men aged 18 to 24, and this extends to young adults aged 25 and over. Designed with racetrack spirit, the new series combines excellent handling, a trendy appearance, and strong power—emphasizing stable and smooth cornering and is a sports vehicle that delivers exhilarating driving enjoyment anytime, anywhere.

D. 『Duke 125 』 (Taiwan)

Model Introduction

The all-new Duke, a long-standing sales champion, features a high-tech EnMIS engine that delivers a good balance of performance and fuel efficiency. Duke boasts excellent gas mileage and a 37.5L extra-large storage compartment under the seat, improving the economics and convenience of commuting and daily use. Since its launch, Duke has been the top choice among consumers in the national scooter market. The high-standard LED headlights were upgraded in June 2025, providing safer and brighter lighting for commuters.

Product Positioning

The target customer base is primarily men aged 40 to 59, focusing on consumers whose primary needs are for daily commutes, family shopping, and school/child pick-up and drop-off. Its core positioning is as a “family-oriented, high-performance everyday scooter”.

E. 『CLBCU 125 』 (Taiwan)

Model Introduction

Following the excellent reputation CLBCU has built since its launch in 2023, a user-friendly upgrade was introduced for the new CLBCU in August 2025. This CLBCU upgrade includes a “new anti-drop hook” to securely hold personal belongings even on bumpy roads, and features “LED crystal taillights” that enhance nighttime visibility and driving safety while providing the refined aesthetics of an European imported car. CLBCU continues to focus on the needs of women, creating a leading mobile option that combines aesthetics and peace of mind.

Product Positioning

Targeting young women aged 18 to 29 – Generation Z – designed for urban commuting. The entire motorcycle incorporates meticulous ergonomic design, allowing drivers to handle it with ease and elegance whether driving or parking. As a member of the digital generation, the target customer group places a high value on personal style and social image. CLBCU is more than just a means of transportation, it is a fashionable item that expresses diverse values and personal identity, perfectly aligning with the purchasing standards of those who seek a high-quality lifestyle.

F. 『TTLBT 508』 (Taiwan)

Model Introduction

TTLBT 508 is SYM's new global strategic flagship scooter, and also the final model in the BT series, following the FNXBT (Phoenix), DRGBT (Dragon), and KRNBT (Kirin). It is positioned as the flagship vehicle in the brand's large scooter lineup. The TTLBT is equipped with a 508c.c. inline twin water-cooled engine that balances power output with long-distance cruise stability. The motorcycle also features an inverted front fork, a rigid engine frame, and a rear multi-link suspension to enhance handling and ride comfort. The entire motorcycle is designed with long-distance riding in mind, featuring the latest mainstream advanced electronic control equipment and a stable, elegant design inspired by a turtle's shell, demonstrating SYM's technical integration strength in the high-end adventure scooter market.

Product Positioning

Positioned as a flagship long-distance touring scooter in the SYM product line, the TTLBT 508 targets men over 35 with substantial disposable income.

Unlike the sport-oriented MAXSYM TL, TTLBT 508 emphasizes advanced smart technology, superior riding comfort and stability, comprehensive safety features, and ample storage capacity. Key features include a 7-inch color touchscreen instrument panel with Apple CarPlay, cruise control, an MSC vehicle stability system (incorporating bend-sensitive ABS and TCS), an electric wind shield, cornering lights, ONE TOUCHING keyless ignition, tire pressure monitoring, and standard quick-release integrated side cases and a rear rack. A heated handlebar is also available for overseas markets. TTLBT 508 can easily cater for the needs of long-distance travel and entertainment, as well as daily use. Featuring outstanding handling, practical large-capacity storage, and comprehensive advanced electronic control equipment, the TTLBT 508 is not only ideal for riders who demand high performance, functionality, and luxury, but also a key model for SYM in establishing a flagship position in the high-end scooter market.

G. 『JOYRIDE 16 300』 (Europe)

Model Introduction

JOYRIDE 16 300 series is SYM's export model to Europe in the 300c.c. High Wheel (16-inch) flat scooter category. The series was designed to suit European cobblestone streets, and a version with a 15-inch front wheel has

been added to target the entry-level Cruiser market. The front flat pedals are designed for carrying objects during urban commuting, meeting the needs of the European market and providing stable annual sales. Therefore, a front-view redesign was launched in June 2025 to improve foot placement and extend the product life cycle.

Product Positioning

The main customers are men aged 30 to 50 who primarily travel within cities and prioritize comfortable footrests and convenient storage.

H. 『Symphony SR 125 』 (Europe)

Model Introduction

SYMPHONY SR is currently the main entry-level model for European High Wheel (16-inch) scooters. Its sporty appearance has made it a long-standing bestseller, with sales exceeding 100,000 units since its launch. To extend the product life cycle, SYMPHONY SR's features and exterior design were upgraded in July 2025.

Product Positioning

The SYMPHONY SR primarily targets young men purchasing their first motorcycle, or automobile owners looking to buy their first motorcycle, who prioritize affordability and ease of use.

I. 『SHEX 125 』 (China)/ 『ECHS 125 』 (Europe)

Model Introduction

In March 2025, an advanced commuter model(marketed in China as the SHEX 125) was developed for 125c.c. commuter market. Both the product name and exterior design were developed based on the concept of cursive calligraphy. Following the launch in the China market, SHEX 125 was also introduced to the European market (known as ECHS 125) to expand sales opportunities in the commuter market.

The specifications include EnMIS double spark plug technology, resulting in the lowest fuel consumption in its class, along with a 720mm long comfortable seat, 37.5L of storage space under the seat, ample footwell space, and cruise control footrests. For safety, this vehicle is equipped with an ABS+TCS braking system, meeting the needs of an economical, convenient, comfortable, and safe advanced commuter vehicle.

Product Positioning

The main customers are men aged 30 to 45 who primarily use the motorcycles for commuting and everyday trips, with occasional short excursions outside the city. They prioritize fuel efficiency and the ability to carry passengers and cargo, and they want a sporty design with a quality feel.

J. 『DRGBT 150』 (China)

Model Introduction

In March 2025, the all-new SYM DRGBT 2nd generation was launched in the China market. Positioned as a mid-to-high-end sports scooter, the new model emphasizes performance and styling, targeting young riders and those who enjoy a dynamic riding experience. The “Dragon” serves as the design concept for this model. Its exterior boasts sharp, aggressive lines, complemented by full LED lighting and a VA instrument panel, giving it a high degree of recognizability within its class.

The 150c.c. water-cooled engine and a variable intake system across the entire speed range provide smooth acceleration and comfortable daily riding, meeting the needs of both urban commuting and spirited weekend rides. For safety features, the model is equipped with an ABS+TCS braking system to enhance driving safety in complex road conditions. DRGBT is a sporty scooter that balances performance, handling, and design aesthetics, making it ideal for riders who seek driving pleasure and a distinctive style.

Product Positioning

The primary customer base is men aged 18 to 24, and the secondary customer base is men aged 25 to 29. DRGBT appeals to consumers who value individuality and driving pleasure with its sporty design and powerful performance.

K. 『NAGA 150』 (Vietnam)

Model Introduction

In March 2025, SYM NAGA was launched in Vietnam (the same model as the Taiwan MMBCU). “NAGA” derives from the image of a snake, and its exterior features a streamlined design with snake scale patterns to create a dynamic and aggressive adventure style. It is powered by a 150c.c. water-cooled engine, delivering smooth acceleration and steady power output, making it perfect for urban commuting and mid- to long-distance rides. In terms of equipment, the NAGA features LED full lighting, a full-color digital instrument panel, keyless entry, USB charging, and spacious storage space,

combining convenience and a high-tech feel. For safety, NAGA is equipped with an ABS+TCS braking system that effectively enhances safety on wet and slippery road surfaces and during emergency braking. NAGA is a sports scooter that combines style, practicality, and safety features, making it ideal for riders who need a vehicle for both daily commutes and outdoor adventures.

Product Positioning

The main customer base is men aged 30 to 40; NAGA combines performance and comfort, offering practical functionality, comfort, convenience, and designs suited for mid-to-long-distance riding, to enhance the rider's experience.

L. 『TPBW 125』 (Vietnam)

Model Introduction

In October 2025, SYM TPBW 125 was launched in the Vietnam market. TBPW is a city scooter model developed and designed specifically for the Vietnam market, and is positioned as the preferred choice for young people and urban commuters. Buck wheat, symbolizing strength and resilience, is incorporated into TPBW to represent simplicity, vitality, and perseverance. The design adopts a modern and minimalist style, with soft and flowing lines. The overall appearance is light and dynamic, suitable for driving in urban environments.

Product Positioning

Its main target demographic is young men and women aged 18 to 29. With its lightweight design and high practicality, the TBPW 125 is positioned as a general-purpose scooter, appealing to young consumers such as students and office workers. The TBPW 125 is a scooter that balances fashionable aesthetics, everyday convenience, and fuel efficiency.

(2) Models available for mass production in 2026

In addition to the existing 50-508c.c. scooters and light electric scooters in mass production to meet domestic and export demand, the Company will continue to plan for each market and model segment in 2026, launching a number of new and redesigned scooters in domestic and foreign markets. These include 6 newly designed scooters, 18 redesigned scooters (excluding regulatory updates), 1 newly designed motorcycle with gears, 2 redesigned motorcycles with gears, and 1 redesigned electric motorcycle, which will significantly boost model sales volume and revenue.

2. Automobiles

(1) Mass production models launched in 2025:

A. VENUE R&B

Model Introduction

The VENU R&B Black Red special edition is designed with a “Red & Black” concept. The model combines cool black and vibrant red elements into a brand new SUV boasting a unique and sporty style, tailor-made for young, stylish men.

The VENUE R&B features bold matte black alloy wheels and a red two-tone kit, creating a striking visual impact. The perfect fusion of black and red not only highlights the sporty feel but also allows drivers to freely express their personal style. The VENU R&B features a red roof, red rearview mirrors, door handles, and a two-tone styling kit. The motorcycle also comes with a red sporty rear spoiler and exclusive R&B badging to further enhance its cool, sporty look. The interior design continues the R&B spirit, featuring a classic black interior with suede-like seats and sporty color accents. Red piping and gray stitching details add a sporty touch to the cabin, while the black leather seats provide excellent seating comfort and create a luxurious, sporty atmosphere throughout the vehicle.

Product Positioning

The limited-edition and eye-catching colors are used to target young customers who are looking for innovation and change.

B. TUCSON L

Model Introduction

Continuing the “Parametric Dynamics” design language, the new TUCSON L features a reshaped, sharper, and more geometrically expansive front end. New hidden LED daytime running lights, a redesigned radiator grille, and updated front and rear bumpers enhance the visual depth, complemented by 19-inch geometric-cut aluminum wheels to create a more dynamic and futuristic appearance.

The entire series features the only domestically produced double 12.3-inch full-curved digital instrument panel and central control screen, integrating factory navigation and supporting wireless Apple CarPlay and Android Auto. The luxurious equipment includes a BOSE theater-grade surround sound

system, dual power-adjustable front seats, IMS driver memory function, and dual front-seat ventilation and heating, complemented by a panoramic electric sunroof to create a high-quality, comfortable ride experience.

The new TUCSON L is equipped with the market's only 1.6L Turbo Hybrid system, delivering a perfect balance of performance and fuel efficiency. The TUCSON L's electronic control system supports full-speed pure electric driving and incorporates an adjustable energy recovery system, extending the application of EV technology. Drivers can adjust the mode based on their individual needs or road conditions, balancing energy efficiency and driving enjoyment. The all-new e-Motion Drive electronic dynamic control technology intelligently regulates output and car tracking response based on road conditions, including e-Handling cornering assist, e-Traction traction assist, and e-Ride shock absorption system. This effectively reduces body roll and bumps, comprehensively optimizing ride quality and driving stability. The e-Motion Drive is also equipped with the industry's first "Baby Mode" for comfortable driving, designed for families with infants and young children. By limiting acceleration response and controlling torque output, the e-Motion Drive reduces jerky starts and braking, providing a smooth and stable driving environment to protect the baby's safety and comfort.

The entire series features up to 20 Hyundai SmartSense advanced driver assistance systems. GLTH-B models and above are equipped with the IFS intelligent dynamic headlight system, which uses matrix LED technology to actively detect cars ahead and oncoming traffic, automatically adjusting the high beam angle and range to ensure both visibility and the safety of other drivers. This perfect combination of technology and safety makes nighttime driving clearer.

Product Positioning

Equipped with a new-generation 1.6L turbocharged engine and electric motor, targeting performance-oriented customers.

C.The All-New MUFASA

Model Introduction

The All-New MUFASA is the result of a collaboration between Hyundai's global design teams. The model's exterior incorporates the brand's new generation "Sensuous Sportiness" design language, and its overall shape is avant-garde and bold with distinct contours. Equipped with hidden LED

daytime running lights and upright LED headlights, the MUFASA presents a striking visual balance of technology and power. The rear is equipped with Star Ring LED taillights and a hidden rear windshield wiper. The vehicle features a double boomerang line that creates a flowing, dynamic silhouette. 18-inch two-tone rotary aluminum wheels and multi-layered geometric side skirts emphasize its sporty character and slender body lines.

The interior features an EV-generation human-factor technology cabin. A dual 12.3-inch full LCD digital instrument panel creates a clean, digital center console integrating driving information and entertainment controls, while a wraparound console design expands the driver's field of vision. The touch air-conditioning panel combines physical shortcut keys for a balance of aesthetics and practicality, reducing the risk of diverted attention. The cabin adopts the market's first Multi-Zone (three-zone) design concept, divided into driving, passenger, and VIP rear seat areas. The model also features a number of user-friendly designs, embodying a human-centered and home-like feel for the mobile space. The rear seats feature an integrated sofa design. The internal structure combines low-rebound memory foam with high-density support materials to provide excellent long-distance support and comfort, and supports backrest angle adjustment and a quick-tilt function for the front passenger seat to create a first-class cabin experience.

The All-New MUFASA pushes luxury features to the limit. Every detail is designed with the user experience in mind, creating a “extension of mobile living”. 64-color ambient lighting simulates interactive light and shadow effects that change with driving mode and air conditioning temperature, creating an immersive atmosphere reminiscent of a private club. The MUFASA also features wireless Apple CarPlay and Android Auto for a seamless smart life experience, putting infotainment functions at your fingertips. The cabin air is protected by the EVA Core antibacterial air-conditioning system, allowing drivers and passengers to enjoy fresh, clean air and safeguarding the health of every occupant.

The All-New MUFASA is equipped with a SmartStream 2.0-liter naturally aspirated engine, paired with a 6-speed automatic transmission. The introduction of ASC active shift control technology and a new generation of logic calibration for the gearbox has shortened gear shift response time by 30%, resulting in a smoother and more responsive driving experience. For the chassis structure, the third-generation modular N3 platform from HYUNDAI is

used as the dedicated platform for the group's mid-to-large SUVs. The All-New MUFASA features a low center of gravity, a short wheelbase, and a hot-stamped high-rigidity structure, delivering excellent stability and torsional rigidity while driving.

In terms of safety technology, the All-New MUFASA makes no compromises. The entire series comes standard with the HYUNDAI SmartSense Level 2 intelligent driving assistance system, integrating 20 advanced active safety features, including: FCA forward collision-avoidance assist (automobile/pedestrian/rider detection), SVM surround view monitor, and BVM blind-spot view monitor, among others. The new model is also equipped with 6 SRS airbags and an AHSS high-strength safety body, providing the most comprehensive passive safety in its class. The All-New MUFASA features the first-time adoption of reverse lamp projection technology, integrated with a surround view system, which not only enhances rear visibility and safety but also provides pedestrians with extra warning at night. The All-New MUFASA represents a revolution in design language and a stunning showcase of visual aesthetics and power, offering drivers and passengers a premium experience in its class.

Product Positioning

Aim to capture customers in the mid-size SUV segment with a high cost-performance ratio.

D.The All-new SANTA FE Calligraphy

Model Introduction

The Calligraphy is a premium trim level developed by Hyundai exclusively for its high-end models, available only on flagship vehicles such as the Palisade Calligraphy and IONIQ 9 Calligraphy. The Calligraphy has now been introduced for the first time in the Santa Fe, elevating the seven-seater hybrid SUV to a new level of luxury. The Santa Fe Calligraphy is distinguished by three core values: bespoke design, premium luxury, and personalized service. The exterior design incorporates the exclusive Calligraphy kit, featuring an ink black front bumper, ink black front and rear bumpers and side sills, 20-inch ink black aluminum wheels, ink black emblems, ink black door sills, Easy-Get C-pillar assist handles, and a unique star-studded radiator grille. Combined with the vehicle's simple, square body lines, these elements create a stately and refined flagship presence.

The interior features Nappa leather seats and a two-tone leather steering wheel, along with zero-gravity seats and a dual Qi wireless charger, delivering a level of comfort that surpasses its class. The dual 12.3-inch curved screen and high-end BOSE speakers create a luxurious, theater-like technological atmosphere in the cabin. Furthermore, Calligraphy now features an Easy-Clean ultraviolet sterilizer storage box, Easy-Adjust quick control buttons, and an Easy-Hang garment hanger design for the passenger seat. These thoughtful details, specifically designed for convenience, demonstrate Santa Fe Calligraphy's commitment to both practicality and refinement.

Not only is the Santa Fe Calligraphy equipped with complete flagship specifications, but it also offers a range of premium customization options. The interior comes standard in elegant cream white, with black or leather brown available as options to suit personal style. In addition to the standard seven-seater configuration, a luxurious six-seater option with electrically adjustable second-row seats is offered to meet the diverse needs of families and lifestyles, allowing owners to express their individual prestige through these exclusive choices. The all-new Santa Fe Calligraphy is Hyundai's flagship model, positioned as offering "exceptional taste and premium customization" through exclusive design, superior luxury, and bespoke value.

Product Positioning

The model attracts luxury L-SUV customers with a more striking and stylish exterior and interior design, along with premium customization options.

E. VENUE Boutique

Model Introduction

Inspired by the classic design language of boutique brands, VENUE Boutique introduces a limited-edition orange paint scheme, paired with a white roof, rearview mirrors, tail spoiler, and body detail kit, to create a high-contrast yet harmonious two-tone visual effect. This boutique orange color not only continues the classic aesthetic of boutique brands but also mirrors the globally popular orange trend of the iPhone 17, making it the most eye-catching trend symbol of this fall. Every appearance is like a street fashion show, perfectly blending sophistication and personality.

The interior of the car carries forward a premium design aesthetic, featuring leather brown seats accented with classic diamond stitching. The refined feel and dark gray seams convey a unique and understated elegance. The

black-themed interior resembles a minimalist gallery, fostering an atmosphere of stability and focus, and turning every drive into an expression of life aesthetics. VENUE Boutique is more than just a car; it is a premium item designed to accompany you daily and reflect your personality and taste.

Product Positioning

The limited-edition and eye-catching colors are used to target young customers who are looking for innovation and change.

F. CUSTIN 2.0T

Model Introduction

The CUSTIN, equipped with the new SmartStream 2.0T turbocharged engine, delivers 236ps of maximum horsepower and 36.0kgm of peak torque. Paired with an exclusive 8-speed automatic transmission boasting up to 91.7% transmission efficiency, the CUSTIN provides not only smoother and more robust power output but also effectively optimizes fuel consumption through efficient power conversion. Overall calibration balances energy efficiency and comfort, delivering a well-rounded driving experience that meets diverse family and business needs.

The overall design of the CUSTIN 2.0T has been upgraded, embodying the new generation of HYUNDAI's Sensuous Sportiness design language with a bright chrome geometric grille, new LED diamond headlights, and a through-type taillight design. The CUSTIN is paired with 18-inch multi-spoke alloy wheels, showcasing a majestic and luxurious style. Two new colors – pearl black and meteorite gray – have been added to the color selection, allowing consumers to express a more refined and personalized style. The interior design focuses on luxury and comfort, featuring exclusive dark brown and black two-tone leather seats – a first in its class – and a newly introduced 10.4-inch integrated multimedia system supporting satellite navigation, Apple CarPlay, and Android Auto. Combined with a high-end JBL audio system, the CUSTIN 2.0T delivers a theater-like listening experience. The rear seats can be equipped with dual 13" AV screens to create an exclusive VIP entertainment space.

With the new launch of the CUSTIN 2.0T, HYUNDAI will further expand its presence in the L-MPV market with a more luxurious and high-end product positioning. Boasting a powerful engine, a luxurious interior, and comprehensive safety technology, the CUSTIN 2.0T is poised to become the

top choice for families and business customers.

Product Positioning

The driving performance and audio-video entertainment have been upgraded to attract top-end LMPV customers.

G. TUCSON L N Line

Model Introduction

TUCSON L N Line features a distinctive sporty travel aesthetic thanks to its exclusive exterior kit. The 19-inch performance alloy wheels convey a sense of strength, while the blackened mesh grille exudes a cool, imposing tension. The body-colored aerodynamic lower air dam and rear diffuser further enhance the low, dynamic profile, complemented by dual metal tailpipes that radiate a feeling of pent-up power. The window frames in onyx black outline the sleek contours, and N Line emblems on the body clearly mark this performance SUV's unique identity, making the TUCSON L N Line a head-turner on streets and highways.

The cabin design continues the N Line's performance DNA, creating a passionate and dynamic yet refined atmosphere. The N Line exclusive racing steering wheel and performance gearshift knob allow drivers to feel the inspiration of the track with every maneuver; the blackened roof creates a focused and cool atmosphere, while the metal pedals convey a sense of resolute sportiness. The suede-like sports seats feature red stitching details that provide firm support and a distinctive feel, enhancing the connection between driver and vehicle and perfectly capturing the essence of passion and style.

The brand new HYUNDAI TUCSON L N Line combines powerful performance and intelligent safety technology with exclusive exterior styling and a sporty interior, perfectly embodying the appeal of a sporty SUV that blends style and performance.

Product Positioning

With the exclusive and striking N Line design, it offers consumers a new choice in sporty SUVs.

H. The All-New INSTER Fun

Model Introduction

The new "Fun Sprite" INSTER combines a flexible body, a unique shape, and innovative technology to create the smartest, most stylish, and most appealing pure electric option for urban scooter users. Continuing the future design

language of the Hyundai IONIQ family, the exterior design centers around a “Pixels” motif, blending rounded and sleek lines to create a technologically advanced yet approachable style. From the ring daytime running lights to the projection headlights and taillight design, pixel light and shadow elements are used consistently throughout the vehicle. Layered details create a playful and personalized visual language.

The INSTUR—despite being only 3.8 meters long—achieves a class-above ride and cargo capacity thanks to its 2,580mm wheelbase and efficient space design, creating an urban vehicle that is both agile and practical. The INSTUR’s coupe-like silhouette and flared wheel arches, paired with 15-inch low-drag aluminum wheels, give it a stable and stylish presence for navigating the city.

The cabin design is themed around “youthful, vibrant, simple, and technological” aesthetics. The model employs contrasting colors and refined materials to create a space that feels energetic and tasteful. The 10.25-inch digital instrument panel and 8-inch multimedia screen are designed around the driver with a focus on ergonomics. The SBW rotary gearshift and cleverly designed storage compartments offer more intuitive operation and logical storage solutions. All car seats can be folded completely flat, and six driving modes allow for easy switching between camping, carrying long objects, mobile office use, and urban shopping; the rear seats slide and recline, providing flexible luggage capacity ranging from 238 to 1,059 liters. To satisfy the new generation’s desire for personalization, the manufacturer is simultaneously launching a variety of interior trims and accessories, including options with transparent textures, rope-woven designs, and fabric card slots. These allow for layering materials and colors to create a more distinctive personal style.

INSTER offers two battery capacity options to meet the needs of different driving scenarios. The standard version is equipped with a 42kWh lithium-ion polymer battery, offering a maximum range of 416 kilometers (NEDC) ; the long-range version features an upgraded 49kWh battery pack, achieving a range of 465 kilometers (NEDC) , allowing drivers to enjoy a more relaxed pure electric journey between the city and suburbs. Both models support DC fast charging up to 120 kW, allowing a 10-80% charge in just 30 minutes. They also feature a three-stage kinetic energy recovery system and an i-Pedal one-pedal driving mode, combining quietness, smoothness, and efficiency for a

driving experience that is both environmentally friendly and relaxing. The INSTER is equipped with a range of convenient technologies designed specifically for EVs, including a V2L power supply function that allows powering devices inside the vehicle – meeting needs like laptop charging, camping lighting, or running a coffee machine, and truly making the car a mobile power source. In terms of safety, the entire lineup comes standard with Hyundai SmartSense active safety technology, including a Level 2 ADAS intelligent driving assistance system and 7 SRS airbags. Even first-time EV drivers can feel totally secure. INSTER Fun Genie has injected new vitality into the Taiwanese metropolitan pure electric market with its friendly pricing, compact size, innovative technology, and fashionable design. This is not just a car; but a statement – a choice that embodies a lifestyle of uniqueness, freedom, and trendiness.

Product Positioning

Provide the only all-electric subcompact SUV in the A-segment, offering consumers a new choice.

(2) Models planned for mass production in 2026:

In 2026, in addition to launching refreshed versions of existing models, we will continue to introduce brand-new hybrid and electric vehicles across various segments to meet customers' diverse choices and upgrade demands.

II. Outline of 2026 Business Plan

(I) Business strategies

1. Quality: Consider punctuality, top quality, and precise quantity as standards for work implementation and delivery.
2. Innovation: Enhance the Company's competitiveness through continuous improvement and the integration of innovative thinking and new technology.
3. Service: Strengthen professionalism and optimize customer experiences to improve brand satisfaction.

(II) Expected sales volume

Not applicable, as the Company does not disclose its consolidated financial forecast to the public.

(III) Key production and marketing policy

1. Create new opportunities and capture the hearts and minds of customers

- (1) Continuing with the efforts of the four major reforms, the “three standards, three sharing”, and the “double quality, double quantity”, our focus remains on consumer-centric strategies. We aim to integrate various product lines, challenge existing technological boundaries, and innovate to create new brand value that resonates with consumer preferences.
 - (2) Integrate digital channels, introduce information system to accelerate the speed of channel feedback, strengthen online service technical training, and accelerate the development of channel stores and decoration that comply with the brand’s professional image. This will allow us to agilely respond to market demands, enhance channel management efficiency, and improve the level of Sales, Service & Spare Parts (3S) dealership services.
 - (3) Continue to invest in new technologies, innovative designs, and performance enhancement initiatives, focusing on elevating the product’s core qualities with the aim of delivering an improved riding experience for our customers.
2. Implementing a precise quality operation mechanism to ensure global competitiveness
- (1) Establish the global production base for platform model, production leveling and consistent quality standards.
 - (2) The operation of the quality audit and counseling system operate on the principles of “prevention, containment, and recurrence prevention” along with the three non-policies for defective products: “no acceptance, no production, no distribution”. Continuous improvement and rapid response to market feedback are emphasized to provide customers with satisfactory products and services.
 - (3) Undertake a comprehensive inventory and update of smart equipment, leveraging extensive information technology utilization. Through continuous optimization and process improvement, heighten all employees’ focus on quality and accelerate the pace of enhancement.
3. Leverage high-level craftsmanship in car manufacturing to create driving dreams and happiness.
- (1) As a key partner in Hyundai Motor’s international business, we are dedicated to strategically positioning our products in the market to enhance competitiveness, in line with Hyundai’s brand philosophy of “Progress for Humanity”.
 - (2) Actively promote the management of a sustainable environment, introduce new energy vehicles, high-performance passenger cars and commercial vehicles, strengthen the brand image, and provide a complete and diverse sales product line.
 - (3) Create a brand-new customer service experience by establishing large GDSI hubs

in the northern, central, and southern regions, and launch the “We Care 3.0 Customer Service Experience Upgrade” plan to expand service capacity. Upgrade the hardware and software of showrooms and digitalize sales service processes, further enhancing the quality of professional after-sales service.

4. Work closely with overseas agents using high-quality products, actively expanding into export markets and increasing global market share with a complete product line.

III. Future Development Strategies of the Company and Effects of External Competitions, Legal Environment and Overall Business Environment

- (I) The 2050 net-zero transition is a global objective, and one shared by Taiwan. Regulations and policies are being aligned with the “2050 Net Zero Emissions Policy Roadmap”, and initiatives in energy transition, industrial transition, lifestyle transformation, and societal transition are driving technical innovation and investment in the transportation sector. As subsidies for vehicle replacements are nearing expiration, overall market demand for newer models has increased. However, facing a rapidly evolving scooter market and growing competition from imported vehicles, SYM continues to strengthen its existing market position and actively expand overseas sales through its high-level research and development capabilities and manufacturing technology, responding to the challenging global environment.
- (II) Global inflationary pressures and regional risks have led to increased freight costs, affecting overall sales markets in recent year. This has resulted in shortages of key components, rising raw material costs, and difficulties in sales. The company has integrated group resources and flexibly allocated them to maximize efficiency, ensuring both the adequacy and timeliness of supply.
- (III) In response to growing demand for energy efficiency and the accelerating development of new energy vehicles, the Company has actively pursued new energy and energy-saving products, with a focus on developing a diverse range of battery technologies suited to various applications. Centered on aluminum battery technology, the Company is building the next generation of energy solutions and developing related projects to create products with greater international competitiveness and achieve its vision of environmental sustainability.

- (IV) The Company continues to develop global/regional product strategies, seeking new opportunities. Through the sharing of group value chains and the active integration of resources from three regions, it aims to expand procurement of common parts to enhance bargaining power and mitigate the impact of rising costs.
- (V) Sanyang has operated for over 70 years, building a strong foundation of experience in automotive and motorcycle manufacturing. The Company has consistently worked to advance existing technologies, develop a globally skilled workforce, and expand its customer base internationally, achieving economies of scale. Sanyang continues to invest heavily in research and development of new power technologies and energy-saving solutions, driving synergy between its domestic and overseas operations and enhancing its international competitiveness, while mitigating operational risks from external factors.

Chapter 2. Corporate Governance Report

I. Information of Directors of the Board and Main Managers

(I) Information about Directors of the Board

Apr. 28, 2026

Title	Nationality or Place of Registration	Name	Gender and Age	Date Elected	Term of Office	Date First Elected	Shareholding When Electe		Current Shareholding		Spouse & Minor Children Shareholding		Shareholding Under the Names of Other Parties		Main Experience (Educational Attainment)	Other Position Concurrently Held at the Company and Other Companies	Other Executives or Directors who Are Spouses or within the Second Degree of Kinship			Note
							Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio (Note 2)	Number of Shares	Shareholding Ratio (Note 2)	Number of Shares	Shareholding Ratio (Note 2)			Title	Name	Relationship	
Chairman	Republic of China	Ching-Yuan Wu	Male 61~70	2023.06.28	3	2011.05.27	20,126,240	2.52%	20,126,240	2.60%	281,360	0.04%	-	-	Master of Agriculture and Urban Planning, Chung Hua University	Chairman of Nanyang Industries Co., Ltd. Chairman of Ching Ta Investment Co., Ltd. Chairman of Taiwan Tea Corporation (Note 3)	Vice Chairman	Li-Chu Wu	Sibling	Note 1
																Director	Yi-Cheng Wu	Father and son		
Vice Chairman	Republic of China	Chien-Jin Investment Co., Ltd. Representative: Li-Chu Wu	Female 51~60	2023.06.28	3	2014.06.18 2017.06.20	29,181,000 -	3.66% -	29,181,000 17,046,560	3.77% 2.20%	- 4,269,600	- 0.55%	- -	- -	EMBA, Nanjing Normal University	Chairman of Shan Young Assets Management Co., Ltd. Vice Chairman of Nanyang Industries Co., Ltd. (Note 3)	Chairman	Ching-Yuan Wu	Sibling	-
Managing Director/ Independent Director	Republic of China	Chung-Chuan Shih	Male 51~60	2023.06.28	3	2017.06.20	-	-	-	-	-	-	-	-	Master of Law, National Chengchi University	Independent Director of Eng Electric Co., Ltd.	-	-	-	-
Director	Republic of China	Chien-Jin Investment Co., Ltd. Representative: Li-Hsi Chiang	Male 51~60	2023.06.28	3	2014.06.18	29,181,000 -	3.66% -	29,181,000 106,200	3.77% 0.01%	- 36,200	- 0.01%	- -	- -	Department of International Trade, Feng Chia University	-	-	-	-	-
Director	Republic of China	Chien-Jin Investment Co., Ltd. Representative: Yi-Cheng Wu	Male 31~40	2023.06.28	3	2014.06.18 2023.06.28	29,181,000 -	3.66% -	29,181,000 40,000	3.77% 0.01%	- -	- -	- -	- -	Master of Business Management of National United University	Director of Nanyang Industries Co., Ltd. (Note 3)	Chairman	Ching-Yuan Wu	Father and son	-

Title	Nationality or Place of Registration	Name	Gender and Age	Date Elected	Term of Office	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Children Shareholding		Shareholding Under the Names of Other Parties		Main Experience (Educational Attainment)	Other Position Concurrently Held at the Company and Other Companies	Other Executives or Directors who Are Spouses or within the Second Degree of Kinship			Note	
							Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio (Note 2)	Number of Shares	Shareholding Ratio (Note 2)	Number of Shares	Shareholding Ratio (Note 2)			Title	Name	Relationship		
Director	Republic of China	Chao-Yao Investment Co., Ltd. Representative: Ren-Hao Tien	Male 41~50	2023.06.28	3	2014.06.18	14,625,000 -	1.83% -	14,625,000 17,000	1.89% 0.00%	- -	- -	- -	- -	Cass Business School Investment Management	Director of Nanyang Industries Co., Ltd. Chairman of Three Brothers Machinery Industrial Co., Ltd. Director of Apex Biotechnology Corp. (Note 3)	-	-	-	-	
Director	Republic of China	Chao-Yao Investment Co., Ltd. Representative: Yu-Chang Huang	Male 51~60	2023.06.28	3	2014.06.18	14,625,000 -	1.83% -	14,625,000 1,531,000	1.89% 0.20%	- -	- -	- 38,128,000	- 5.03%	-	Director of Taiwan Tea Corporation	-	-	-	-	
Director	Republic of China	Chao-Yao Investment Co., Ltd. Representative: Te-Ching Chang	Male 61~70	2023.06.28	3	2014.06.18 2017.06.20	14,625,000 -	1.83% -	14,625,000 -	1.89% -	- -	- -	- -	- -	University of Ottawa	-	-	-	-	-	
Independent Director	Republic of China	Chen Chiang	Male 51~60	2023.06.28	3	2017.06.20	-	-	-	-	-	-	-	-	Master of Commerce in the Department of Accounting and Information Technology, National Chung Cheng University	-	-	-	-	-	
Independent Director	Republic of China	Chih-Hung Hsieh	Male 61~70	2023.06.28	3	2017.06.20	-	-	-	-	-	-	-	-	Doctor of Juridical Science, National Chengchi University	Independent Director of Grand Pacific Petrochemical Cop.	-	-	-	-	-
Independent Director	Republic of China	Fu-Wei Chen	Male 61~70	2023.06.28	3	2023.06.28	-	-	-	-	-	-	-	-	Master of Accounting, National Chengchi University	Independent Director of Insyde Software Corp. Independent Director of Standard Chartered Bank (Taiwan) Limited	-	-	-	-	-

Note 1: In case that the Chairman and the President or their equivalents (top manager) are the same person, or two persons who are spouses or relatives within one degree of kinship, the reason, rationality, necessity, and corresponding measures (such as increasing the number of Independent Directors, and a majority of the Directors not concurrently serving as employees or managers) should be described:

The Chairman of the Company also serves as the President to improve operational efficiency and decision execution ability. At present, the Company has established an additional position for an independent director and the majority of the Board of Directors' members do not concurrently serve as employees or managers.

Note 2: The calculation of the shareholding ratio excludes treasury stock repurchased by the Company up to April 28, 2026.

Note 3: For others, please refer to "Information on Affiliates".

1. Major Shareholders of Corporate Shareholders

Apr. 28, 2026

Names of Corporate Shareholders	Major Shareholders of Corporate Shareholders
1. Chien-Jin Investment Co., Ltd.	(1) Li-Chu Wu (30%) (2) Chun-Mei Fan Chiang (3.40%)
2. Chao-Yao Investment Co., Ltd.	(1) Li-Chu Wu (40%) (2) Chin-Nu Yang (10%)

2. Disclosure of Information on the Professional Qualifications of Directors and Independence of Independent Directors

Name	Criteria	Professional Qualifications and Experience	Compliance with the Independence Criteria	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Ching-Yuan Wu		Has over 5 years of work experience in the area for the Company's business, currently serves as the Chairman and President of the Company, and does not fall under the circumstances outlined in Article 30 of the Company Act.	-	0
Chien-Jin Investment Co., Ltd. Representative: Li-Chu Wu		Has over 5 years of work experience in the area for the Company's business, currently serves as the Vice Chairman of the Company, and does not fall under the circumstances outlined in Article 30 of the Company Act.	-	0
Chien-Jin Investment Co., Ltd. Representative: Li-Hsi Chiang		Has over 5 years of work experience in the area for the Company's business, currently serves as the Director of the Company, and does not fall under the circumstances outlined in Article 30 of the Company Act.	-	0
Chien-Jin Investment Co., Ltd. Representative: Yi-Cheng Wu		Has over 5 years of work experience in the area for the Company's business, currently serves as the Director and Assistant Manager, Chairman's Office of the Company, and does not fall under the circumstances outlined in Article 30 of the Company Act.	-	0
Chao-Yao Investment Co., Ltd. Representative: Ren-Hao Tien		Has over 5 years of work experience in the area for the Company's business, currently serves as the Director and Assistant Manager, Administration Sector of the Company, and does not fall under the circumstances outlined in Article 30 of the Company Act.	-	0
Chao-Yao Investment Co., Ltd. Representative: Yu-Chang Huang		Has over 5 years of work experience in the area for the Company's business, currently serves as the Director of the Company, and does not fall under the circumstances outlined in Article 30 of the Company Act.	-	0
Chao-Yao Investment Co., Ltd. Representative: Te-Ching Chang		Has over 5 years of work experience in the area for the Company's business, currently serves as the Director of the Company, and does not fall under the circumstances outlined in Article 30 of the Company Act.	-	0

Criteria Name	Professional Qualifications and Experience	Compliance with the Independence Criteria	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Chung-Chuan Shih	Has over 5 years of work experience in the area necessary for the Company's accounting affairs and business, currently serves as the Independent Director of the Company and Eng Electric Co., Ltd, and the CPA of the Guo Ju Certified Public Accounting Firm, and does not fall under the circumstances outlined in Article 30 of the Company Act.	(1) Not an employee of the Company or any of its affiliates. (2) Not a Director of the Board or Supervisor of the Board of the Company or any of its affiliates. (3) Not a natural person shareholder who, together with those held by the person's spouse, children (minors), or held by the person under others' names, holds an aggregate amount of 1% or more of the total number of outstanding shares of the Company, or ranks in the top 10 in holdings. (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer as specified in (1) or any of the persons specified in (2) and (3).	1
Chen Chiang	Has over 5 years of work experience in the area necessary for the Company's legal affairs and business, currently serves as the Company's Independent Director and the managing attorney of the Chiang Chen Law Firm, and does not fall under the circumstances outlined in Article 30 of the Company Act.	(5) Not a Director of the Board, Supervisor of the Board, or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a Director of the Board or Supervisor of the Board of the Company under Article 27, paragraph 1 or 2 of the Company Act. (6) Not a Director of the Board, Supervisor of the Board, or employee of any other company that controls a majority of the Company's director seats or voting shares and those of that other company.	0
Chih-Hung Hsieh	Has over 5 years of work experience as a law lecturer in a college or university and in the area necessary for the Company's business, currently serves as the Independent Director of the Company and Grand Pacific Petrochemical Corporation, and an associate professor in the Department of Law of Fu Jen Catholic University, and does not fall under the circumstances outlined in Article 30 of the Company Act.	(7) Not a Director (or governor), Director of the Board, or employee of another company or institution who is the chairman, president, or person holding an equivalent position of the Company and a person in any of those positions of another company or institution are the same person or are spouses. (8) Not a Director (or governor), Director of the Board, managerial officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the Company. (9) Not a professional individual who, or an owner, partner, Director (or governor), Director of the Board, or managerial officer of a sole proprietorship, partnership, company, or institution that provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting, or related services to the Company or any affiliate of the Company and for which the provider has received compensation in the past two years, or a spouse thereof.	1
Fu-Wei Chen	Has over 5 years of work experience as a law lecturer in a college or university and in the area necessary for the Company's business, currently serves as the Independent Director of the Company, Insyde Software Corp. and Standard Chartered Bank (Taiwan) Limited, and does not fall under the circumstances outlined in Article 30 of the Company Act.	(10) Not a spouse or relative within the second degree of kinship of any other Directors. (11) Not a governmental, juridical person, or its representative as defined in Article 27 of the Company Act.	2

3. Diversity and Independence of the Board of Directors

(1) Diversity of the Board of Directors

In accordance with Article 20 of the Company’s Code of Corporate Governance, the composition of the Board of Directors shall take into account diversity. The number of Directors who concurrently serve as managers of the Company shall not exceed one-third of the total number of Directors. Furthermore, appropriate diversity guidelines shall be formulated with respect to the Company’s operation, business model, and development needs, and shall include, but not be limited to, the following two major criteria:

- A. Basic criteria and values: Gender, age, nationality, culture, etc.
- B. Professional knowledge and skills: Professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and experience in relevant industries.

The Board members shall generally possess the knowledge, skills, and literacy necessary to carry out their duties. To achieve the desired objectives of corporate governance, the Board as a whole shall possess the following competencies:

- A. Operational judgment.
- B. Accounting and financial analysis skills.
- C. Operational management skills.
- D. Crisis management skills.
- E. Industry knowledge.
- F. International market perspective.
- G. Leadership skills.
- H. Decision making skills.

(2) The Company’s current Board of Directors consists of 11 Directors, and the specific management objectives and achievements of the Board’s diversity policy are as follows:

Management Objectives	Achievement
Independent directorships exceed one-third of the Board seats.	Achieved
The number of Directors who are also managers of the Company shall not exceed one-third of the number of Directors.	Achieved
At least one-third of the independent directors have expertise in law and finance and accounting.	Achieved

(3) The implementation of the Board of Directors' diversity policy is as follows:

Core Items of Diversity	Name and Title	Nationality	Gender	Concurrent Role as the Employee (Note)	Age				Professional Background				Professional Skills								
					Aged 31~40	Aged 41~50	Aged 51~60	Aged 61~70	Accounting	Industry	Finance	Law	Operational judgment	Accounting and financial analysis skills	Operational management skills	Crisis management skills	Industry knowledge	International market perspective	Leadership skills	Decision making skills.	
Director	Ching-Yuan Wu	Republic of China	Male	✓			✓		✓				✓	✓	✓	✓	✓	✓	✓		
	Li-Chu Wu		Female			✓			✓				✓	✓	✓	✓	✓	✓	✓	✓	
	Li-Hsi Chiang		Male			✓			✓				✓	✓	✓	✓	✓	✓	✓	✓	
	Yi-Cheng Wu		Male	✓	✓				✓				✓	✓	✓	✓	✓	✓	✓	✓	
	Ren-Hao Tien		Male	✓		✓				✓				✓	✓	✓	✓	✓	✓	✓	✓
	Yu-Chang Huang		Male				✓			✓				✓	✓	✓	✓	✓	✓	✓	✓
	Te-Ching Chang		Male					✓		✓				✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	Chung-Chuan Shih	Republic of China	Male			✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
	Chen Chiang		Male			✓			✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Chih-Hung Hsieh		Male				✓		✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Fu-Wei Chen		Male				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	

Note:

1. The number of directors of the Company who are concurrently employees of the Company, its parent, subsidiary, or sibling company is less than (inclusive of) one-third of the board seats.
2. The Company's Board of Directors consists of only one female director (accounting for 9.09% of the Board). In the future, the Company will take gender equality into account and increase the number of female members on the Board.

(4) Independence of the Board of Directors

The Company's current Board of Directors consists of 11 members, including 4 Independent Directors and 3 Directors with employee status (accounting for 36.36% and 27.27% of the total number of Directors, respectively). This composition aligns with the goal of having no fewer than 3 Independent Directors, one-third of the Directors' seats held by Independent Directors, and Directors who concurrently serve as the Company managers not exceeding one-third of the Directors' seats. As of the end of 2025, all independent directors had complied with the requirements set by the Securities and Futures Bureau, Financial Supervisory Commission regarding independent directors. The majority of the board members did not have spouses or relatives within the second degree of kinship (Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, and Director Yi-Cheng Wu are relatives within the second degree of kinship); there were no spousal relationships or relatives within the second degree of kinship between independent directors or between independent directors and other directors.

(II) President, Vice Presidents, Assistant Vice President, and Supervisors of the Board of All Sectors and Branch Units

Apr. 28, 2026

Title	Nationality	Name	Gender	Date Taking Office (Note 1)	Shareholding		Spouse & Minor Shareholding		Shareholding Under the Names of Other Parties		Main Experience (Educational Attainment)	Other Position Concurrently Held at Other Companies	Other Managerial Officers who Are Spouses or within the Second Degree of Kinship			Note
					Number of Shares	Shareholding Ratio (Note 3)	Number of Shares	Shareholding Ratio (Note 3)	Number of Shares	Shareholding Ratio (Note 3)			Title	Name	Relationship	
President	Republic of China	Ching-Yuan Wu	Male	2016.05.13	20126240	260%	281360	004%	-	-	Master in Agriculture and Urban Planning of Chung Hua University	Chairman of Nanyang Industries Co., Ltd. Chairman of Ching Ta Investment Co., Ltd. Chairman of Taiwan Tea Corporation (Note 4)	Assistant Vice President	Yi-Cheng Wu	Father and son	Note 2
Vice President	Republic of China	Nai-Shih Lin	Male	1995.06.01	-	-	-	-	-	-	Master of Business Administration, New York Institute of Technology	Chairman of Sunshine Auto-Lease Co., Ltd.	-	-	-	-
Vice President	Republic of China	Hsu-Pin Chen	Male	2017.05.03	-	-	-	-	-	-	Master, Department of Mechanical Engineering, National Chiao Tung University	Chairman of Chu-Yang Motor Co., Ltd. Director of Sanyang Italia S.r.l Director of Sanyang Deutschland GmbH Director of Three Brothers Machinery Industrial Co., Ltd. (Note 4)	-	-	-	-
Vice President	Republic of China	Chien-Sheng Chen	Male	2025.01.01	30718	000%	-	-	-	-	Department of Mechanical Engineering, National Taipei Institute of Technology	Director of Qingzhou Engineering Industry Co., Ltd. Director of Sanyang Global (Xiamen) Co., Ltd. Director of Xiamen Xiashing Motorcycle Co., Ltd. (Note 4)	-	-	-	-
Assistant Vice President	Republic of China	Ying-Feng Chiu	Male	2010.12.01	3412	000%	-	-	-	-	Master of Power Machinery, National Taiwan University	Chairman of Nova Design Co., Ltd. (Note 4)	-	-	-	-
Assistant Vice President	Republic of China	Chao-Shun Lin	Male	2013.02.06	11064	000%	1719	000%	-	-	Master of Machinery, National Taiwan University of Science and Technology	-	Assistant Vice President	Chao-Sheng Lin	Brothers	-
Assistant Vice President	Republic of China	Kuei-Chin Huang	Male	2016.12.23	53	000%	-	-	-	-	Kaohsiung Municipal Kaohsiung Commercial High School	Supervisor of Ching Ta Investment Co., Ltd. Supervisor of Sunshine Auto Lease Co., Ltd. (Note 4)	-	-	-	-
Assistant Vice President	Republic of China	Chao-Sheng Lin	Male	2017.05.26	11606	000%	-	-	-	-	Department of Power Machinery, Taiwan Industrial Technology Research Institute	Director of Qingzhou Engineering Industry Co., Ltd. (Note 4)	Assistant Vice President	Chao-Shun Lin	Brothers	-
Assistant Vice President	Republic of China	Ren-Hao Tien	Male	2017.07.03	17000	000%	-	-	-	-	Cass Business School Investment Management	Director of Nanyang Industries Co., Ltd. Chairman of Three Brothers Machinery Industrial Co., Ltd. Director of Apex Biotechnology Corp. (Note 4)	-	-	-	-

Title	Nationality	Name	Gender	Date Taking Office (Note 1)	Shareholding		Spouse & Minor Shareholding		Shareholding Under the Names of Other Parties		Main Experience (Educational Attainment)	Other Position Concurrently Held at Other Companies	Other Managerial Officers who Are Spouses or within the Second Degree of Kinship			Note
					Number of Shares	Shareholding Ratio (Note 3)	Number of Shares	Shareholding Ratio (Note 3)	Number of Shares	Shareholding Ratio (Note 3)			Title	Name	Relationship	
Assistant Vice President	Republic of China	Yuan-Ping Huang	Male	2017.07.03	24211	000%	-	-	-	-	Department of Mechanical Engineering, National Chung Hsing University	Chairman of Qingzhou Engineering Industry Co., Ltd. Director of Three Brothers Machinery Industrial Co., Ltd. (Note 4)	-	-	-	-
Assistant Vice President	Republic of China	Ming-Chieh Lin	Male	2017.07.17	-	-	-	-	-	-	Master of Civil Engineering, National Chiao Tung University	-	-	-	-	-
Assistant Vice President	Republic of China	Kuang-Pin, Chuang	Male	2022.12.14	-	-	-	-	-	-	Department of Electrical Engineering, Chienkuo Technology University	-	-	-	-	-
Assistant Vice President	Republic of China	Yi-Cheng Wu	Male	2025.01.01	40000	001%	-	-	-	-	Master of Business Management of National United University	Director of Nanyang Industries Co., Ltd. (Note 4)	President	Ching-Yuan Wu	Father and son	-

Note 1: Date taking office means the date on which one is appointed as managerial officer of the Company.

Note 2: In case that the Chairman and the President or their equivalents (top manager) are the same person, or two persons who are spouses or relatives within one degree of kinship, the reason, rationality, necessity, and corresponding measures (such as increasing the number of Independent Directors, and a majority of the Directors not concurrently serving as employees or managers) should be described: The Chairman of the Company also serves as the President to improve operational efficiency and decision execution ability. At present, the Company has established an additional position for an independent director and the majority of the Board of Directors' members do not concurrently serve as employees or managers.

Note 3: The calculation of the shareholding ratio excludes treasury stock repurchased by the Company up to April 28, 2026.

Note 4: For others, please refer to "Information on Affiliates".

II. Remuneration of Directors, Independent Directors, President, and Vice Presidents in 2025

1. Remuneration of General Directors and Independent Directors

Unit: NT\$ thousand

Title	Name	Remuneration of Directors								Sum of A, B, C, and D to After-tax Net Income Ratio (%)	
		Compensation (A)		Severance Pay and Pension (B)		Directors' Compensation (C)		Business Execution Expenses (D)		The Company	All Companies Listed in Consolidated Financial Statements
		The Company	All Companies Listed in Consolidated Financial Statements	The Company	All Companies Listed in Consolidated Financial Statements	The Company	All Companies Listed in Consolidated Financial Statements	The Company	All Companies Listed in Consolidated Financial Statements		
Chairman	Ching-Yuan Wu	28,377	33,430	-	-	15,854	15,854	100	140	44,331 0.98%	49,424 1.09%
Vice Chairman	Chien-Jin Investment Co., Ltd. Representative: Li-Chu Wu	14,551	14,551	108	108	10,570	10,570	100	100	25,329 0.56%	25,329 0.56%
Director	Chien-Jin Investment Co., Ltd. Representative: Li-Hsi Chiang	-	-	-	-	5,285	5,285	100	100	5,385 0.12%	5,385 0.12%
Director	Chien-Jin Investment Co., Ltd. Representative: Yi-Cheng Wu	-	-	-	-	5,285	5,285	100	100	5,385 0.12%	5,385 0.12%
Director	Chao-Yao Investment Co., Ltd. Representative: Ren-Hao Tien	-	-	-	-	5,285	5,285	100	100	5,385 0.12%	5,385 0.12%
Director	Chao-Yao Investment Co., Ltd. Representative: Yu-Chang Huang	-	-	-	-	5,285	5,285	90	130	5,375 0.12%	5,415 0.12%
Director	Chao-Yao Investment Co., Ltd. Representative: Te-Ching Chang	-	-	-	-	5,285	5,285	100	100	5,385 0.12%	5,385 0.12%
Managing Director/Independent Director	Chung-Chuan Shih	1,200	1,200	-	-	-	-	210	210	1,410 0.03%	1,410 0.03%
Independent Director	Chen Chiang	1,200	1,200	-	-	-	-	210	210	1,410 0.03%	1,410 0.03%
Independent Director	Chih-Hung Hsieh	1,200	1,200	-	-	-	-	210	210	1,410 0.03%	1,410 0.03%
Independent Director	Fu-Wei Chen	1,200	1,200	-	-	-	-	210	210	1,410 0.03%	1,410 0.03%

Title	Name	Relevant Remuneration Received by Directors who Concurrently Serve as Employees								Ratio of Total Remuneration (A+B+C+D+E+F+G) to Net Income After Tax (%)		Remuneration from Reinvestment Entities Other than Subsidiaries or the Parent Company
		Salary, Bonus, and Allowance (E)		Severance Pay and Pension (F)		Employee Compensation (G)				The Company	All Companies Listed in Consolidated Financial Statements	
		The Company	All Companies Listed in Consolidated Financial Statements	The Company	All Companies Listed in Consolidated Financial Statements	The Company		All Companies Listed in Consolidated Financial Statements				
						Cash	Stock	Cash	Stock			
Chairman	Ching-Yuan Wu	-	-	-	-	1,821	-	1,821	-	46,152 1.02%	51,245 1.13%	-
Vice Chairman	Chien-Jin Investment Co., Ltd. Representative: Li-Chu Wu	-	-	-	-	-	-	-	-	25,329 0.56%	25,329 0.56%	-
Director	Chien-Jin Investment Co., Ltd. Representative: Li-Hsi Chiang	-	-	-	-	-	-	-	-	5,385 0.12%	5,385 0.12%	-
Director	Chien-Jin Investment Co., Ltd. Representative: Yi-Cheng Wu	4,662	4,666	103	103	256	-	256	-	10,406 0.23%	10,410 0.23%	-
Director	Chao-Yao Investment Co., Ltd. Representative: Ren-Hao Tien	5,379	5,379	108	108	303	-	303	-	11,175 0.25%	11,175 0.25%	-
Director	Chao-Yao Investment Co., Ltd. Representative: Yu-Chang Huang	-	-	-	-	-	-	-	-	5,375 0.12%	5,415 0.12%	-
Director	Chao-Yao Investment Co., Ltd. Representative: Te-Ching Chang	-	-	-	-	-	-	-	-	5,385 0.12%	5,385 0.12%	-

Title	Name	Relevant Remuneration Received by Directors who Concurrently Serve as Employees								Ratio of Total Remuneration (A+B+C+D+E+F+G) to Net Income After Tax (%)		Remuneration from Reinvestment Entities Other than Subsidiaries or the Parent Company
		Salary, Bonus, and Allowance (E)		Severance Pay and Pension (F)		Employee Compensation (G)				The Company	All Companies Listed in Consolidated Financial Statements	
		The Company	All Companies Listed in Consolidated Financial Statements	The Company	All Companies Listed in Consolidated Financial Statements	The Company		All Companies Listed in Consolidated Financial Statements				
				Cash	Stock	Cash	Stock					
Managing Director/ Independent Director	Chung-Chuan Shih	-	-	-	-	-	-	-	-	1,410 0.03%	1,410 0.03%	-
Independent Director	Chen Chiang	-	-	-	-	-	-	-	-	1,410 0.03%	1,410 0.03%	-
Independent Director	Chih-Hung Hsieh	-	-	-	-	-	-	-	-	1,410 0.03%	1,410 0.03%	-
Independent Director	Fu-Wei Chen	-	-	-	-	-	-	-	-	1,410 0.03%	1,410 0.03%	-

Note: The remuneration paid to Directors for providing services (e.g., providing consulting services as non-employees) for all companies listed in the consolidated financial statements in the most recent period: None.

2-1. Remuneration of the President and Vice Presidents

Unit: NT\$ thousand

Title	Name	Salary (A)		Severance Pay and Pension (B)		Bonuses and Allowances, etc. (C)		Employee Compensation (D)				Sum of A, B, C, and D to After-tax Net Income Ratio (%)		Remuneration from Reinvestment Entities Other than Subsidiaries or the Parent Company
		The Company	All Companies Listed in Consolidated Financial Statements	The Company	All Companies Listed in Consolidated Financial Statements	The Company	All Companies Listed in Consolidated Financial Statements	The Company		All Companies Listed in Consolidated Financial Statements		The Company	All Companies Listed in Consolidated Financial Statements	
								Cash	Stock	Cash	Stock			
President	Ching-Yuan Wu	8,668	8,668	324	324	9,872	9,872	2,698	-	2,698	-	21,562 0.48%	21,562 0.48%	-
Vice President	Nai-Shih Lin													
Vice President	Hsu-Pin Chen													
Vice President	Chien-Sheng Chen (Note2)													

Note 1: The actual payment of retirement pension in 2025 amounted to NT\$324 thousand, the provision or allocation for retirement pension recognized as expenses for severance pay and pension in 2025 amounted to NT\$0 thousand.

Note 2: Chien-Sheng Chen was promoted from Deputy Assistant General Manager to Deputy General Manager on January 1, 2025.

2-2. Range of Remuneration

Range of Remuneration Paid to the President and Vice President	Name of President and Vice Presidents	
	The Company	Parent company and all investee enterprises
Less than NT\$1,000,000	-	-
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)	Ching-Yuan Wu	Ching-Yuan Wu
NT\$2,000,000 (inclusive) to NT\$3,500,000 (exclusive)	-	-
NT\$3,500,000 (inclusive) to NT\$5,000,000 (exclusive)	-	-
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	Nai-Shih Lin, Hsu-Pin Chen, Chien-Sheng Chen	Nai-Shih Lin, Hsu-Pin Chen, Chien-Sheng Chen
NT\$10,000,000 (inclusive) to NT\$15,000,000 (exclusive)	-	-
NT\$15,000,000 (inclusive) to NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive) to NT\$50,000,000 (exclusive)	-	-

Range of Remuneration Paid to the President and Vice President	Name of President and Vice Presidents	
	The Company	The Company
NT\$50,000,000 (inclusive) to NT\$100,000,000 (exclusive)	-	-
Over NT\$100,000,000	-	-
Total	4 individuals	4 individuals

3. Remuneration of Managerial officers

Unit: NT\$ thousand

	Title	Name	Stock	Cash	Total	Ratio of Total Amount to Net Income After Tax (%)
Managerial Officer	President	Ching-Yuan Wu	-	5,372	5,372	0.12
	Vice President	Nai-Shih Lin				
	Vice President	Hsu-Pin Chen				
	Vice President	Chien-Sheng Chen				
	Assistant Vice President	Ying-Feng Chiu				
	Assistant Vice President	Chao-Shun Lin				
	Assistant Vice President	Kuei-Chin Huang				
	Assistant Vice President	Chao-Sheng Lin				
	Assistant Vice President	Ren-Hao Tien				
	Assistant Vice President	Yuan-Ping Huang				
	Assistant Vice President	Ming-Chieh Lin				
	Assistant Vice President	Kuang-Pin, Chuang				
	Assistant Vice President	Yi-Cheng Wu				

4. Analyzing the total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, president and vice President:

(1) Total remuneration paid to directors, president, and vice president as a percentage of net profits after tax in the individual or standalone financial statements:

Unit: NT\$ thousand

	2025			2024		
	Total remuneration	Net profits after tax	Remuneration as a percentage of total net profits in the on standalone basis (%)	Total remuneration	Net profits after tax	Remuneration as a percentage of total net profits in the on standalone basis (%)
Directors	114,847	4,533,289	2.53	117,215	4,770,397	2.46
President and Vice President	21,562	4,533,289	0.48	16,568	4,770,397	0.35

- (2) Total remuneration paid to directors, president, and vice president as a percentage of net profits after tax in the standalone financial statements by the Company and all companies in the consolidated financial statements:

Unit: NT\$ thousand

	2025			2024		
	Total remuneration	Net profits after tax	Remuneration as a percentage of total net profits in the on standalone basis (%)	Total remuneration	Net profits after tax	Remuneration as a percentage of total net profits in the on standalone basis (%)
Directors	119,984	4,533,289	2.65	117,224	4,770,397	2.46
President and Vice President	21,562	4,533,289	0.48	16,568	4,770,397	0.35

5. The policy, standards, and composition of remuneration, the procedure for determining remuneration, and the relationship with operational performance and future risks are as follows:

- (1) The remuneration to directors shall be paid in accordance with Article 24 of the Company's Articles of Incorporation, which provides that the remuneration to the Chairman, Directors, and Supervisors shall be determined based on their degree of participation in the Company's operations and the value of their contributions, while taking into account domestic and international industry standards.

According to Article 31-1 of the Articles of Incorporation, if the Company earns a profit for the year, it shall allocate over 1% of the income before tax as employee remuneration, and within 1% as remuneration for Directors and Supervisors. However, when the Company has accumulated losses, an amount shall be reserved in advance for offsetting such losses. Independent Directors shall not participate in the foregoing remuneration distribution.

The aforementioned employee remuneration shall be allocated with no less than 50% designated for distribution to entry-level employees.

When attending the meetings of Board of Directors and functional committees of the Company, the travel expenses shall be additionally disbursed.

The Company's directors have adopted the "Procedures for Evaluating Performance of the Board of Directors" as the basis for performance evaluation.

At the end of the fiscal year, directors are internally evaluated through a self-evaluation questionnaire. The evaluation indicators include: grasp of the Company's goals and missions; awareness of directors' responsibilities; level of participation in the Company's operations, internal relationship management and communication, and directors' professionalism and continuing education (e.g. corporate governance-related courses), internal control, etc.

- (2) According to the Company's regulations, the remuneration of managerial officers shall include salaries and bonuses. Salaries are determined based on industry standards, job titles, positions, educational background, and professional abilities. Bonus distribution is based on the results of performance evaluations according to the "Performance Assessment Regulations", with performance metrics including job performance, management capabilities, specific contributions, and consideration of overall

profitability, target achievement rate, operating performance, and participation in sustainable operations. At SYM, we provide reasonable remuneration to ensure that the Company's business and sustainable development goals are combined. In the future, we will continue to optimize relevant indicators and evaluation mechanisms.

Evaluation Items:

1. Work performance (60%)

Optimizing existing products, increasing sales revenue, developing new technologies, strategizing and executing platform strategies, establishing patent deployments and technology repositories, strengthening international brand power and corporate image, systematizing talent development, and planning and evaluating asset utilization.

2. Management functions (30%)

Strategy influence, deepening collaborative synergy, visionary leadership, leadership team, team talent arrangement, change leadership, empowerment authorization, formulation of strategic direction, operational decision-making ability, driving strategy execution, business acumen.

3. Concrete contribution (10%)

Participation in sustainable operation, human rights policy implementation, corporate governance (regulatory compliance, risk management, ethical management).

(3) Relevance of future risks

The Company's remuneration will be evaluated and adjusted based on future environmental changes and operational performance. Directors and employees involved in illegal activities resulting in losses to the Company may be subject to necessary disciplinary actions in accordance with legal regulations.

III. Corporate Governance and Operations

(I) Operations of the Board

A total of 10 (A) Board meetings were held in 2025. The attendance of the Directors and the Independent Directors was as follows:

Directors' Involvement in Operations of the Board of Directors

Title	Name	Attendance in Person B	Attendance by Proxy	Attendance Rate (%) [B/A] (Note)	Note
Chairman	Ching-Yuan Wu	10	0	100%	
Vice Chairman	Chien-Jin Investment Co., Ltd. Representative: Li-Chu Wu	10	0	100%	
Managing Director/ Independent Director	Chung-Chuan Shih	10	0	100%	
Director	Chien-Jin Investment Co., Ltd. Representative: Li-Hsi Chiang	10	0	100%	
Director	Chien-Jin Investment Co., Ltd. Representative: Yi-Cheng Wu	10	0	100%	
Director	Chao-Yao Investment Co., Ltd. Representative: Yu-Chang Huang	9	1	90%	-
Director	Chao-Yao Investment Co., Ltd. Representative: Ren-Hao Tien	10	0	100%	
Director	Chao-Yao Investment Co., Ltd. Representative: Te-Ching Chang	10	0	100%	
Independent Director	Chen Chiang	10	0	100%	
Independent Director	Chih-Hung Hsieh	10	0	100%	
Independent Director	Fu-Wei Chen	10	0	100%	

Note: When a Director is re-elected, the actual attendance rate (%) of the new and former Directors shall be calculated based on the number of Board meetings held and the number of actual attendance of the new and former Director.

Other matters to be noted:

I. Any matters listed in Article 14-3 of the Securities and Exchange Law, and other resolutions of the Board of Directors' meetings to which an Independent Director has expressed objection or reservation and recorded or declared in writing: None.

II. Recusals of Directors from proposal due to conflicts of interest:

Board of Directors Meeting Date and Session	Directors Who Recused Themselves	Proposal Content	Reason for Recusal	Participation in Voting
2025.01.13 27th term 13th session	Ching-Yuan Wu Li-Chu Wu Ren-Hao Tien Yi-Cheng Wu	Drafted proposal for distribution of FY2024 year-end bonus to the Company's Directors and managerial officers.	Involving the remuneration interests of Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, Director Ren-Hao Tien and Director Yi-Cheng Wu.	The motion was approved by all attending directors, except for Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, Director Ren-Hao Tien and Director Yi-Cheng Wu, who recused themselves due to conflicts of interest.
2025.03.13 27th term 14th session	Ching-Yuan Wu Ren-Hao Tien Yi-Cheng Wu	The distribution of remuneration to the Company's employees for FY2024.	Involving the remuneration interests of Chairman Ching-Yuan Wu, Director Ren-Hao Tien and Director Yi-Cheng Wu.	The motion was approved by all attending directors, except for Chairman Ching-Yuan Wu, Director Ren-Hao Tien and Director Yi-Cheng Wu, who recused themselves due to conflicts of interest.
2025.03.13 27th term 14th session	Ching-Yuan Wu Li-Chu Wu Li-Hsi Chiang Yu-Chang Huang Te-Ching Chang Ren-Hao Tien Yi-Cheng Wu	The distribution of remuneration to the Company's Directors for FY2024.	Involving the remuneration interests of Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, Director Li-Hsi Chiang, Director Yu-Chang Huang, Director Te-Ching Chang, Director Ren-Hao Tien and Director Yi-Cheng Wu.	The motion was approved by all attending directors, except for Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, Director Li-Hsi Chiang, Director Yu-Chang Huang, Director Te-Ching Chang, Director Ren-Hao Tien and Director Yi-Cheng Wu, who recused themselves due to conflicts of interest.
2025.04.30 27th term 16th session	Ching-Yuan Wu Li-Chu Wu Yi-Cheng Wu	The Company intends to acquire real estate from a related party.	Involving the personal interests of Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu and Director Yi-Cheng Wu.	The motion was approved by all attending directors, except for Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu and Director Yi-Cheng Wu, who recused themselves due to conflicts of interest and Director Yu-Chang Huang, who was absent from the meeting.
2025.08.13 27th term 21th session	Ching-Yuan Wu Li-Chu Wu Ren-Hao Tien Yi-Cheng Wu	The Company's salary adjustment for managerial officers in FY2025.	Involving the remuneration interests of Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, Director Ren-Hao Tien and Director Yi-Cheng Wu.	The motion was approved by all attending directors, except for Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, Director Ren-Hao Tien and Director Yi-Cheng Wu, who recused themselves due to conflicts of interest.
2026.01.08 27th term 23th session	Fu-Wei Chen	The Company has entered into a real estate pre-sale contract with Yaoda Construction Co., Ltd. for a joint development project.	Involving the personal interests of Independent Director Fu-Wei Chen.	The motion was approved by all attending directors, except for Independent Director Fu-Wei Chen, who recused himself due to conflicts of interest and Director Te-Ching Chang, who was absent from the meeting.

Board of Directors Meeting Date and Session	Directors Who Recused Themselves	Proposal Content	Reason for Recusal	Participation in Voting
2026.02.02 27th term 25th session	Ching-Yuan Wu Li-Chu Wu Ren-Hao Tien Yi-Cheng Wu	Drafted proposal for distribution of FY2025 year-end bonus to the Company's Directors and managerial officers.	Involving the remuneration interests of Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, Director Ren-Hao Tien and Director Yi-Cheng Wu.	The motion was approved by all attending directors, except for Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, Director Ren-Hao Tien and Director Yi-Cheng Wu, who recused themselves due to conflicts of interest and Director Yu-Chang Huang, who was absent from the meeting.
2026.02.02 27th term 25th session	Ren-Hao Tien	The marketable securities acquisition of Apex Biotechnology Corp. by the Company.	Involving the personal interests of Director Ren-Hao Tien.	The motion was approved by all attending directors, except for Director Ren-Hao Tien, who recused himself due to conflicts of interest and Director Yu-Chang Huang, who was absent from the meeting.
2026.02.02 27th term 25th session	Ching-Yuan Wu Yu-Chang Huang	The Company donate NT\$50,000,000 to Hsinchu Sanyang Education Foundation.	Involving the personal interests of Chairman Ching-Yuan Wu and Director Yu-Chang Huang.	The motion was approved by all attending directors, except for Chairman Ching-Yuan Wu, who recused himself due to conflicts of interest and Director Yu-Chang Huang, who was absent from the meeting.
2026.03.13 27th term 26th session	Ching-Yuan Wu Ren-Hao Tien Yi-Cheng Wu	The distribution of remuneration to the Company's employees for FY2025.	Involving the remuneration interests of Chairman Ching-Yuan Wu, Director Ren-Hao Tien and Director Yi-Cheng Wu.	The motion was approved by all attending directors, except for Chairman Ching-Yuan Wu, Director Ren-Hao Tien and Director Yi-Cheng Wu, who recused themselves due to conflicts of interest.
2026.03.13 27th term 26th session	Ching-Yuan Wu Li-Chu Wu Li-Hsi Chiang Yu-Chang Huang Te-Ching Chang Ren-Hao Tien Yi-Cheng Wu	The distribution of remuneration to the Company's Directors for FY2025.	Involving the remuneration interests of Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, Director Li-Hsi Chiang, Director Yu-Chang Huang, Director Te-Ching Chang, Director Ren-Hao Tien and Director Yi-Cheng Wu.	The motion was approved by all attending directors, except for Chairman Ching-Yuan Wu, Vice Chairman Li-Chu Wu, Director Li-Hsi Chiang, Director Yu-Chang Huang, Director Te-Ching Chang, Director Ren-Hao Tien and Director Yi-Cheng Wu, who recused themselves due to conflicts of interest.

III. TWSE/TPEX listed companies shall disclose the information of self-evaluation of the Board of Directors, such as evaluation frequency, period, scope, method, and content:

1. On March 30, 2020, the Company established and passed the Procedures for Evaluating Performance of the Board of Directors. It will regularly evaluate the performance of the Board of Directors, functional committees, and Directors at the end of each fiscal year. This evaluation was presented at the Board of Directors meeting on March 13, 2026.
2. The performances of the Board of Directors in 2025 was "Excellent", the Directors independently evaluated their performances to be "Very Excellent", the self-assessment of the Audit Committee's performance was rated "Very Excellent" and the self-assessment of the Remuneration Committee was "Excellent".
3. To enhance the Board of Directors' functions and enhance their understanding of amendments to laws and regulations, the Company will timely deliver relevant courses to raise awareness of their duties and corporate governance among the Board members.

Implementation of the Board of Directors Evaluation			
Evaluation Frequency	Period of Evaluation	Scope of Evaluation	Evaluation Method
Once a year	From January 1, 2025 to December 31, 2025	Performance appraisal of the Board of Directors, Directors, and functional committees. Functional committees include Audit Committee and Remuneration Committee.	Internal self-evaluation of the Board of Directors, Directors' self-evaluations, and internal self-evaluations of functional committees.
Content			
<p>1. Self-evaluation of the Board of Directors' performance: The Board of Directors' performance evaluation indicators consist of five major aspects: participation in the operation of the Company, improvement of the quality of the Board of Directors' decisions making, composition and structure of the Board of Directors, election and continuing education of the Directors, and internal control.</p> <p>2. Self-evaluation of Board members' performance: The performance evaluation indicators for Directors encompass six major aspects: mastery of corporate goals and tasks, Directors' awareness of their responsibilities, participation in corporate operations, internal relations and communication, Directors' professionalism and continuing education, and internal control.</p> <p>3. Self-evaluation of the Audit Committee's performance: The performance evaluation indicators for the Audit Committee consist of five major aspects: participation in the company's operation, awareness of the functional committee's responsibilities, improvement of the quality of the functional committee's decision making, composition and selection of functional committee members, and internal control.</p> <p>4. Self-evaluation of the Remuneration Committee's performance: The performance evaluation indicators for the Remuneration Committee consist of five major aspects: participation in the company's operation, awareness of the functional committee's responsibilities, improvement of the quality of the functional committee's decision making, composition and selection of functional committee members, and internal control.</p>			

IV. Measures undertaken during the current and immediately preceding fiscal year to strengthen the functions of the Board of Directors (such as the establishment of an Audit Committee and improvement of information transparency, etc.) and the evaluation of their implementation:

- (1) After the re-election of directors at the annual general shareholders' meeting in 2023, four independent directors were elected and appointed to the Audit Committee.
- (2) On March 30, 2021, the Board of Directors of the Company passed a resolution to appoint Kuei-Chin Huang, Associate Vice President of the Finance Sector, to serve as the Company's Corporate Governance Supervisor to assist Directors in performing their duties and improve efficiency of the Board of Directors.
- (3) The "Investor Relations" section was set up on the Company's website and provides contact information for the spokesperson for shareholders to consult the Company's financial and business-related information.

(II) Operations of the Audit Committee

The Audit Committee of the Company has 4 members totally and it composed of all independent directors. About the Professional Qualifications and Experience of Audit Committee, please refer to pages 24~25 "Disclosure of Information on the Professional Qualifications of Directors and Independence of Independent Directors" of the annual report.

A total of 8 (A) Audit Committee meetings were held in 2025. The attendance of the members was as follows:

Title	Name	Actual Number of Attendances (B)	Attendance by Proxy	Actual Attendance Rate (%) 【 B / A 】 (Note)	Note
Independent Director	Chung-Chuan Shih	8	0	100%	
Independent Director	Chen Chiang	8	0	100%	
Independent Director	Chih-Hung Hsieh	8	0	100%	
Independent Director	Fu-Wei Chen	8	0	100%	

Note : When the Audit Committee is re-elected, the actual attendance rate (%) of both new and former Audit Committee members is calculated based on the number of Audit Committee meetings held during their tenure and their actual attendance.

Other matters to be noted:

I. With regard to the implementation of the Audit Committee, if any of the following circumstances occurs, the dates, sessions of the meetings, contents of motions, results of the Audit Committee's resolutions, and Company's responses to such resolutions shall be specified.

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

Name of Meeting	Date of Meeting	Proposal Content	The resolutions of the Audit Committee and the Company's handling of the opinions of the Audit Committee
3rd term 12th session Audit Committee	2025.03.13	<ol style="list-style-type: none"> 1. 2024 Statement on Internal Control System of the Company. 2. 2024 Business Report and Financial Statements of the Company. 3. Amendments to certain provisions of the "General Policy for Non-assurance Services Pre-approval Policy". 4. 2024 Earnings Distribution. 5. The evaluation of the independence, competency and professional fees of the attesting CPAs for the Company's 2025 Financial Statements. 	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
3rd term 13th session Audit Committee	2025.04.30	<ol style="list-style-type: none"> 1. Appointment of the convener of the Audit Committee to sign the contract on behalf of the Company. 2. The Company intends to acquire real estate from a related party. 3. The Company and Yao Da Construction Co., Ltd. to joint development and construction project and plan to entrust the sale. 	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution, item 1 was reported to the Board of Directors, items 2 and 3 submitted to the Board of Directors for resolution.
3rd term 14th session Audit Committee	2025.05.14	Presentation of the Company's 2025 Q1 consolidated financial statements.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
3rd term 15th session Audit Committee	2025.07.16	Served as a joint guarantor for the subsidiary, APh ePower Co., Ltd., for its NT\$3 billion syndicated loan with Taiwan Land Bank and other lending banks.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
3rd term 16th session Audit Committee	2025.08.13	Presentation of the Company's 2025 Q2 consolidated financial statements.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.

Name of Meeting	Date of Meeting	Proposal Content	The resolutions of the Audit Committee and the Company's handling of the opinions of the Audit Committee
3rd term 17th session Audit Committee	2025.11.13	<ol style="list-style-type: none"> 1. Presentation of the Company's 2025 Q3 consolidated financial statements. 2. Draft the 2026 Internal Audit Plan of the Company. 3. Report of Earnings Distribution for the First Half of 2025. 	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
3rd term 18th session Audit Committee	2026.01.08	The Company has entered into a real estate pre-sale contract with Yao Da Construction Co., Ltd. for a joint development project.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution, except for Committee Member Fu-Wei Chen, who recused himself due to conflicts of interest.
3rd term 19th session Audit Committee	2026.02.02	<ol style="list-style-type: none"> 1. The marketable securities acquisition of Apex Biotechnology Corp. by the Company. 2. The Company donate NT\$50,000,000 to Hsinchu Sanyang Education Foundation. 3. Amendments to certain provisions of the "Procedures for Endorsements and Guarantees" 4. Change in the Company's chief of internal audit. 	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
3rd term 20th session Audit Committee	2026.03.13	<ol style="list-style-type: none"> 1. 2025 Statement on Internal Control System of the Company. 2. 2025 Business Report and Financial Statements of the Company. 3. 2025 Earnings Distribution. 4. The evaluation of the independence, competency and professional fees of the attesting CPAs for the Company's 2026 Financial Statements. 	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
3rd term 21st session Audit Committee	2026.04.21	Matters related to the joint development project between the Company and Yao Da Construction Co., Ltd.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
3rd term 22nd session Audit Committee	2026.05.14	Presentation of the Company's 2026 Q1 consolidated financial statements.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.

(II) Except for the aforementioned matters, other resolutions not approved by the Audit Committee but passed by more than two-thirds of all the Directors: None.

II. Regarding recusals of Independent Directors from voting due to conflicts of interests, the names of the Independent Directors, contents of the proposals, reasons for recusal, and results of voting shall be specified:

Audit Committee Meeting Date and Session	People Who Recused Themselves	Proposal Content	Reason for Recusal	Participation in Voting
2026.01.08 3rd term 18th session	Fu-Wei Chen	The Company has entered into a real estate pre-sale contract with Yao Da Construction Co., Ltd. for a joint development project.	Involving the personal interests of Committee Member Fu-Wei Chen.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution, except for Committee Member Fu-Wei Chen, who recused himself due to conflicts of interest.

III. Communications between the Independent Directors, the Chief Audit Executive, and CPAs (shall include the material items, methods, and results of the Company’s finance or operations, etc.):

(I) Summary of communications between Independent Directors and the Chief Audit Executive:

- A. The monthly audit report based on the audit plan shall be submitted to each Independent Director for review through email or in person by the end of the following month.
- B. The quarterly audit report shall be submitted to the Audit Committee periodically.
- C. A dedicated meeting is held between the internal audit supervisor and the independent directors at least once a year to explain the audit operations.
- D. Occasionally conducts communication and provide instruction and response by telephone, email, or in person.

(II) Summary of communications between Independent Directors and CPAs:

- A. Prior to the annual audit, the CPAs will fully communicate with the Independent Directors on the key audit matters and important statutory requirements of the year.
- B. The Independent Directors regularly communicate with the CPAs at the Audit Committee meetings about the review or audit of the financial statements and the results.
- C. A dedicated meeting is held between the CPAs and the independent directors at least once a year to communicate the results of the financial statement audits and internal control audits.

(III) Independent directors, Chief Audit Executive, and CPAs may convene meetings for independent communication on matters deemed necessary, with the frequency being irregular and at their discretion.

(IV) The communications with the Independent directors and Chief Audit Executive are specified as follows:

Date	Key Points of Communication	Results of Communication
2025.01.13	Report on implementation of the internal audit of the Company from October to December 2024.	Noted. No other comments.
2025.03.13	2024 Statement on Internal Control System of the Company.	The resolution was approved.
2025.05.14	Report on implementation of the internal audit of the Company from January to March 2025.	Noted. No other comments.
2025.08.13	Report on implementation of the internal audit of the Company from April to June 2025.	Noted. No other comments.
2025.11.13	1. Report on implementation of the internal audit of the Company from July to September 2025. 2. Draft the 2026 Internal Audit Plan of the Company.	Noted. No other comments. The resolution was approved.
2026.02.02	Report on implementation of the internal audit of the Company from October to December 2025.	Noted. No other comments.
2026.03.13	2025 Statement on Internal Control System of the Company.	The resolution was approved.
2026.05.14	Report on implementation of the internal audit of the Company from January to March 2026.	Noted. No other comments.

(V) The communications with the Independent directors and CPAs are specified as follows:

Date	Key Points of Communication	Results of Communication
2025.03.13	1. Explanation of the audit of the Company's financial statements for 2024. 2. Major accounting standards or interpretations, and updates to laws and regulations.	Noted. No other comments.
2025.08.13	1. Explanation of the review of the Company's financial statements for the second quarter of 2025. 2. Important statutory update.	Noted. No other comments.
2026.03.13	1. Explanation of the audit of the Company's financial statements for 2025. 2. Major accounting standards or interpretations, and updates to laws and regulations.	Noted. No other comments.

VI. Annual key tasks of the Audit Committee:

(1) Review financial reports

After the Company's annual business report, financial statements, and earnings distribution plan are reviewed and approved by the Audit Committee, they shall be submitted to the Board of Directors for discussion. After resolved by the Board of Directors, they shall be submitted to the Shareholders' Meeting for approval.

(2) Assess effectiveness of internal control

Every year, all sectors of the Company shall independently evaluate their internal control systems and their implementation. The audit unit shall report to the Audit Committee on a regular basis and submit the annual internal control system statement to the Audit Committee for review. Additionally, the audit unit shall communicate with members of the Audit Committee from different perspectives several times per year, to evaluate effectiveness of the Company's internal control.

(3) Appointment of CPAs

The Company's Audit Committee annually evaluates the independence and professionalism of the CPAs, as well as the reasonableness of their appointment and remuneration. In 2025, the Company appointed Chung-Che Chen and Kuo-Yang Tseng, CPAs of KPMG, for attestation, which was approved by the Audit Committee on Mar 13, 2025, and reported to the Board of Directors for resolution.

(4) Review procedures for major financial operations

Review of the amendment to procedures for major financial operations involving the acquisition and disposal of assets shall be submitted to the Shareholders' Meeting for discussion after the Board of Directors' resolution.

(5) Review major asset transactions

The acquisition or disposal of real estate, right-to-use assets, and securities shall be reviewed and approved by the Audit Committee and then submitted to the Board of Directors for approval.

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

Evaluation Item	State of Implementation			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
I. Has the Company established and disclosed its Corporate Governance Best Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company has formulated corporate governance best practice principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies on May 13, 2021.	No material difference.
II. Shareholding structure & shareholders' rights				
(I) Does the Company have Internal Operating Procedures for handling shareholders' suggestions, concerns, disputes, and litigation matters. If yes, have these procedures been implemented accordingly?	✓		(I) The Company has spokespersons, deputy spokespersons, and Public Affairs Office to perform their respective duties.	No material difference.
(II) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	✓		(II) The Company maintains its shareholder list provided by the shareholder service agency.	No material difference.
(III) Has the company built and implemented a risk management system and a firewall between the Company and its affiliates?	✓		(III) The Company and its affiliates have established the Regulations for Management of Related Party Transactions.	No material difference.
(IV) Has the company established internal rules prohibiting insider trading of securities based on undisclosed information?	✓		(IV) The Company has developed operating procedures for processing internal material information to prevent insider trading.	No material difference.
III. Composition and responsibilities of the board of directors				
(I) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	✓		(I) While the Company has not specifically formulated guidelines for diversity of the composition of the Board members, the concept of diversity has been implemented in its actual operations.	No material difference.
(II) Has the Company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee?		✓	(II) The Company has not yet established other voluntary functional committees.	In the future, the Company will set up other functional committees according to actual needs.

Evaluation Item	State of Implementation			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
(III) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?	✓		(III)1. The Company has developed the Procedures for Evaluating Performance of the Board of Directors, and performed the evaluation since 2020. 2. According to the Procedures for Evaluating Performance of the Board of Directors, the Board shall evaluate performance of the Board of Directors at least once a year; such evaluation shall be conducted by an external professional independent organization or an external professional team of scholars at least once every three years. 3. The 2025 performance appraisal results of the Board of Directors were reported to the Board of Directors on March 13, 2026.	No material difference.
(IV) Does the company regularly evaluate its external auditors' independence?	✓		(IV) The Audit Committee of the Company evaluates the independence and competency of its CPAs every year. In addition to requiring the CPAs to provide "Statement of Independence" and "Audit Quality Indicators (AQIs)," it also conducts the evaluation based on the following standards of Note 1 and 13 AQI indicators. It has been confirmed that the attesting CPAs have no other financial interests or business relationship with the Company, and that the CPAs' family members do not violate the independence requirements, and that the CPAs and the firm have sufficient audit experience with reference to the AQI indicator information and training hours. The evaluation results of the most recent year have been discussed and approved by the Audit Committee on Mar 13, 2026, and were submitted to the Board of Directors for approval on Mar 13, 2026, along with the evaluation of the independence and competency of CPAs.	No material difference.

Evaluation Item	State of Implementation			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
IV. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	✓		On March 30, 2021, the Board of Directors appoints Kuei-Chin Huang, Associate Vice President of the Finance Sector, to serve as the Company's Corporate Governance Supervisor to assist Directors in performing their duties and improve efficiency of the Board of Directors. The main duties include handling matters related to the Board of Directors meetings and the Shareholders' Meeting in accordance with the law, preparing the minutes of the Board of Directors meetings and the Shareholders' Meeting, assisting Directors in taking office and continuing education, providing information necessary for the Directors to carry out their business, assisting Directors in complying with laws and regulations, and other matters stipulated in the Articles of Incorporation or the contracts.	No material difference.
V. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc), and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	✓		The Company has established communication channels and a dedicated section on for stakeholders.	No material difference.
VI. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	✓		The Company has appointed the Stock Service Agent of Concord Securities Group, a professional shareholder service agency and securities service agency, to handle Shareholders' Meeting affairs.	No material difference.

Evaluation Item	State of Implementation			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
VII. Information Disclosure				
(I) Has the company established a corporate website to disclose information regarding its financials, business, and corporate governance status?	✓		(I) The Company has set up a website to regularly disclose its financial information and corporate governance. http://www.sanyang.com.tw	No material difference.
(II) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	✓		(II) The Company has set up an English website and implemented the spokesman system. Additionally, appointed the person to collect and disclose information of the Company respectively from relative departments. http://www.sanyang.com.tw/en/	No material difference.
(III) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?		✓	(III) The Company has announced its annual, quarter financial statements and monthly business operations report within the periods which regulated by laws. However, the Company has not issued and filed its annual financial statements within two months after the end of the year.	Same as the summary.
VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	✓		<p>1. Employee rights: The Company always respects employees with trust and protects their legal rights in accordance with the Labor Standards Act.</p> <p>2. Caring for employees: The Company has established a welfare, education and training system to enhance and stabilize employees' lives, and fostering strong relationship with employees, built on mutual trust and reliance. For example, providing funds for employees' club activities and recreation, subsidies for health checkup and medical consultations, offering employee dormitories, caring for daily lives of employees residing in the Company's dormitories, and free parking lots.</p> <p>3. Investor relations: The Company has established the Finance Sector and the Public Affairs Office dedicated to handling shareholders' suggestions.</p>	No material difference.

Evaluation Item	State of Implementation			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
			<p>4. Supplier relations: The Company maintains good relationships with its suppliers.</p> <p>5. Stakeholders' rights: Stakeholders can communicate and offer suggestions to the Company and safeguard their legal rights and interests as well.</p> <p>6. Directors' training: All Directors of the Company possess professional industry backgrounds or practical experiences in business management</p> <p>7. Execution process of risk management policies and risk measurement standards: The Company has established various internal regulations and conducted multiple risk management and assessment in accordance with laws and regulations.</p> <p>8. Implementation of client policy: The Company maintains positive relationships with customers to generate profits.</p> <p>9. The Company's offering of Directors' liability insurance: The Company purchased liability insurance for Directors and reported it at the Board of Directors meetings on Jan 13, 2025 and Feb 2, 2026, respectively.</p>	
<p>IX. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement.</p> <p>1. The Company's ranking in the 11th Corporate Governance Appraisal of the Taiwan Stock Exchange in 2024: 51% to 65%. The Company's ranking in the 12th Corporate Governance Appraisal of the Taiwan Stock Exchange in 2025: 36% to 50%</p> <p>2. The Company has made following improvements:</p> <p>(1) Approved the 2024 Sustainability Report by the Board of Directors on August 13, 2025.</p> <p>(2) Communication with stakeholders for 2024 was reported to the Board of Directors on August 13, 2025.</p> <p>(3) Changes in the previous month's shareholdings of insiders was reported to the MOPS by the 10th of each month (inclusive).</p>				

Note 1 : CPA independence and suitability criteria

Evaluation Items	Result of Evaluation	Comply with independence / competency
1. Whether the CPAs have direct or material indirect financial interest with the Company	No	Yes
2. Whether the CPAs have conducted any financing or guarantee activities in connection with the Company or its Directors	No	Yes
3. Whether the CPAs have close business relationships or potential employment relationships with the Company	No	Yes
4. The CPAs and members of the audit team serving as Directors or managerial officers or holding positions with significant influence on the audit work of the Company at present or in the past 2 years	No	Yes
5. Whether the appointed CPAs provide non-audit services for the Company that would have a direct impact on the audits	No	Yes
6. Whether the CPAs serve as intermediaries of stocks or other securities issued by the Company	No	Yes
7. Whether the CPAs serve as defendant of the Company or mediate the Company's conflicts with third parties on behalf of the Company	No	Yes
8. Whether the CPAs have kinships with Directors, managerial officers, or personnel holding positions with material influence on audit in the Company	No	Yes
9. Whether the CPA firm has sufficient auditing experience to perform the audit.	Yes	Yes
10. Whether the personnel of the accounting firm have received sufficient education and training hours to continuously acquire professional knowledge and skills.	Yes	Yes

(IV) Composition, Duties, and Operation of the Remuneration Committee:

1. Information on Members of the Remuneration Committee

The primary responsibilities of the Company's Remuneration Committee include regularly reviewing the performance evaluation criteria, annual and long-term performance objectives, and the policies, systems, standards, and structures related to the salaries and remuneration of the Company's directors and managerial officers. Additionally, the committee regularly evaluates the performance of directors and managers and determines the details and amounts of their individual salaries and remuneration.

Title	Criteria	Professional Qualifications and Experience	Compliance with the Independence Criteria	Number of Other Public Companies in Which the Individual Concurrently Serves as a Remuneration Committee Member
	Name			
Independent director Convener	Chung-Chuan Shih	Please refer to pages 24~25 for Disclosure of Information on the Professional Qualifications Directors and Independence of Independent Directors of the annual report.		1
Independent director	Chen Chiang			0
Independent director	Chih-Hung Hsieh			1
Independent director	Fu-Wei Chen			0

2. Operations of the Remuneration Committee

- (1) The Remuneration Committee of the Company has 4 members totally.
- (2) The term of current committee members is from July 7, 2023 to June 27, 2026.
- (3) A total of 3 (A) Remuneration Committee meetings were held in 2025. The attendance of the members was as follows:

Title	Name	Actual Number of Attendances (B)	Attendance by Proxy	Actual Attendance Rate (%) (B/A) (Note)	Note
Convener	Chung-Chuan Shih	3	0	100%	-
Committee Member	Chen Chiang	3	0	100%	
Committee Member	Chih-Hung Hsieh	3	0	100%	
Committee Member	Fu-Wei Chen	3	0	100%	

Note : During the election of the members of the Remuneration Committee, the actual attendance rate (%) of the new and former members of the committee shall be calculated based on the number of sessions held by the committee and how many times they have attended the sessions during their terms.

Other matters to be noted:

I. If the Board of Directors did not adopt or modify a recommendation of the Remuneration Committee, the Board meeting date, session, motion, resolution, as well as the Company’s response to the Remuneration Committee’s recommendation (e.g., If the remuneration approved by the Board of Directors exceeds the recommendation of the Remuneration Committee, the difference and causes for the difference shall be specified) shall be described: None.

II. As for a resolution of the Remuneration Committee, if a committee member expresses any objection or reservation, whether recorded or in written statement, it is imperative to describe the committee’s date, session, motion, opinions of all members, and response to these opinions: None.

III. Discussions and resolutions of the Remuneration Committee in 2025:

Session of the Remuneration Committee	Date of Meeting	Proposal Content	The resolutions of the Remuneration Committee and the Company’s handling of the opinions of the Remuneration Committee
5th term 5th session	2025.01.13	1. Salary of the new managers of the Company. 2. Drew up the proposal for distribution of 2024 year-end bonus to the Directors and managerial officers.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
5th term 6th session	2025.03.13	1. Amendments to certain provisions of the “Regulations Governing the Remuneration of Directors and Managers”. 2. The distribution of remuneration to the Company’s employees for 2024. 3. The distribution of remuneration to the Company’s Directors for 2024.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
5th term 7th session	2025.08.13	The Company’s 2025 salary adjustment for managerial officers.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
5th term 8th session	2026.02.02	1. Review of the policies, systems, standards, and structure of remuneration for directors and managers. 2. The distribution of 2025 year-end bonus to the Company’s Directors and managerial officers.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.
5th term 9th session	2026.03.13	1. The distribution of remuneration to the Company’s employees for 2025. 2. The distribution of remuneration to the Company’s Directors for 2025. 3. To set remuneration for the 28th term of independent directors.	After discussion by all committee members in attendance, the proposal was approved without objection and submitted to the Board of Directors for resolution.

(V) The State of the Company's Implementation of Sustainable Development, Deviation and Reason from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies:

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	✓		The Company has formed an ESG Promotion Committee chaired by the President.	No material difference.
II. Does the Company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	✓		Through its sustainability risk and opportunity identification process, the Company compiles environmental, social, and governance (ESG) risk factors related to its operations. This process identifies sustainability issues relevant to the Group's industry and establishes a list of sustainability risks and opportunities. Sustainability risks are then ranked through questionnaire surveys and discussions with the ESG Promotion Committee, with key risks and opportunities determined by analyzing their likelihood and potential impact. Subsequently, the Company discusses response plans and develops risk management policies, strategies, and control procedures.	No material difference.
III. Environmental Issues (I) Has the Company set an environmental management system designed to industry characteristics?	✓		(I) 1. The Company has established various environmental management systems and documents (including the Company's manual, measures, forms, standard operating procedures) in accordance with the environmental protection regulations established by the Ministry of Environment, as the basis for management operations. The Company also regularly performs regulatory identification, review of the applicability of rules and regulations, forms, and implementation status, as well as formulating and revising them annually to ensure the compliance and effectiveness of the environmental management system. 2. In order to implement the environmental management mechanism, ISO 14001 was introduced in 1998, and we have continuously operated the management system. Every year, the external verification is conducted by DNV GL Business Assurance Co., Ltd. Currently, the latest management system standard obtained is ISO 14001:2015, which is valid from October 17, 2025 to October 16, 2028.	No material difference.

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		(II) 1. The Company promotes various energy-saving measures (such as efficient energy-saving production equipment, low-carbon car paint production lines, replacement of aging air compressors, adoption of efficient transformers and lighting, etc.), significantly reducing the use of electricity. Switching boilers from heavy fuel oil to liquefied petroleum gas (LPG) has significantly reduced carbon emissions, VOCs, and greenhouse gas emissions, lessening the environmental impact. 2. To grasp our energy use, appropriate energy management targets have been set to systematically increase energy efficiency and energy performance. We have established an energy improvement management mechanism, and promoted the establishment of the energy management system (ISO 50001) in Hsinchu Plant: The Company has obtained the ISO 50001:2018 certification from ARES in 2024, which is valid from December 9, 2024 to December 8, 2027. The annual audit was passed in 2025 to maintain system effectiveness.	No material difference.
(III) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	✓		(III) To effectively control the drastic increase in greenhouse gas emissions and respond to the challenges of sustainable development resulting from climate changes, the Company has taken following measures to reduce greenhouse gas emissions: 1. Dedication to greenhouse gas inventory. 2. Tracking actual greenhouse gas emissions by the Company. 3. According to the TCFD guidelines, international standards, and benchmark companies, request expert guidance on the identification, management and policies of climate-related risks and opportunities 4. Conduct risk and opportunity impact assessments, formulate response strategy plans, integrate energy-saving and carbon reduction goals of the Company and departments, and initiate operational project initiatives. 5. Regularly track and review project goals. 6. In 2025, we introduced the ISO 14604-2 carbon reduction project and initiated energy conservation and carbon reduction initiatives. 7. We have applied for the Ministry of Environment's voluntary emissions reduction plan, established carbon reduction goals, and set annual targets and implement planned initiatives.	No material difference.

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
(IV) Did the company collected data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		<p>(IV)1. Greenhouse gas: The Company follows the standard procedures of ISO 14064-1 to conduct a comprehensive identification and inventory of greenhouse gases across the entire Company. This is done to understand the emissions status of greenhouse gases and serve as the basis for proposing greenhouse gas reduction plans. The Company conducts emission source identification, data collection, and emission calculations for all greenhouse gases it emits. These activities are also subject to investigation and verification by DNV Business Assurance Co., Ltd.</p> <p>2. Energy conservation and carbon reduction: In line with the commitment to the environmental health and safety policy of “Energy conservation and carbon reduction are taken into consideration in all aspects of operation of design, procurement and maintenance. We are committed to achieving the energy conservation targets and continue to improve energy performance” the Company continuously enhances production efficiency, enhances equipment utilization efficiency, manages energy conservation in public facilities, and reduces energy usage costs. Additionally, the Company has embarked on an annual 1.5% electricity saving initiative, implementing 30 improvement themes in 2025, resulting in a total electricity savings of 117.5 kWh.</p>	No material difference.

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
IV. Social Issues (I) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		(I) The Company's Human Resources Department has established a human rights policy based on internationally recognized human rights conventions and principles. This policy—developed with reference to the Universal Declaration of Human Rights, the United Nations Global Compact, and international labor conventions such as those of the International Labour Organization (ILO)—serves as the foundation for our human rights management system. The policy applies to all employees and extends to subsidiaries, affiliates, suppliers, and business partners to establish a consistent human rights management framework. The key areas of focus for human rights policy management include: Prohibition of discrimination, forced labor, and child labor; maintenance of equal pay and freedom of association; provision of a safe and healthy work environment and employee support mechanisms; and reinforced safeguarding of foreign worker rights and personal data protection. A confidential and transparent grievance mechanism has been established to address human rights issues and implement improvements, ensuring effective human rights protections. The Company has implemented human rights protections through institutionalized management measures and continues to review and refine these systems. The Company's performance will also be disclosed through its ESG reporting mechanism	No material difference.

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
(II) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	✓		<p>(II) The Company has established the “Regulations Governing Salary Management,” “Regulations Governing Performance Evaluations,” “Regulations Governing Reward and Disciplinary Management,” “Regulations Governing Mid-Autumn Festival Bonus, Year-end Bonus, and Employee Remuneration Distribution,” and “Regulations Governing Leave Management” in accordance with relevant regulations. Additionally, the Employee Welfare Committee and the enterprise labor union are responsible for safeguarding the rights and benefits of employees and promoting harmony and common prosperity for both employers and employees.</p> <p>The Company’s remuneration policy is based on the individual’s capabilities, respective contribution to the Company, performance, and the positive correlation with operational performance. Competitive salary and remuneration conditions: Through credible salary surveys conducted every year, the Company reviews or formulates reasonable salary and remuneration policies and various incentives for employees. The overall remuneration package includes base salary, allowances, bonuses, and employee benefits. Competitive compensation levels are determined based on factors such as job responsibilities, education and experience, performance, market conditions, the Company’s future development, and the retention of outstanding colleagues. Differential treatment based on factors such as gender, age, race, religion, political stance, or marital status is not permitted. Salaries are adjusted annually based on operating performance, enabling all employees to maximize their potential and foster a harmonious and sustainable workplace. The main incentive bonuses and welfare subsidies for employees include:</p> <p>1. Employee Remuneration: In recognition of employees’ contributions to the Company and to share in the fruits of business operations, in accordance with the company’s Articles of Incorporation, a portion of</p>	No material difference.

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
			<p>the annual profits, if any, exceeding 1% of pre-tax income will be allocated as employee Remuneration and no less than 50% shall be allocated as remuneration to be distributed to entry-level employees.</p> <p>2. Year-end Bonus: As a token of appreciation for employees' outstanding contributions and collaborative efforts in fostering mutual prosperity, the distribution of year-end bonuses is governed by the Company's regulations and is planned based on both the overall operational performance of the Company and individual performance.</p> <p>3. Mid-Autumn Festival Bonuses: to appreciate the hard work of employees and inspire work morale for the festive season, bonuses are paid in accordance with the Company's regulations on the eve of the Mid-Autumn Festival.</p> <p>4. Quarterly Incentive Bonus: bonuses will be given to foreign workers based on the achievement of work goals and the management of the dormitory on a quarterly basis.</p> <p>5. Diversified Incentives and Subsidies: Various forms of incentives and subsidies, such as consolation bonuses, commendation awards, other Company welfare schemes, as well as subsidies provided by the Employee Welfare Committee and enterprise labor union, are implemented to recognize and motivate employees.</p> <p>6. Flexible leave policy: Employees at Level 8 and above are granted a flexible work arrangement allowing for up to four hours of adjusted daily work hours, increasing management flexibility and empowering them with greater autonomy in scheduling to support a sustainable work-life balance.</p> <p>About the Employee Benefits, please refers to page 124 of "Information on Employee Benefits, Continuing Education, Training, and Retirement Systems and the Status of Their Implementation, Labor Agreements and Measures for Safeguarding Employees' Rights and Interests" of the annual report.</p>	

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
(III) Does the company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	✓		<p>(III) The Company has established a dedicated occupational safety and health unit responsible for developing, planning, supervising, and promoting safety and health management initiatives. This unit also guides relevant departments in their implementation of measures. These include operating environment monitoring, automated inspection and audit verification, safety and health audits, hazard prevention for machinery/equipment and raw materials/materials, and contractor safety and health management, to ensure the safety of all workers. Furthermore, the Company has appointed dedicated health personnel to plan and implement health management programs, including occupational disease prevention and health promotion activities, such as regular health checkups, on-site consultation services provided by physicians (general practitioners and occupational medicine specialists), and health promotion events. The Company organizes three safety and health training sessions and one health training session for all employees each year. The management measures outlined above help ensure a safe and healthy work environment for employees.</p> <p>For information on work environment and employee safety protection measures and their implementation, please refer to “Protective Measures for Work Environment and Employees’ Personal Safety” on pages 126~127 of the annual report. Regarding work-related accidents, fires, and other related incidents:</p> <p>Regarding work-related accidents, fires, and other related incidents:</p> <ol style="list-style-type: none"> 1. There were 3 fire accident in 2025. 2. In 2025, the number of disabling injuries totaled 4, involving 3 employees and 1 contractor, and the total number of days lost due to disabling injuries was 211 (days of disability excluding contractors). Disabling injuries are pinching, sprains, crashing and abrasions. The aforementioned accidents have been duly investigated and analyzed. The results were reviewed at the occupational safety and health committee meeting. In addition to monthly safety announcements, the occupational safety and health management unit also conducts periodic on-site inspections to ensure the occupational safety of employees. 	No material difference.

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
(IV) Has the Company established effective career development training programs for employees?	✓		<p>(IV) The Company is committed to diversity, equity, and inclusion (DEI) and has built a robust talent development system to foster the long-term growth of its human capital.</p> <p>We strive to empower our employees to leverage their expertise and reach their full potential, fostering both their personal career growth and the overall advancement of organizational value.</p> <p>To align with global standards, the Company has clearly defined the specifications for key talent, prioritizing business acumen, strategic planning, and operational decision-making as core evaluation criteria.</p> <p>We expect management to demonstrate strong strategic influence, drive effective execution, and inspire employees through visionary leadership.</p> <p>At the same time, managers are expected to deepen team talent development through empowerment and delegation, and to demonstrate adaptive leadership in response to market dynamics to strengthen organizational resilience.</p> <p>The 2025 talent development plan was precisely aligned with business objectives and forward-looking strategies. In addition to strengthening foundational and specialized training, the Company proactively launched an international talent reserve program to enhance employees' cross-border collaboration skills and global perspective, supporting its transformation initiatives.</p> <p>In 2025, a total of 109 training courses were completed, totaling 2,354 participants and 11,988 training hours.</p> <p>Mid-level managers are a key conduit between senior leadership and frontline teams, and are central to fostering collaboration and executing strategy.</p> <p>The 2025 training program focused on “compliance leadership” and “effective communication”.</p> <p>1. Compliance leadership: The “Management Red Lines That Supervisors Must Know” course has been launched to enhance supervisors' awareness of identifying and preventing inappropriate</p>	No material difference.

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
			<p>workplace behavior and strengthen risk control effectiveness.</p> <p>2. Effective communication: Enhance the quality of management communication through training in areas such as “employee issue resolution and negotiation skills” and “upward communication”.</p> <p>Through systematic development programs, we have strengthened supervisors’ expertise in compliance management and talent development. We aim for them to foster a workplace culture of respect, trust, and inclusivity while driving business growth, building a fair and transparent organizational environment.</p>	
(V) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		<p>(V) The Company respects and complies with the laws and regulations of every country and region in which it operates. We regularly educate our employees on topics including fair trade, environmental protection, occupational safety and health, personal data privacy, confidentiality, and relevant government laws and regulations. Furthermore, we have established a code of conduct for employees based on its core values.</p> <p>All motorcycle models must pass domestic emission control, lighting, noise, brake system, and energy consumption tests, among other requirements, before mass production. They must also obtain a “Vehicle Type Safety Inspection Certificate” issued by the Ministry of Transportation to ensure product quality is on par with relevant regulations.</p> <p>The criteria and operating procedures for all product warranties adhere to ISO standards and have been regularly reviewed and revised to provide a rigorous and comprehensive warranty system.</p> <p>The handling of product liability incidents prioritizes protecting consumer rights and complying with government laws and regulations. Meanwhile, the Company has formulated relevant handling guidelines and regulations, including: ISO internal control procedures for “After-Sales Service” and “Customer Complaint Handling”, the “Market Response to Quality Problems Handling Measures”, the “Domestic Two-Wheeled Market Defective Product Exchange Operating Rules”, and the “Automotive and Motorcycle Recall Correction Management Measures”.</p>	No material difference.

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
			All business units provide 080 toll-free customer complaint hotlines, roadside assistance through Triumph Motor Service (TMS) service centers or authorized dealers, and an email feedback form on the official website. Dedicated customer service teams handle these inquiries and provide responses, ensuring car owners use their vehicles with confidence. Consequently, the Company also proactively follows up to assess owner satisfaction with vehicle maintenance and service. This feedback is used to improve service quality and protect consumer rights by providing an effective process for addressing concerns.	
(VI) Has the company formulate supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		(VI) 1. The Company has included green procurement as fundamental requirement for supplier management. Collaborative manufacturers shall be evaluated in accordance with the “Regulations for New Collaborative Manufacturers’ Applications for QAV1.” The Company assigns procurement, quality assurance, quality control, technical, environmental, and safety personnel to perform on-site assessments. Manufacturers with a score of more than 80 (inclusive) points in the evaluation are deemed qualified suppliers. 2. The engineering contractors are included as significant concerns for the Company. They are required to sign commitments which related to environment, safety, and health in procurement outsourcing and contracting agreements. In addition to encouraging the contractors to assume their responsibilities, the ESH department also provides assistance, training, and improvement education when needed to maintain the effective implementation of environmental, safety, and health policies in the plants.	No material difference.

Implementation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
V. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	✓		The Company's Sustainability Report is prepared in accordance with the GRI Universal Standards 2021 issued by the Global Reporting Initiative (GRI), and references the United Nations Sustainable Development Goals (SDGs). The disclosure incorporates the framework of the Task Force on Climate-related Financial Disclosures (TCFD) and the industry-specific indicators proposed by the Sustainability Accounting Standards Board (SASB). For the 2025 Sustainability Report, KPMG, an independent and credible firm, was commissioned to perform an independent limited assurance engagement in accordance with the Standard on Assurance Engagements No. 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information," issued by the Accounting Research and Development Foundation of the Republic of China. Please refer to the Company's 2025 Sustainability Report for details.	No material difference.
VI. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: None.				
VII. Other important information to facilitate better understanding of the company's promotion of sustainable development : The Company integrates and discloses aspects such as environmental protection, community engagement, social contributions, community service, social welfare, consumer rights, human rights, occupational health and safety, and other corporate social responsibility activities in its sustainability report. This report is publicly available on the official website of Sanyang Motor (http://www.sanyang.com.tw/).				

(VI) Implementation Status of Climate Related Information

Items	Implementation Status																																														
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Company's ESG Promotion Committee working groups analyzed climate change-related risks and opportunities, along with corresponding strategies and target indicators. The Committee has established short, medium, and long term goals for climate change-related issues, identified climate risks and opportunities, and built an effective management mechanism. To effectively advance ESG initiatives, the organization ensures that ESG sustainability considerations are integrated into its strategic evaluation process. Key topics and management approaches related to energy and GHG emissions are reported to the Board of Directors for review, allowing for effective monitoring of progress and outcomes.																																														
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term)	<p>I. Impacts of climate-related risks</p> <table border="1" data-bbox="577 504 2112 1343"> <thead> <tr> <th data-bbox="577 504 678 560">Category</th> <th data-bbox="678 504 757 560">Aspect</th> <th data-bbox="757 504 1193 560">Risk items</th> <th data-bbox="1193 504 1328 560">Time course of impact</th> <th data-bbox="1328 504 2112 560">Impact on the Company's strategy, operation, and finance</th> </tr> </thead> <tbody> <tr> <td data-bbox="577 560 678 1145" rowspan="6" style="writing-mode: vertical-rl; transform: rotate(180deg);">Transformation risks</td> <td data-bbox="678 560 757 1145" rowspan="5" style="writing-mode: vertical-rl; transform: rotate(180deg);">Policies and regulations</td> <td colspan="3" data-bbox="757 560 1193 600">I. 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	Category	Aspect	Risk items	Time course of impact	Impact on the Company's strategy, operation, and finance
	Physical risk	Short-term risk	Extreme Climate Impacts	Short-term Medium-term	<ul style="list-style-type: none"> Weather disasters such as typhoons and storms leading to floods and water scarcity may result in supply chain disruptions, affecting manufacturing capacity and operations or causing equipment damage. If it happen, it leads to an increase in cost of asset acquisition. Extreme weather-induced disasters, resulting in work stoppages, flooding, etc., affecting production lines and operational activities.
		Long-term risk	Long-term climate change and temperature increase	Medium-term Long-term	<ul style="list-style-type: none"> Rising temperatures will lead to increased electricity usage, power shortage, equipment damaged. It leads to an increase in cost of asset acquisition. Risks of heatstroke and heat exhaustion among employees.
Note: Short-term: 1 to3 years, Mid-term: 3 to5 years, Long-term: Over 5 years					
II. Impacts of climate-related risks					
	Opportunity Category	Contents	Time course of impact	Impact on the Company's strategy, operation, and finance	
	Products and services	Development of new products and services through R&D and innovation	Short-term	<ul style="list-style-type: none"> Regulations and policies subsidize new energy vehicles, fostering the development of new products and creating market opportunities for them. In line with the government's promotion of new energy policies, we are working to maintain competitiveness and mitigate potential regulatory costs associated with high-carbon products. Following stricter fuel consumption standards, the Company has launched low-carbon, energy-efficient products to reduce potential regulatory costs associated with non-compliance and capitalize on emerging energy-saving market opportunities. 	
	Market	Entry into new markets	Short-term	<ul style="list-style-type: none"> Develop products and services to meet market demand, such as high-performance automotive brands and electric motorcycles. Invest in marketing and labor costs to promote the sale of energy-efficient vehicles. 	
	Resource utilization efficiency	Use of more efficient production and distribution processes	Short-term Medium-term	<ul style="list-style-type: none"> Develop efficient, energy-saving, and green production processes to lower operating costs over the long term. 	
3. Describe the financial impact of extreme weather events and transformative actions.	Please refer to table descriptions in Item 2 and Item 6.				
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>The Company Climate Risk Ranking: Climate risk impact assessments is conducted through executive-level TCFD training workshops (Assessment items: 1. Potential impact level 2. Potential vulnerability 3. Time of occurrence).</p> <p>Based on the aggregated scoring data, discern the magnitude and impact severity of climate risks, and prioritizing them to identify the significance of climate risk impacts.</p>				

Items	Implementation Status
	<pre> graph LR A[Identification of Climate Risks and Opportunities] --> B[Impact Assessments of Risks and Opportunities] B --> C[Establishment of Climate Action Plan] C --> D[Climate Policy Target Management] </pre> <p>Identification of Climate Risks and Opportunities In accordance with the TCFD guidelines, international standards, and benchmarking companies, organize workshops for senior executives to seek expert guidance on conducting identification, management and policy of climate-related risks and opportunities.</p> <p>Impact Assessments of Risks and Opportunities, · Evaluate the degree of impact of risks and opportunities to the Company through external consultants and internal discussions. · Conduct financial impact scenario analysis for key risk items.</p> <p>Establishment of Climate Action Plan · Developing response strategy plans based on identified climate risks and opportunities, considering the impact severity and financial implications from the results of scenario analysis. · Mitigate the impact of climate risks and increase resilience through action plans and develop opportunities.</p> <p>Climate Policy Target Management · Based on the results of the climate response strategy, integrate the established energy-saving and carbon reduction goals of the Company and its departments, and implement operational project initiatives accordingly. · Regularly track and review project goals.</p>
<p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p>	<p>With reference to the “Strategy” chapter of the TCFD Recommendation, the Company has also taken into account different climate-related scenarios for the organization’s stress resistance, and continues to pay attention to the impact of climate risk on the Company’s operational transition and physical impacts.</p> <ol style="list-style-type: none"> 1. Transition risk: The Company pays attention to the risk of scenario transition by referring to the standards published by the SBTi to determine the potential financial impact in achieving net zero emissions by 2050. 2. Physical risk: Under the RCP scenario simulations, the Company references the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP). By simulating both RCP4.5 and RCP8.0 scenarios (representing concentration pathways), the Company evaluates the most severe situations and their potential financial impacts.

Items	Implementation Status					
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Category	Aspect	Risk items	Time course of impact	Impact on the Company's strategy, operation, and finance	
	Transformation risks	Policies and regulations	I. Increase in the cost of greenhouse gas emissions:			
			1. Imposition of carbon taxes increases carbon tax expenditures.	<ul style="list-style-type: none"> Establish energy-saving goals in accordance with the Ministry of the Environment's Regulations Governing Self-determined Reduction Plans and the energy-saving goals and implementation plans set by the Energy Bureau. The short-term target is a 1.1% reduction in GHGs compared to the baseline year of the voluntary reduction plan. The mid-term target is a 2.5% reduction, and the long-term target is a 5.3% reduction, both compared to the same base year. (The base year is 2024, as specified in the plan reported to the Ministry of Environment) In 2025, we applied for an autonomous reduction plan and obtained subsidies from the Taiwan Green Productivity Foundation to seek preferential carbon tax rates. Approval from the Ministry of Environment is pending, which is expected to mitigate the financial impact of carbon tax. 	<ul style="list-style-type: none"> Approximately NT\$12.22 million was invested in energy-saving facility improvements in 2025, resulting in a reduction of 556.72 tons of CO₂e per year. The fee for the voluntary reduction plan is by NT\$95,000 in 2025. 	
			2. Energy regulatory requirements and increase in the cost of energy use	<ul style="list-style-type: none"> Comply with ISO 50001 energy management systems and obtain certification, utilizing the PDCA cycle to improve energy efficiency. Introduce energy monitoring system to regulate power consumption and reduce power consumption cost. 	<ul style="list-style-type: none"> Approximately NT\$12.22 million was invested in energy-saving facility improvements in 2025, resulting in a reduction of 556.72 tons of CO₂e per year. The annual verification fee for the ISO 50001 energy management system for 2025 was NT\$100,000. The cost of the energy performance monitoring system installed was NT\$2.25 million in 2025 	
			3. Legal requirements for greenhouse gas inventory	<ul style="list-style-type: none"> Beginning in 2022, greenhouse gas inventories of the Company and consolidated financial statements have been carried out, and annual greenhouse gas verification (ISO 14064-1) has been completed. The results of the inventory were used as the basis for the reduction target plan. In 2025, we promoted the greenhouse gas reduction project (ISO 14064-2). 	<ul style="list-style-type: none"> The cost of the verification for the GHG inventory (ISO 14064-1) was NT\$1.28 million (including the parent company and its subsidiaries) in 2025. The cost of the subsidiary's GHG inventory and reduction coaching was NT\$500,000 in 2025. The coaching of the GHG reduction project (ISO 14064-2) system was NT\$250,000 in 2025. 	
4. More stringent energy efficiency standards	<ul style="list-style-type: none"> Pay attention to regulatory trends, develop and manufacture high-performance products. Continue to introduce high-efficiency products that meet the environmental protection and energy-saving labels. 	<ul style="list-style-type: none"> Invested NT\$66.89 million in R&D funds to develop high-quality, high-efficiency energy-saving products in 2025. In 2025, 98.6% of models were energy-saving. In 2025, 85.5% of models were certified with the green label and energy-saving label. 				

Items	Implementation Status					
	Category	Aspect	Risk items	Time course of impact	Impact on the Company's strategy, operation, and finance	
	Transformation risks		5. The policy directives of the net-zero emissions pathway is to completely ban fossil fuel vehicles by 2040	<ul style="list-style-type: none"> The New Business Development Department continues to develop electric scooter products in collaboration with CPC Corporation, Taiwan, focusing on electric motorcycles utilizing standardized batteries. Additionally, investments are made in APH ePower to advance aluminum battery products. Collaborated with Hyundai Motor to introduce NEVs. 	<ul style="list-style-type: none"> Invested in APH ePower, and developed aluminum battery products. As the end of 2025, the Company invested NT\$3.3 billion. In 2025, the Company launched development of an electric vehicle, with certification costs of approximately NT\$3.18 million. 	
		Technology	II. Cost expenditures for the transition to low-carbon technology:			
			Investment cost of low-carbon manufacturing process equipment	<ul style="list-style-type: none"> Implementation of zeolite roller adsorption in motorcycle paint RTO (Regenerative Thermal Oxidizer) incinerators to reduce fuel costs and carbon emissions from VOCs combustion. Low-carbon boiler fuel (from heavy fuel oil to LPG), adding heat recovery facilities, and continuing to improve the annual process and equipment performance improvement plans. Continued development of green energy infrastructure has reduced the risk of future carbon cost increases. 	<ul style="list-style-type: none"> In 2025, VOC emissions were reduced, resulting in approximately NT\$5.548 million in air pollution fee savings. (Compared with the base year of 2024) In 2025, boiler heat recovery resulted in approximately NT\$1.104 million in cost savings. In 2025, switching the boiler fuel from heavy fuel oil to gas saved approximately NT\$12.08 million. Development of renewable energy, establishment of self-sufficient solar power systems, and project investment. Approximately NT\$16.96 million in 2024 and approximately NT\$16.96 million in 2025, for a total of approximately NT\$33.92 million. 	
			III. Low-carbon alternatives to existing products and services:			
Demand for low-carbon products and services	<ul style="list-style-type: none"> Continuously developing high-efficiency gas-powered motorcycles, hybrid motorcycles (powered by both gas and electricity), and electric scooters. Proactively obtained green marks and energy saving labels. Introduced the concept of circular economy, product parts and components can be dismantled, designed with recyclable materials, and improve the recycling rate after waste. 	<ul style="list-style-type: none"> Research and develop high-performance products, with Sanyang's annual research and development budget reaching approximately NT\$66.89 million in 2025. 				

Items	Implementation Status																		
	<table border="1"> <thead> <tr> <th data-bbox="680 296 781 352">Category</th> <th data-bbox="781 296 860 352">Aspect</th> <th data-bbox="860 296 1207 352">Risk items</th> <th data-bbox="1207 296 1659 352">Time course of impact</th> <th data-bbox="1659 296 2132 352">Impact on the Company's strategy, operation, and finance</th> </tr> </thead> <tbody> <tr> <td data-bbox="680 352 781 571" rowspan="2">Physical risk</td> <td data-bbox="781 352 860 571">Short-term risk</td> <td data-bbox="860 352 1207 571">Extreme Climate Impacts</td> <td data-bbox="1207 352 1659 571"> <ul style="list-style-type: none"> Establishment of emergency response procedures and disaster notification mechanisms in advance for climate disasters. Inspected water supply and drainage facilities and enhance disaster prevention functions and measures. </td> <td data-bbox="1659 352 2132 571"> <ul style="list-style-type: none"> Before typhoons, the Company clears gutters and drains. Production facilities susceptible to flooding have been equipped with floodgates, which effectively mitigate the risk of operational disruptions from heavy rainfall. The Company implemented disaster prevention measures, and the plant sustained no damage. A groundwater well is already in place to provide a backup water source for use during operational interruptions, effectively reducing the risk of operational downtime and financial impact. </td> </tr> <tr> <td data-bbox="781 571 860 703">Long-term risk</td> <td data-bbox="860 571 1207 703">Long-term climate change and temperature increase</td> <td data-bbox="1207 571 1659 703"> <ul style="list-style-type: none"> Promote energy-saving and carbon-reduction projects, implement routine and regular equipment inspection and maintenance Implement equipment maintenance specifications and plans accordingly </td> <td data-bbox="1659 571 2132 703"> <ul style="list-style-type: none"> No significant financial impact for the time being, and continued focus on long-term climate change. </td> </tr> </tbody> </table>	Category	Aspect	Risk items	Time course of impact	Impact on the Company's strategy, operation, and finance	Physical risk	Short-term risk	Extreme Climate Impacts	<ul style="list-style-type: none"> Establishment of emergency response procedures and disaster notification mechanisms in advance for climate disasters. Inspected water supply and drainage facilities and enhance disaster prevention functions and measures. 	<ul style="list-style-type: none"> Before typhoons, the Company clears gutters and drains. Production facilities susceptible to flooding have been equipped with floodgates, which effectively mitigate the risk of operational disruptions from heavy rainfall. The Company implemented disaster prevention measures, and the plant sustained no damage. A groundwater well is already in place to provide a backup water source for use during operational interruptions, effectively reducing the risk of operational downtime and financial impact. 	Long-term risk	Long-term climate change and temperature increase	<ul style="list-style-type: none"> Promote energy-saving and carbon-reduction projects, implement routine and regular equipment inspection and maintenance Implement equipment maintenance specifications and plans accordingly 	<ul style="list-style-type: none"> No significant financial impact for the time being, and continued focus on long-term climate change. 				
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	Long-term risk	Long-term climate change and temperature increase	<ul style="list-style-type: none"> Promote energy-saving and carbon-reduction projects, implement routine and regular equipment inspection and maintenance Implement equipment maintenance specifications and plans accordingly 	<ul style="list-style-type: none"> No significant financial impact for the time being, and continued focus on long-term climate change. 															
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	None at the moment.																		
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	Please refer to Item 6 for climate-related targets. Currently, no carbon offsets are utilized, and approximately 770,000 kWh of Renewable Energy Certificates (RECs) have been purchased.																		
9. Greenhouse gas inventory and assurance status, as well as reduction targets, strategies and specific action plans (please fill in 1-1 and 1-2 separately)	Please refer to 1-1、1-2.																		

1-1 Greenhouse gas inventory and assurance

1-1-1 Greenhouse Gas Inventory Information

Describe the greenhouse gas emission volume (tCO₂e), intensity (tCO₂e/NT\$ million), and data coverage for the most recent two years.

Unit: tCO₂e

Greenhouse Gas Emissions		Total emissions	
		2024	2025
The Company	Scope 1 emissions	12,207.5571	11,163.3090
	Scope 2 emissions	28,951.7277	28,310.3493
	Scope 3 emissions	8,065.1264	9,275.7550
	Subtotal	49,224.411	48,749.413
All Companies Listed in Consolidated Financial Statements	Scope 1 emissions	8,691.9308	7,156.6284
	Scope 2 emissions	25,909.7913	27,820.1487
	Scope 3 emissions	142,315.2497	144,627.3023
	Subtotal	176,916.972	179,604.079
The amount of greenhouse gas emissions		226,141.383	228,353.493
Intensity (tCO ₂ e/NT\$ million)		3.44	3.65

1-1-2 Greenhouse Gas Assurance Information

Description of the assurance status for the most recent two years up to the printing date of the annual report, including the scope of assurance, assurance standards, and assurance opinion.

2024~2025 Greenhouse Gas Assurance

1. Scope of assurance: Hsinchu Plant, Xinfeng Plant, Parts Business Department, Dormitories, and subsidiaries included in the consolidated financial statements. (Based on the principle of materiality, subsidiaries whose greenhouse gas emissions (Scope 1 and Scope 2) account for 0.5% or more of the entire Group's total emissions (Scope 1 and Scope 2) in the previous year have all undergone third-party external verification under ISO 14064-1).
2. Assurance institution: The Company : DNV Business Assurance Co., Ltd ; Subsidiary Companies : Industrial Technology Research Institute
3. Assurance criteria: ISO 14064-1: 2018 Greenhouse Gas Inventory Standard
4. Assurance Opinion: Domestic companies (including subsidiaries): Reasonable Assurance; Overseas subsidiaries: Limited Assurance

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

Description of the baseline year and data for greenhouse gas reduction, reduction targets, strategies, specific action plans, and progress toward achieving reduction targets.

1. According to the regulations outlined by the Energy Administration, Ministry of Economic Affairs, the current annual energy saving rate should be above 1.5%. As part of our energy conservation and carbon reduction goals, we implemented 30 energy-saving initiatives in 2025. The energy-saving target was 905,000 KW, with an actual achievement of 1,175,000 KW, resulting in a reduction of carbon emissions by 556.72 tCO₂e.
2. According to the FSC's Road Map, the Company's capitalization is NT\$ 5 billion to NT\$10 billion. In 2025, the Company has set its greenhouse gas reduction goal, strategy, concrete action plan and reduction goal in 2026, with expected disclosures of relevant information in 2026.

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

Evaluation Item	State of Implementation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
I. Establishment of ethical corporate management policies and programs				
(I) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	✓		(I) The Company has established the “Ethical Corporate Management Best Practice Principles” which were approved by the Board of Directors and disclosed on the Company’s website. In addition to the Ethical Corporate Management Best Practice Principles, the Company has also established the “Procedures for Ethical Management and Guidelines for Conduct” to provide directors, managers, employees, mandataries, or persons with substantial control of the Company, subsidiaries, and affiliated companies with compliance.	No material difference.
(II) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	✓		(II) The Company has established the “Procedures for Ethical Management and Guidelines for Conduct” to prevent business activities with a higher risk of unethical conduct. The contents cover all conducts under Article 7, Paragraph 2 of the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and the channels for reporting of unethical conduct have been established to reduce the risk of occurrence.	No material difference.
(III) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	✓		(III) The Company has established the “Procedures for Ethical Management and Guidelines for Conduct” which specify the operating procedures, guidelines and complaint channels for the prevention of unethical conduct for employees to follow. If employees violate the internal management regulations, they will be punished according to the Regulations Governing Reward and Disciplinary Management. If the violation is material, they will be dismissed. The Company has amended the internal management regulations according to laws and regulations.	No material difference.

Evaluation Item	State of Implementation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
<p>II. Ethical Management Practice</p> <p>(I) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?</p>	✓		(I) When the Company transact with suppliers, the ethical management clause is explicitly stated in the contract, and it is strictly prohibited for related parties and other parties to receive bribes, kickbacks or improper benefits from the Company's stakeholders. The Company will terminate or rescind the contract if there is any violation.	No material difference.
<p>(II) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?</p>	✓		<p>(II) The Company's Legal Affairs Section is responsible for promoting the ethical corporate management policy, assisting the Board of Directors and management in establishing and supervising the implementation of the ethical corporate management policy and prevention programs, ensuring the implementation of the ethical corporate management best practice principles. The Legal Affairs Section also reports the implementation of the Company's ethical corporate management policy to the Board of Directors every year. The most recent report made was November 13, 2025. In addition, the Company's audit unit has included ethical management into the 2026 audit plan to ensure the operation of the overall mechanism and jointly manage and prevent the generation of unethical behaviors. The implementation in 2025 is as follows:</p> <p>1. Supplier commitment</p> <p>A. The supplier undertook to include the ethical management clauses in the contract.</p> <p>B. For small suppliers involved in non-recurring transactions, the "Purchase Order & Verification Form" includes a statement confirming that the supplier understands and agrees to comply with Sanyang Motor's code of ethical conduct.</p>	No material difference.

Evaluation Item	State of Implementation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
	✓		<p>2. Education and training All employees of the Company have participated in the training courses on the following topics:</p> <p>A. “Procedures for Ethical Corporate Management and Conduct Guidelines”: 0.5 hr B. “Corporate Social Responsibility and Ethical Management”: 0.5 hr C. “Procurement Risks and Trade Secrets in Ethical Business Practices”: 0.5 hr D. “Business Operations: Understanding and Avoiding Infringement of Trade Secrets and Other Intellectual Property Rights”: 0.5 hr</p> <p>3. Commitment A. All employees have signed the “Code of Ethics and Conduct” upon joining the Company. B. All directors have signed the “Declaration of Compliance with the Ethical Corporate Management Policy”.</p> <p>4. Promotion A. The Company’s ethical corporate management policy is disclosed on its intranet. B. Whistleblowing system - whistleblowing email - yuti@sym.com.tw</p>	
(III)Has the company established policies to prevent conflict of interest, provide appropriate communication and complaint channels, and properly implemented such policies?	✓		(III) The Company has established the Rules of Procedure for Board of Directors Meetings and specified the appropriate channels for expression. If the interests of the directors are prejudiced, such directors shall recuse themselves from the meeting and not participate in the discussion and voting.	No material difference.

Evaluation Item	State of Implementation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
(IV) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	✓		(IV) The Company has established internal control systems and accounting systems in accordance with the “Regulations Governing Establishment of Internal Control Systems by Public Companies” stipulated by the government. The Company also lawfully appointed internal audit personnel to implement the annual audit plan approved by the Board of Directors and make regular reports to the Audit Committee and the Board of Directors.	No material difference.
(V) Does the company provide internal and external ethical corporate management training programs on a regular basis?	✓		(V) The Company incorporates courses on ethical conduct in its new employee training programs. Furthermore, educational training is provided to all current employees to communicate the Company’s core philosophy of ethical management. The training implemented in 2025 is as follows: 1. “Procedures for Ethical Corporate Management and Conduct Guidelines” : 0.5 hr 2. “Corporate Social Responsibility and Ethical Management”: 0.5 hr 3. “Procurement Risks and Trade Secrets in Ethical Business Practices”: 0.5 hr 4. “Business Operations: Understanding and Avoiding Infringement of Trade Secrets and Other Intellectual Property Rights”: 0.5 hr	No material difference.

Evaluation Item	State of Implementation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
III. Implementation of Complaint Procedures (I) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?	✓		(I) The Company has established channels to accept employees' complaints, including the Administration Sector, the Audit Office, and the employee's complaint box. Once their violations of ethical corporate management principles are confirmed to have caused damage to the Company's interests, employees will be punished in accordance with the work rules and the Guidelines for Special Rewards and Punishments.	No material difference.
(II) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	✓		(II) The Company has established procedures for accepting reports, which are implemented by the human resource unit and the audit unit. The Company strictly maintains the confidentiality of whistleblowers' rights, interests, and privacy.	No material difference.
(III) Has the company adopted proper measures to protect whistleblowers from retaliation for filing complaints?	✓		(III) After receiving complaint forms, the Company shall ensure that procedures for reporting and handling complaints remain objective, fair, and impartial will strictly protect the confidentiality of the whistleblowers' rights, interests, and privacy.	No material difference.
IV. Strengthening Information Disclosure Does the company disclose the ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	✓		The Company has set up a website to regularly disclose its business information required by laws and regulations. The contents and implementation results of ethical corporate management for the year 2025 have been announced on the following website, available for all stakeholders. http://www.sanyang.com.tw °	No material difference.
V. If the Company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation: The Company submitted the "Ethical Corporate Management Best Practice Principles" to the Board of Directors for approval in November 2024. The Company has also established the "Rules of Procedure for Shareholders Meetings", "Rules of Procedure for Board Meetings", "Internal Control System" and "Prevention of Insider Trading" and other related guidelines. The implementation of the operating system has all met the requirements of the Principles.				

Evaluation Item	State of Implementation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
VI. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies :(e.g., the company's reviewing and amending of its ethical corporate management best practice principles) <ol style="list-style-type: none"> 1. The Company upholds ethical corporate management and strictly abides by all government regulations, rules governing TWSE listed companies, and other international business regulations as the basis for its ethical corporate management. 2. All the Company's employees have signed the "Professional Code of Ethics and Confirmation of Professional Code of Ethics and Service Norms" to ensure compliance in employees' behaviors. 				

(VIII) Other important information for enhancing understanding of corporate governance:

1. All important information of the Company is announced on the MOPS pursuant to regulations of competent authorities.

2. Continuing education of Directors in 2025:

Title	Name	Date of Training	Course	Training Hours (hr)	Organizer
Chairman	Ching-Yuan Wu	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.11.26	The common fraud risks in procurement and Sales practices	3	Taiwan Corporate Governance Association
Vice Chairman	Li-Chu Wu	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.11.26	The common fraud risks in procurement and Sales practices	3	Taiwan Corporate Governance Association
Managing Director / Independent Director	Chung-Chuan Shih	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.11.26	The common fraud risks in procurement and Sales practices	3	Taiwan Corporate Governance Association
Director	Li-Hsi Chiang	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.11.26	The common fraud risks in procurement and Sales practices	3	Taiwan Corporate Governance Association
Director	Yi-Cheng Wu	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.11.26	The common fraud risks in procurement and Sales practices	3	Taiwan Corporate Governance Association
Director	Yu-Chang Huang	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.11.26	The common fraud risks in procurement and Sales practices	3	Taiwan Corporate Governance Association
Director	Te-Ching Chang	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.11.26	The common fraud risks in procurement and Sales practices	3	Taiwan Corporate Governance Association
Director	Ren-Hao Tien	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.09.03	NVIDIA'S Three-Trillion Micacle:A New Perspective on the Semiconductor Industry Revolution Behind Artificial Intelligence	3	Corporate Operating and Sustainable Development Association
Independent Director	Chih-Hung Hsieh	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.11.26	The common fraud risks in procurement and Sales practices	3	Taiwan Corporate Governance Association

Title	Name	Date of Training	Course	Training Hours (hr)	Organizer
Independent Director	Chen Chiang	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.11.26	The common fraud risks in procurement and Sales practices	3	Taiwan Corporate Governance Association
Independent Director	Fu-Wei Chen	2025.01.14	Prepare for significant changes in financial performance reporting under IFRS 18.	3	Taiwan Institute of Directors
		2025.03.26	Seminar on Building a Sustainable Future	2	Taiwan Corporate Governance Association
		2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.06.05	Essential ESG Insights: Introduction to Sustainability for Finance, Accounting, and Non-Sustainability Teams	3	Taiwan Institute of Directors
		2025.07.31	2025 Taiwan's Capital Market Summit	3	Taiwan Stock Exchange Corporation
		2025.08.28	2025 ESG Summit	6	Accounting Research and Development Foundation
		2025.10.16	The 15th Taipei Corporate Governance Forum	6	Financial Supervisory Commission
		2025.12.18	Discussion of Synergies in Corporate Mergers and Acquisitions and Analysis of Transaction Implementation Practices in the Post-Tariff Era	3	Taiwan Institute of Directors

3. Continuing education of the Corporate Governance Officer in 2025:

Title	Name	Date of Training	Course	Training Hours (hr)	Organizer
Corporate Governance Officer	Kuei-Chin Huang	2025.05.14	Carbon Fee, Tax and Credit Trading	3	Taiwan Corporate Governance Association
		2025.07.24	Advanced Practical Seminar for Directors (Including Independent Directors), Supervisors, and Corporate Governance Officers – [The Future of AI and Corporate AI Transformation]	3	Securities and Futures Institute
		2025.07.25	2025 Seminar on Legal Compliance for Insider Equity Transactions	3	Securities and Futures Institute
		2025.10.03	2025 Insider Trading Prevention Conference	3	Securities and Futures Institute
		2025.11.26	The common fraud risks in procurement and Sales practices	3	Taiwan Corporate Governance Association

4. Intellectual property management

(1) Intellectual property management plan

Intellectual property rights are among the Company's most valued assets. The Company consistently invests in research and development of various technologies, combining strategic considerations with operational goals. This includes industry-academia collaboration, cross-border collaborative development, and technology licensing and transfer to create intellectual property. Furthermore, the Company has implemented a trade secret management system, supported by relevant contracts, to protect all intellectual property rights. This comprehensive intellectual property management plan has strengthened the Company's market competitiveness and industry standing.

The Company reports relevant matters annually (at least once a year) to the Board of Directors.

(2) Intellectual property management policy and protective measures

A. Internal

As part of the product research and development plan, the Company aims to elevate its capabilities in this domain. Central to this strategy is a concerted focus on patent development to safeguard pertinent intellectual property. We have initiated a comprehensive patent advocacy program aimed at fostering a culture of innovation among our employees. Through education and encouragement, we inspire our R&D professionals to generate inventive solutions and submit patent applications for their achievements. To support this initiative, we have implemented a robust patent application management system. Additionally, we offer incentives in the form of rewards for patent creation, incentivizing our R&D team to actively pursue patent protection for valuable innovative technologies. Harnessing patent rights enables us to assert the technical superiority of our products, facilitating product differentiation in the market. Moreover, patents serve as a deterrent against potential infringement by other entities, safeguarding our competitive position and ensuring the integrity of our intellectual property portfolio. Through these concerted efforts, we aim to fortify our position as a leader in innovation and product development within the industry.

In addition, the Company has undertaken a number of initiatives to enhance employees' legal awareness, including regularly hosting legal seminars led by attorneys for its employees—covering topics such as trademark protection, intellectual property rights, and trade secret understanding—and providing monthly legal education relevant to daily life. We have also established a robust trade secret management system, encompassing intellectual property inventory, personnel vetting, employee confidentiality agreements, and trade secret-related documentation. By doing this, we have significantly enhanced employees'

awareness of intellectual property rights, reduced the risk of infringement, and substantially contributed to effective trade secret protection.

B. External

To enhance corporate value, the Company continuously innovates and develops intellectual property. As such, we require all collaborating vendors to sign a confidentiality agreement and adhere to access control measures. These measures include controlling items brought into and removed from the facility, restricting access to controlled areas, and inspecting for violations upon departure, all to maintain our trade secret protection system for intellectual property rights.

(3) Implementation of intellectual property rights

The Company reported matters related to intellectual property to the Board of Directors on November 13, 2025.

A. Patents

- a. In recent years, the Company has actively promoted and completed its patent management plan and has continued to refine its patent management system.
- b. List of patents and achievements for 2025 is as follows:
 - (a) The Company filed a total of 74 patent applications during the year, including 29 invention patents, 41 utility patents, and 4 design patents.
 - (b) The Company was granted a total of 109 patents during the year, including 29 invention patents, 78 utility patents, and 2 design patents.

B. Trademarks

- a. The Company has established Trademark Management Measures and Guidelines for Trademark Management to govern the application, use, and management of trademarks.
- b. Trademark registration results are as follows:

As of December 31, 2025, the Company had a total of 1,341 trademark registrations approved globally, including 396 in Taiwan, 124 in China, and 821 in other countries.

(IX) Implementation of Internal Control System

1. Statement on Internal Control

Sanyang Motor Co., Ltd

Statement on Internal Control System

Date: March 13, 2026

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

- I. The Company clarifies that the Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system, which has been established by the Company. Its purpose is to reasonably ensure the achievement of objectives, including operational effectiveness and efficiency (including profit, performance, and asset safety), reporting reliability, timeliness, and transparency, as well as compliance with relevant regulations and laws.
- II. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the aforementioned three objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond control. Nevertheless, the internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
- III. The Company evaluates the design and operating effectiveness of the internal control system based on the criteria provided in the “Regulations Governing the Establishment of Internal Control Systems by Public Companies” (herein below, the “Regulations”). The criteria adopted by the Regulations classify the internal control system into five components based on the process of management control: 1. control environment; 2. risk assessment; 3. control activities; 4. information and communication; and 5. monitoring operations. Each key component includes several items. Please refer to the Regulations for the aforementioned items.
- IV. The Company has evaluated the design and operating effectiveness of the internal control system according to the Regulations.
- 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 understanding the degree of achievement of operational effectiveness and efficiency objectives, reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations, is effective and can reasonably assure the achievement of the foregoing goals.
- VI. This statement is an integral part of the Company’s annual report and prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This statement was approved by the Board of Directors on March 13, 2026, and none of the eleven Directors present objected to it and all consented to the content expressed in this statement.

Sanyang Motor Co., Ltd.

Chairman: Ching-Yuan Wu (Signature/Seal)

President: Ching-Yuan Wu (Signature/Seal)

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

(X) Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

1. Important resolutions of the 2025 general Shareholders' Meeting:

Matters to Be Resolved	Review of Implementation Status
Adoption of 2024 Business Report and Financial Statements	Based on the voting results, the number of affirmative votes met the statutory requirement and the proposal was thus adopted.
Adoption of 2024 Earnings Distribution	Based on the voting results, the number of affirmative votes met the statutory requirement and the proposal was thus adopted. The Company set the ex-dividend date on July 28, 2025 and the date for distributing cash dividends on August 26, 2025, with a total amount of NT\$2,392,468,812.
Amendment to certain provisions of the "Articles of Incorporation"	Based on the voting results, the number of affirmative votes met the statutory requirement and the proposal was thus adopted.

2. Major resolutions of the Board of Directors in 2025 and as of the date of annual report:

Name of Meeting	Date of Meeting	Major Resolutions	Implementation Status
27th term 13th session Board of Directors	January 13, 2025	<ol style="list-style-type: none"> 1. Approved the Company's 2025 Business Plan. 2. Approved the salary for the Company's new managers. 3. Approved the proposal for distribution of 2024 year-end bonus to the Company's Directors and managerial officers. 	Implemented the proposals according to the resolutions.
27th term 14th session Board of Directors	March 13, 2025	<ol style="list-style-type: none"> 1. Approved 2024 Statement on Internal Control System of the Company. 2. Approved 2024 Business Report and Financial Statements of the Company. 3. Approved the amendment to certain provisions of the "General Policy for Non-assurance Services Pre-approval Policy". 4. Approved the amendment to certain provisions of the "Procedures for Handling Material Inside Information". 5. Approved the amendment to certain provisions of the "Articles of Incorporation". 6. Approved the amendment to certain provisions of "Procedures for Remuneration Management of Directors and Managers". 7. Approved the distribution of remuneration to the Company's employees for 2024. 8. Approved the distribution of remuneration to the Company's Directors for 2024. 	Implemented and announced the proposals according to the resolutions, items 2 and 9 will submit for recognition and resolution at the 2025 annual general shareholders' meeting; item 5 will submit for discussion and resolution at the 2025 annual general shareholders' meeting; items 7 and 8 will report at the 2025 annual general shareholders' meeting.

Name of Meeting	Date of Meeting	Major Resolutions	Implementation Status
		<p>9. Approved 2024 Earnings Distribution.</p> <p>10. Approved the proposal for the evaluation of the independence and professional fees of the attesting CPAs for the Company's 2025 Financial Statements.</p> <p>11. Approved the convening of the Company's 2025 general Shareholders' Meeting.</p>	
27th term 15th session Board of Directors	April 08, 2025	Approved the Company's 15th buyback of treasury stocks.	Implemented and announced the proposal according to the resolution.
27th term 16th session Board of Directors	April 30, 2025	<p>1. Approved the Company to acquire real property from the related party.</p> <p>2. Approved to entrust the sale of the joint development and construction project with Yao Da Construction Co., Ltd.</p>	Implemented and announced the proposals according to the resolutions.
27th term 17th session Board of Directors	May 14, 2025	<p>1. Approved the Company's 2025 Q1 Consolidated Financial Statements.</p> <p>2. Approved the proposal for adjustment of the Company's financing limit.</p> <p>3. Approved the adjustment to agenda of the Company's 2025 general Shareholders' Meeting.</p>	Implemented and announced the proposals according to the resolutions.
27th term 18th session Board of Directors	June 23, 2025	Approved the Company's 16th buyback of treasury stocks.	Implemented and announced the proposal according to the resolution.
27th term 19th session Board of Directors	July 04, 2025	Approved to set the relevant operational dates for 2024 cash dividends.	Implemented and announced the proposal according to the resolution, the 2024 cash dividends were distributed on August 26, 2025.
27th term 20th session Board of Directors	July 16, 2025	Approved serving as a joint guarantor for the subsidiary, APh ePower Co., Ltd., for its NT\$3 billion syndicated loan with Taiwan Land Bank and other lending banks.	Implemented and announced the proposal according to the resolution.

Name of Meeting	Date of Meeting	Major Resolutions	Implementation Status
27th term 21st session Board of Directors	August 13, 2025	<ol style="list-style-type: none"> 1. Approved the Company's 2025 Q2 Consolidated Financial Statements. 2. Salary adjustments for directors and managers for 2025 were approved. 3. Approved the retirement of treasury shares and determine the record date of capital reduction. 4. Approved the 2024 Environmental, Social and Governance Sustainability Report of the Company. 	Implemented and announced the proposals according to the resolution, item 3, the record date for the treasury stock capital reduction was September 3, 2025, and the registration of corporate change for the capital reduction was completed on October 17, 2025.
27th term 22nd session Board of Directors	November 13, 2025	<ol style="list-style-type: none"> 1. Approved the Company's 2025 Q3 Consolidated Financial Statements. 2. Approved to formulate the "Sustainable Development Best Practice Principles". 3. Approval of the internal audit plan for FY2026. 4. Approved the proposal for adjustment of the Company's financing limit. 5. Resolution to approve the Company's earnings distribution for the first half of 2025. 6. Approved the retirement of treasury shares and determine the record date of capital reduction. 	Implemented and announced the proposals according to the resolutions, item 6, the record date for the treasury stock capital reduction was November 18, 2025, and the registration of corporate change for the capital reduction was completed on January 5, 2026.
27th term 23rd session Board of Directors	January 08, 2026	Approved the signing of a pre-sale agreement for the property in connection with the joint development project between the Company and Yao Da Construction Co., Ltd.	Implemented and announced the proposal according to the resolution.
27th term 24th session Board of Directors	January 27, 2026	Approved the Company's 17th buyback of treasury stocks.	Implemented and announced the proposal according to the resolution.
27th term 25th session Board of Directors	February 02, 2026	<ol style="list-style-type: none"> 1. Approved the Company's 2026 Business Plan. 2. Approved the review of the policies, systems, standards, and structure of remuneration for directors and managers. 3. Approved the proposal for distribution of 2025 year-end bonus to the Company's Directors and managerial officers. 4. Approved the proposal for adjustment of the Company's financing limit. 5. Approved the marketable securities acquisition of Apex Biotechnology Corp. by the Company. 6. Approved the Company donate NT\$50,000,000 to Hsinchu Sanyang Education Foundation. 7. Approved the amendment to certain provisions of the "Procedures for Endorsements and Guarantees". 8. Approved the amendment to certain provisions of the "Rules for Performance Evaluation of Board of Directors". 	Implemented and announced the proposals according to the resolutions, item 7 will submit for discussion and resolution at the 2026 annual general shareholders' meeting.

Name of Meeting	Date of Meeting	Major Resolutions	Implementation Status
		9. Approved the change of the company's chief internal auditor.	
27th term 26th session Board of Directors	March 13, 2026	<ol style="list-style-type: none"> 1. Approved 2025 Statement on Internal Control System of the Company. 2. Approved 2025 Business Report and Financial Statements of the Company. 3. Approved the distribution of remuneration to the Company's employees for 2025. 4. Approved the distribution of remuneration to the Company's Directors for 2025. 5. Approved 2025 Earnings Distribution. 6. Approved the proposal for the evaluation of the independence and professional fees of the attesting CPAs for the Company's 2026 Financial Statements. 7. Approved the election of the 28th Board of Directors. 8. Approved the Company's acceptance of the candidate nomination for Directors (including Independent Directors). 9. Approved the lifting of non-competition restrictions on the 28th Directors and their representatives 10. Approved the remuneration for the 28th term of Independent Directors. 11. Approved the Company's 18th buyback of treasury stocks. 12. Approved the convening of the Company's 2026 general Shareholders' Meeting. 	In accordance with the resolution, items 2 and 5 will submit for recognition and resolution at the 2026 annual general shareholders' meeting; items 3 and 4 will report at the 2026 annual general shareholders' meeting; item 7 will be elected at the 2026 general shareholders' meeting; item 9 will submit for discussion and resolution at the 2026 annual general shareholders' meeting.
27th term 27th session Board of Directors	April 21, 2026	Approved matters related to the joint development project between the Company and Yao Da Construction Co., Ltd.	Implemented the proposals according to the resolutions.
27th term 28th session Board of Directors	May 14, 2026	<ol style="list-style-type: none"> 1. Approved the Company's 2026 Q1 Consolidated Financial Statements. 2. Approved the proposal for adjustment of the Company's financing limit. 3. Approved the list of candidates nominated for the directors of the 28th Board. 4. Approved the lifting of non-competition restrictions on the 28th Directors and their representatives. 5. Approved the retirement of treasury shares and determine the record date of capital reduction. 	Implemented and announced the proposal according to the resolution, item 3 will be elected at the 2026 annual general shareholders' meeting; item 4 will submit for discussion and resolution at the 2026 annual general shareholders' meeting; item 5, the record date for the treasury stock capital reduction was May 28, 2026.

(XI) The important resolutions passed by the Board of Directors or the Board of Supervisors with varying opinions, as recorded or stated in writing, in the most recent fiscal year and as of the date of annual report: None.

IV. Information about CPA Professional Fee

Unit: NT\$ thousand

Name of CPA Firm	Name of CPA	Audit Period	Audit Fees	Non-audit Fees	Total	Note
KPMG Taiwan	Chung-Che Chen	2025.01.01	10,420	3,736	14,156	Non-audit Fees are mainly for transfer pricing report service, etc.
	Kuo-Yang Tseng	~ 2025.12.31				

- (I) The Company changed its CPA firm, and audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year: None.
- (II) Audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more: None.

V. CPAs Replacement Related Information:

I. Information regarding the former CPAs

Date of replacement	Approved by the Board of Directors on March 13, 2025		
Reason for replacement and explanation	CPA Kuo-Yang Tseng and Hsin-Ting Huang were reassigned and replaced by Chung-Che Chen and Kuo-Yang Tseng in accordance with internal staffing adjustments of the accounting firm.		
Describe whether the Company terminated or the CPAs terminated or did not accept the engagement	Parties Circumstances		CPAs The Company
	Terminated the engagement		N/A
	No longer accepted (discontinued) the engagement		
If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons	No such situation has occurred.		
Disagreement with the Company	Yes		Accounting principles or practices
			Disclosure of financial reports
			Audit scope or steps
			Other
	No	✓	
Specify details			
Other disclosures (Any matters required to be disclosed under sub-items d to g of Article 10.6.A)	None		

II. Information Regarding the Successor CPAs

Name of accounting firm KPMG Taiwan	Name of accounting firm KPMG Taiwan
Names of CPAs	CPA Chung-Che Chen and Kuo-Yang Tseng
Date of engagement	Date of engagement approved by the Board of Directors on March 13, 2025
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	None
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	None

III. The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations : N/A

VI. Information Regarding the Chairman, Presidents, Financial and Accounting Managers Holding a Position at an Accounting Firm or an Affiliate in the Most Recent Fiscal Year: None.

VII. Conditions of Share Transfer and Changes in Equity Pledge from the Directors, Managers, and Shareholders Holding over 10% of Shares in the Most Recent Year and as of the Date of the Annual Report:

(I) Changes in shareholding of Directors, managerial officers and major shareholders

Unit: share

Title	Nmae	2025 (Note)		As of Apr 28th of the Current Year	
		Change in Number of Shares Held	Change in Number of Shares Pledged	Change in Number of Shares Held	Change in Number of Shares Pledged
Chairman / President	Ching-Yuan Wu	-	-	-	-
Vice Chairman / Director	Chien-Jin Investment Co., Ltd.	-	600,000	-	(350,700)
Vice Chairman	Chien-Jin Investment Co., Ltd. Representative: Li-Chu Wu	-	(134,500)	-	-
Managing Director / Independent Director	Chung-Chuan Shih	-	-	-	-
Director	Chien-Jin Investment Co., Ltd. Representative: Li-Hsi Chiang Yi-Cheng Wu	-	-	-	-
Director	Chao-Yao Investment Co., Ltd	-	750,000	-	-
Director	Chao-Yao Investment Co., Ltd. Representative: Yu-Chang Huang Ren-Hao Tien Te-Ching Chang	-	-	-	-
Independent Director	Chen Chiang	-	-	-	-
Independent Director	Chih-Hung Hsieh	-	-	-	-
Independent Director	Fu-Wei Chen	-	-	-	-
Vice President	Nai-Shih Lin	-	-	-	-
Vice President	Hsu-Pin Chen	-	-	-	-
Vice President	Chien-Sheng Chen	-	-	20,000	-
Assistant Vice President	Ying-Feng Chiu	-	-	-	-

Title	Nmae	2025 (Note)		As of Apr 28th of the Current Year	
		Change in Number of Shares Held	Change in Number of Shares Pledged	Change in Number of Shares Held	Change in Number of Shares Pledged
Assistant Vice President	Chao-Shun Lin	-	-	-	-
Assistant Vice President	Kuei-Chin Huang	-	-	-	-
Assistant Vice President	Chao-Sheng Lin	-	-	-	-
Assistant Vice President	Ren-Hao Tien	-	-	-	-
Assistant Vice President	Yuan-Ping Huang	3,000	-	14,000	-
Assistant Vice President	Ming-Chieh Lin	-	-	-	-
Assistant Vice President	Kuang-Pin, Chuang	-	-	-	-
Assistant Vice President	Yi-Cheng Wu	-	-	-	-

Note: From January 1, 2025 to December 31, 2025.

- (II) Where the counterparty of stock transfer or stock pledge is a related party, the name of the counterparty, relationship between the counterparty and the Company, Directors of the Board, Supervisors of the Board, and shareholders holding over 10% shares of the Company, and the number of shares obtained or pledged shall be disclosed: None.

VIII. Information on Relationships among top 10 Shareholders

Apr.28, 2025 Unit:share

Name	Shareholding of the Individual		Spouse & Minor Shareholding		Total Shareholding Under the Names of Other Parties		Names and Relationships of Top 10 Shareholders who are Related Parties, Spouses, or Relatives within Second Degree of Kinship with Each Other		Note
	Number of Shares	Shareholding Ratio (Note)	Number of Shares	Shareholding Ratio (Note)	Number of Shares	Shareholding Ratio (Note)	Name	Relationship	
Da Yang Investment Ltd. Representative: Tiao-Mou Hsu	54,905,000	7.09	-	-	-	-	-	-	
Bai Ke Investment Co., Ltd. Representative: Wen-Lung Chang	52,333,000	6.76	-	-	-	-	-	-	
Chuan Yuan Investment Ltd. Representative: Li-Chin Huang	47,375,000	6.12	-	-	-	-	-	-	
Guancheng Investment Co., Ltd. Representative: Ting-Yu Hsiao	36,465,000	4.71	-	-	-	-	-	-	
Chien-Jin Investment Co., Ltd. Representative: Li-Chu Wu	29,181,000	3.77	-	-	-	-	Ching-Yuan Wu	Brother and sister with the company's representative	
							Baiyang Investment Ltd.	Mother and son with the company's representative	
							Dongzuo Investment Co., Ltd.	Same Representative	
Ding Jue Investment Co., Ltd. Representative: Chen-Mei Ku	20,165,000	2.61	-	-	-	-	Hongbai Investment Co., Ltd.	Same Representative	
Ching-Yuan Wu	20,126,240	2.60	281,360	0.04	-	-	Chien-Jin Investment Co., Ltd.	Brother and sister with the company's representative	
							Dongzuo Investment Co., Ltd.	Brother and sister with the company's representative	
Baiyang Investment Ltd. Representative: Chun-I Lin	18,357,000	2.37	-	-	-	-	Chien-Jin Investment Co., Ltd.	Mother and son with the company's representative	
							Dongzuo Investment Co., Ltd.	Mother and son with the company's representative	

Name	Shareholding of the Individual		Spouse & Minor Shareholding		Total Shareholding Under the Names of Other Parties		Names and Relationships of Top 10 Shareholders who are Related Parties, Spouses, or Relatives within Second Degree of Kinship with Each Other		Note
	Number of Shares	Shareholding Ratio (Note)	Number of Shares	Shareholding Ratio (Note)	Number of Shares	Shareholding Ratio (Note)	Name	Relationship	
Hongbai Investment Co., Ltd. Representative: Chen-Mei Ku	17,963,000	2.32	-	-	-	-	Ding Jue Investment Co., Ltd.	Same Representative	
Dongzuo Investment Co., Ltd. Representative: Li-Chu Wu	17,591,000	2.27	-	-	-	-	Chien-Jin Investment Co., Ltd.	Same Representative	
							Ching-Yuan Wu	Brother and sister with the company's representative	
							Baiyang Investment Ltd.	Mother and son with the company's representative	

Note: The calculation of the shareholding ratio excludes treasury stock repurchased by the Company up to April 28, 2026.

IX. Number of Shares Held by the Company, Its Directors, Managers or Any Companies under Direct or Indirect Control of the Company in a Single Enterprise, and Their Total Shareholding Ratio

Dec.31, 2025 Unit: share; %; thousand

Reinvestment Entities (Note)	Investment by the Company		Investments by Directors of the Board, Supervisors of the Board, Managerial Officers, and Directly or Indirectly Controlled Entities		Total Investment	
	Number of Shares/ Amount of capital contribution	Shareholding Ratio	Number of Shares/ Amount of capital contribution	Shareholding Ratio	Number of Shares/ Amount of capital contribution	Shareholding Ratio
Shan Young Assets Management Co., Ltd.	771,432,767	100%	-	-	771,432,767	100%
Chu-Yang Motor Co., Ltd.	2,900,000	100%	-	-	2,900,000	100%
Ching Ta Investment Co., Ltd.	125,330,525	99.66%	-	-	125,330,525	99.66%
Sanyang Deutschland GmbH	NTD 122,713	100%	-	-	NTD 122,713	100%
Sanyang Italia S.r.l	NTD 179,915	100%	-	-	NTD 179,915	100%
Youth Taisun Co., Ltd.	18,093,488	100%	-	-	18,093,488	100%
SY International Ltd.	NTD 3,662,936	100%	-	-	NTD 3,662,936	100%
Nova Design Co., Ltd.	19,080,000	100%	-	-	19,080,000	100%
Nanyang Industries Co., Ltd.	179,283,498	89.78%	-	-	179,283,498	89.78%
Sunshine Auto-Lease Co., Ltd.	9,207,988	16.27%	46,747,717	82.58%	55,955,705	98.85%
Profit Source Investments Ltd.	NTD 867,759	100%	-	-	NTD 867,759	100%
APh Corporation	238,870,722	74.18%	-	-	238,870,722	74.18%
Sanyang Motor Colombia S.A.S	100,002	100%	-	-	100,002	100%
Yi Young Co., Ltd.	28,000,000	100%	-	-	28,000,000	100%
Chiao Song Health Co., Ltd.	600,000	60%	400,000	40%	1,000,000	100%

Note : The Company uses the equity method for its long-term investments.

Chapter 3. Funding Status

I. Capital and Shares

(I) Source of Capital

Capitalization Process

Unit: share; NT\$

Year/ Month	Issuing Price	Authorized Capital		Paid-in Capital		Note		
		Number of Shares	Amount	Number of Shares	Amount	Source of Capital	Capital Contributed by Assets Other than Cash	Others
July 1990	NT\$10	500,000,000	5,000,000,000	455,000,000	4,550,000,000	Earnings NT\$395,371,200 Additional Paid-in Capital NT\$200,916,800	None	(79) Tai-Cai-Zheng (I) No.01769
December 1992	NT\$10	500,000,000	5,000,000,000	486,850,000	4,868,500,000	Earnings NT\$136,500,000 Additional Paid-in Capital NT\$182,000,000	None	(81) Tai-Cai-Zheng (I) No.03331
September 1994	NT\$10	750,000,000	7,500,000,000	569,000,000	5,690,000,000	Cash NT\$91,225,000 Earnings NT\$486,850,000 Additional Paid-in Capital NT\$243,425,000	None	(83) Tai-Cai-Zheng (I) No.32553
October 1995	NT\$10	750,000,000	7,500,000,000	694,180,000	6,941,800,000	Earnings NT\$995,750,000 Additional Paid-in Capital NT\$256,050,000	None	(84) Tai-Cai-Zheng (I) No.34157
July 1998	NT\$10	750,000,000	7,500,000,000	746,243,500	7,462,435,000	Earnings NT\$242,963,000 Additional Paid-in Capital NT\$277,672,000	None	(87) Tai-Cai-Zheng (I) No.58685
September 1999	NT\$10	850,000,000	8,500,000,000	776,093,240	7,760,932,400	Additional Paid-in Capital NT\$298,497,400	None	(88) Tai-Cai-Zheng (I) No.75780
August 2000	NT\$10	850,000,000	8,500,000,000	790,070,000	7,900,700,000	Additional Paid-in Capital NT\$139,767,600	None	(89) Tai-Cai-Zheng (I) No.72283
August 2001	NT\$10	850,000,000	8,500,000,000	805,370,000	8,053,700,000	Additional Paid-in Capital NT\$153,000,000	None	(90) Tai-Cai-Zheng (I) No.153660
September 2008	NT\$10	850,000,000	8,500,000,000	845,638,500	8,456,385,000	Earnings NT\$402,685,000	None	Jin-Guan-Zheng-Fa No.0970039548
August 2011	NT\$10	950,000,000	9,500,000,000	896,376,810	8,963,768,100	Earnings NT\$507,383,100	None	Jin-Guan-Zheng-Fa No.1000036651
April 2014	NT\$10	950,000,000	9,500,000,000	900,044,604	9,000,446,040	Overseas convertible corporate bonds US\$6,400,000	None	Jin-Guan-Zheng-Fa No.1020051210
December 2015	NT\$10	950,000,000	9,500,000,000	880,044,604	8,800,446,040	Cancellation of treasury stocks NT\$200,000,000	None	Jing-Shou-Shang No.10401262010
August 2017	NT\$10	950,000,000	9,500,000,000	868,595,604	8,685,956,040	Cancellation of treasury stocks NT\$114,490,000	None	Jing-Shou-Shang No.10601113840
June 2018	NT\$10	950,000,000	9,500,000,000	853,595,604	8,535,956,040	Cancellation of treasury stocks NT\$150,000,000	None	Jing-Shou-Shang No.10701062160

Year/ Month	Issuing Price	Authorized Capital		Paid-in Capital		Note		
		Number of Shares	Amount	Number of Shares	Amount	Source of Capital	Capital Contributed by Assets Other than Cash	Others
July 2020	NT\$10	950,000,000	9,500,000,000	814,398,604	8,143,986,040	Cancellation of treasury stocks NT\$391,970,000	None	Jing-Shou-Shang No.10901146070
September 2020	NT\$10	950,000,000	9,500,000,000	804,982,604	8,049,826,040	Cancellation of treasury stocks NT\$94,160,000	None	Jing-Shou-Shang No.10901180540
November 2020	NT\$10	950,000,000	9,500,000,000	803,077,604	8,030,776,040	Cancellation of treasury stocks NT\$19,050,000	None	Jing-Shou-Shang No.10901200540
December 2021	NT\$10	950,000,000	9,500,000,000	797,639,604	7,976,396,040	Cancellation of treasury stocks NT\$54,380,000	None	Jing-Shou-Shang No.11001217790
December 2022	NT\$10	950,000,000	9,500,000,000	797,489,604	7,974,896,040	Cancellation of treasury stocks NT\$1,500,000	None	Jing-Shou-Shang No.11101239480
October 2025	NT\$10	950,000,000	9,500,000,000	791,796,604	7,917,966,040	Cancellation of treasury stocks NT\$56,930,000	None	Jing-Shou-Shang No.11430153910
January 2026	NT\$10	950,000,000	9,500,000,000	783,675,604	7,836,756,040	Cancellation of treasury stocks NT\$81,210,000	None	Jing-Shou-Shang No.11430193800

Share Class

Share Class	Authorized Capital			Note
	Outstanding Shares	Unissued Shares	Total	
Ordinary Shares	783,675,604	166,324,396	950,000,000	TWSE Listed Company's Shares

Information for shelf registration: None.

(II) List of major shareholders:

Apr.28, 2026

Shareholding Name of Major Shareholders	Number of Shares Held (Shares)	Shareholding Ratio (%)
Da Yang Investment Co., Ltd.	54,905,000	7.09 %
Bai Ke Investment Co., Ltd.	52,333,000	6.76 %
Chuan Yuan Investment Co., Ltd.	47,375,000	6.12 %
Guancheng Investment Co., Ltd.	36,456,000	4.71 %
Chien-Jin Investment Co., Ltd.	29,181,000	3.77 %
Ding Jue Investment, Ltd.	20,165,000	2.61 %
Ching-Yuan Wu	20,126,240	2.60 %
Baiyang Investment Ltd.	18,357,000	2.37 %
Hongbai Investment, Ltd.	17,963,000	2.32 %
Dongzuo Investment Co., Ltd.	17,591,000	2.27 %

Note: The calculation of the shareholding ratio excludes treasury stock repurchased by the Company up to April 28, 2026.

(III) Dividend policy and implementation of the Company

1. Dividend policy:

For any earnings in the annual accounts, the Company shall, as required by law, first pay taxes and offset accumulated deficits from previous years. Next, it shall allocate 10% as the statutory surplus reserve, adding the undistributed earnings at the beginning of the period to calculate the accumulated undistributed earnings. It shall then allocate or reserve special surplus reserves as required by law. The remaining portion constitutes the distributable earnings for the current year. The Board of Directors shall prepare the proposal for earning distribution and submit it to the Shareholders' Meeting for resolution.

The Company is currently in the mature stage of the business lifecycle. However, the industry environment may change due to external factors, and the Company will still actively expand domestic and foreign markets for further growth. Therefore, in addition to considering actual earnings, the Company shall also consider future capital requirements, tax regulations, and the impact on shareholders when deciding on earnings distribution. The objective is to maintain stable dividend distribution. Dividends may be distributed in cash or by stocks, but the ratio of stock dividends shall not exceed 50% of the total dividends. The proposal for distribution shall be proposed and resolved by the Board of Directors in accordance with the Company Act.

Earnings distribution or deficit offset of the Company may occur at the end of each half of a fiscal year. The proposal for earnings distribution or deficit offset in the first half of a fiscal year, along with the business report and financial statements, shall be submitted to the Audit Committee for review and then to the Board of Directors for resolution.

In distributing earnings in accordance with the aforementioned provisions, the Company shall first estimate and reserve amounts for taxes payable, offsetting losses, and allocating legal reserves. It shall also extract or reverse special reserves as required by law. If there is any surplus, it, along with the beginning balance of accumulated undistributed earnings, shall be considered as distributable earnings. However, this provision shall not apply if the amount of legal reserves has reached the total capital of the Company.

When distributing earnings by issuing new shares in accordance with the foregoing Paragraph 3, the Company shall follow the Company Act. For distributing earnings in cash, the distribution shall be resolved by the Board of Directors.

2. Dividend distribution proposed at this Shareholders' Meeting:

The 2025 earnings distribution proposal was drafted according to the Articles of Incorporation of the Company, with cash dividends of NT\$3 per share.

Sanyang Motor Co., Ltd.

2025 Earnings Distribution Table

Unit: NT\$

Summary	Amount
Undistributed earnings at the beginning of the period	8,621,995,498
Plus (minus):	
Retained earnings offset due from retired treasury stocks	(732,750,020)
Changes in actuarial gains and losses in the current period	11,030,352
Disposal of investments in equity instruments measured at fair value through other comprehensive income	(13,180,825)
Changes in ownership interests in subsidiaries	(50,761,697)
Net profit after tax	4,533,288,663
	12,369,621,971
Provisions:	
Provision of 10% as legal reserve	(374,762,647)
Earnings available for distribution in the current period	11,994,859,324
Distribution item:	
Cash dividend of NT\$3/share (Note 1)	2,336,026,812
Undistributed earnings at the end of the period	9,658,832,512

Note 1: The dividend per share is adjusted based on the actual number of shares outstanding as of the ex-dividend date.

Note 2: The Company's earnings for the first half of 2025 were not distributed according to the decision made by the Board of Directors on November 13, 2025.

(IV) Effect upon business performance and earnings per share of any stock dividend distribution proposed at this Shareholders' Meeting: None.

(V) Remuneration of Employees and Directors:

1. Percentages or ranges with respect to remuneration of employees, Directors of the Board, and Supervisors of the Board as set forth in the Company's Articles of Incorporation:

If the Company earns a profit for the year, it shall allocate over 1% of the income before tax as employee remuneration, and within 1% as director of the Board and supervisor of the Board remuneration. However, if the Company suffers accumulated losses, it shall first retain an appropriate amount for offsetting such losses. Independent Directors shall not participate in the foregoing remuneration distribution.

The aforementioned employee remuneration shall be allocated with no less than 50% designated for distribution to entry-level employees.

2. Basis for estimating the amount of remuneration for employees, Directors of the Board, and Supervisors of the Board, for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure: The Company calculated its employee and Director's remuneration by multiplying the income before tax for 2025 by 1% and 1%, respectively. No difference existed between the actual distributed amount and the estimated amount listed in the 2025 parent only financial statements.
3. Remuneration distribution approved by the Board of Directors:
 - (1) The remuneration to employees, Directors of the Board, and Supervisors of the Board may be distributed in cash or in the form of stocks. In case of any discrepancy between the recognized and estimated amounts, the discrepancy, its cause, and the response to the discrepancy shall be disclosed:

On March 13, 2026, the Company's Board of Directors resolved to distribute NT\$52,849 thousand as employee remuneration and NT\$52,849 thousand as remuneration to Directors, both of which were paid in cash. No discrepancy existed between the actual distributed amount and the estimated amount listed in the 2025 parent only financial statements.
 - (2) The amount of employee remuneration distributed in the form of stocks, and its ratio to net income after tax and total amount of employee remuneration listed in the parent only financial statements for the current period:

The Company did not distribute any remuneration to employees in the form of stocks in 2025, so this provision is not applicable.
4. Actual distribution of remunerations to employees, Directors of the Board, and Supervisors of the Board for the preceding year (including the number of shares distributed, amount, and stock price), and the discrepancy, if any, between the actual and recognized amount of remunerations paid to employees, Directors of the Board, and Supervisors of the Board, as well as its cause and response to the discrepancy: In 2024, NT\$56,580 thousand was paid to employees as remuneration, and NT\$56,580 thousand was paid to Directors as remuneration. No discrepancy existed between the actual and recognized amount of remunerations in 2024.

(IX) The Company's repurchase of its shares:

1. Repurchases Already Completed:

May 14th, 2026

Term of repurchase	The 15th time	The 16th time	The 17th time	The 18th time
Purpose of repurchase	To maintain credit and shareholders' equity	To maintain credit and shareholders' equity	To maintain credit and shareholders' equity	To maintain credit and shareholders' equity
Scheduled period for the repurchase	2025/04/09 ~ 2025/06/06	2025/06/24 ~ 2025/08/22	2026/01/28 ~ 2026/03/27	2026/03/16 ~ 2026/05/13
Scheduled price range for the repurchase	NT\$ per share 47.00 ~ 77.00	NT\$ per share 44.00 ~ 77.00	NT\$ per share 42.00 ~ 69.00	NT\$ per share 42.00 ~ 67.00
Scheduled quantity for the repurchase	Common stock 10,000 thousand shares	Common stock 10,000 thousand shares	Common stock 5,000 thousand shares	Common stock 5,000 thousand shares
Actual period for the repurchase	2025/04/09 ~ 2025/06/06	2025/06/25 ~ 2025/08/22	2026/01/28 ~ 2026/03/09	2026/03/16 ~ 2026/05/11
Actual quantity for the repurchase	Common stock 5,693 thousand shares	Common stock 8,121 thousand shares	Common stock 5,000 thousand shares	Common stock 5,000 thousand shares
Actual amount of shares repurchased	NT\$ 392,688,581	NT\$ 512,172,909	NT\$ 300,823,599	NT\$ 291,397,515
Quantity of shares cancelled	Common stock 5,693 thousand shares	Common stock 8,121 thousand shares	Pending cancellation	Pending cancellation
Cumulative number of shares held in the Company	0 shares	0 shares	Common stock 5,000 thousand shares	Common stock 10,000 thousand shares
Total treasury stock holdings as a percentage of total shares issued (%)	0%	0%	0.64%	1.28%
Reasons for buyback that have been reported but not completed	In the interest of protecting shareholder rights while following the market mechanism, the Company repurchased the shares in batches based on share price changes and volume. Therefore, the repurchase was not executed in full.		The repurchase has been completed.	The repurchase has been completed.

2. Repurchases Still in Progress Completed: None.

II. Issuance of Corporate Bonds, Preferred Stocks, Overseas Depository Receipts, Employee Stock Option Certificates, Mergers and Acquisitions or Issuance of New Shares for Acquisition of Other Companies: None.

III. Implementation of the Company's Capital Allocation Plans:

- (I) Each Uncompleted Issuance, Private Placement of Securities, or Issuance or Private Placement Completed in the Most Recent 3 Years but Have Not Yet Fully Yielded the Planned Benefits: None.
- (II) Implementation Status: None.

Chapter 4. Overview of Operations

I. Business Activities

(I) Scope of Business

1. Principal Business Activities

- (1) Mechanical Equipment Manufacturing.
- (2) Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing.
- (3) Motor Vehicles and Parts Manufacturing.
- (4) Motorcycles and Parts Manufacturing.
- (5) Bicycles and Parts Manufacturing.
- (6) Other Transport Equipment and Parts Manufacturing.
- (7) Mold and Die Manufacturing.
- (8) Controlled Telecommunications Radio-Frequency Devices Installation Engineering.
- (9) Wholesale of Petroleum Products.
- (10) Wholesale of Motor Vehicles.
- (11) Wholesale of Motorcycles.
- (12) Wholesale of Motor Vehicle Parts and Motorcycle Parts Accessories.
- (13) Wholesale of Bicycle and Component Parts Thereof.
- (14) Wholesale of Other Traffic Means of Transport and Component Parts Thereof.
- (15) Retail Sale of Molds.
- (16) Retail Sale of Petroleum Products.
- (17) Retail Sale of Motor Vehicles.
- (18) Retail Sale of Motorcycles.
- (19) Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
- (20) Retail Sale of Bicycle and Component Parts Thereof.
- (21) International Trade.
- (22) Restrained Telecom Radio Frequency Equipments and Materials Import.
- (23) Other Consulting Service.
- (24) Environmental Testing Services.
- (25) Magazine (Periodical) Publishing.
- (26) Book Publishing.
- (27) Automobile Repair.
- (28) Motorcycle Repair.
- (29) Bicycle Repair.
- (30) Unclassified Other Services.
- (31) All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. Proportion of businesses

This year, the sales of motorcycles, automobiles and related parts account respectively for 55.47%, 36.82%, and 7.71% of the businesses.

3. The Company's current products and new products development plan

(1) Motorcycles

A. Current products

Motorcycles: WOO series, MIO series, Fiddle LT series, VIVO series, New DUKE series, DUKE series, Z1 attila series, JET SR/SL/SL+ series, FNGBT series, CLBCU/Priti series, KRNBT series, 4MICA/4MICA EP series, DRGBT series, MMBCU/NAGA series, SHEX/ECHS series, Orbit/CROX/X' Pro series, JET4 RX series, FIDDLE series, FUGUE series, JET 14/JET X series, TPBW/BWT series, SYMPHONY/SYMPHONY series, S/SR/ST/CARGO series, HUSKYADV series, Joyride S series, JOYRIDE/JOYRIDE 16 series, ADX series, CRUiSYM /Joymax Z+ series, MAXSYM/MAXSYM GT series, ADXTG series, MAXSYM TL series, TTLBT series, Wolf series, Wolf Legend series, SYMNH X/T series, VF series.

Electric Motorcycles: E-WOO series, NX-1 series, e X' Pro series, Fiddle electric series, MIO electric series.

B. New products development plan

- Corresponding to the model development of each main market segments in Taiwan/Asia/Europe/Central and South America/ASEAN market, and increase model sales
- Development of new multifunctional prototypes and compartmentalized models
- Development of new, trendy motorcycles
- Development of eco-friendly EV models and hybrid electric models
- Development of flagship products and heavy machinery products and investment in new technologies

(2) Automobiles

A. Current products

Domestic automobile series: VENUE, MUFASA, ALL NEW TUCSON L, CUSTIN, PORTER, QT500

Imported automobile series: SANTA FE, STARIA, INSTER, KONA EV, IONIQ 5, IONIQ 6

B. New products development plan

New small SUV, premium hybrid models and hydrogen energy products.

(II) Industry overview

(1) Industry status and development

A. Motorcycles

The top six countries in global motorcycle sales in 2025 were as follows: India: Domestic sales of approximately 20.7 million units (+0.98%); China: Domestic sales of approximately 18 million units (+38.46%); Indonesia: Domestic sales of approximately 6.40 million units (+1.11%); Vietnam: Domestic sales of approximately 2.61 million units (-1.51%); Brazil: Domestic sales of approximately 2.30 million units (+22.99%); Thailand: Domestic sales of approximately 1.61 million units (+1.9%). The cumulative domestic sales of these six countries totaled approximately 51.62 million units, representing a 12.39% growth compared to the same period last year.

In Taiwan, the total domestic motorcycle market sales volume in 2025 was 708,406 units, representing a 5.9% decrease compared to 2024. The decline in the overall domestic motorcycle market by 5.9% in 2025 was mainly due to the high global economic uncertainty affecting consumer appetite in 2025. Of the total sales, gasoline-powered motorcycles saw a decline of 2.2%, while electric scooter sales declined by 37.6%.

The U.S. tariff wars have significantly reshaped global trade patterns, leading to the continuous relocation and restructuring of production bases. While demand for products persists in the U.S., Europe, China, Africa, and the Middle East, the supply focus has gradually shifted toward low-cost production hubs. Sanyang Taiwan's motorcycle exports (excluding IKD, triangular trade) amounted to 12,816 units, representing a 10.83% decline compared to 14,373 units in 2024. The primary reason for the decline in Taiwan's exports is the transfer of production for certain models to China (to enhance product competitiveness). Taiwan's motorcycle export regions were Europe, the Asia, and Central and South America. Exports to Europe accounted for 39.18% of Taiwan's total exports, with Italy, Greece, Spain, and France being the top four markets (based on ETD unit volume). Exports to the Asia accounted for 28.73% of Taiwan's total exports, with Israel and Malaysia being the main destinations (based on ETD unit volume). Exports to Americas accounted for 16.62% of Taiwan's total exports, with Brazil and Canada (based on ETD unit volume).

In the future, with limited growth in the domestic market, the expansion of overseas operations and export markets will become the main driving force for the growth of Taiwan's motorcycle industry. Even though exports are still facing the price war of China brands and Indian brands, and the global economic recession, Taiwan's motorcycle manufacturers continue to increase product value and deploy differentiated sales to meet market demand. It is only a matter of time before Taiwanese motorcycle manufacturers have a firm foothold in the international market.

B. Automobiles

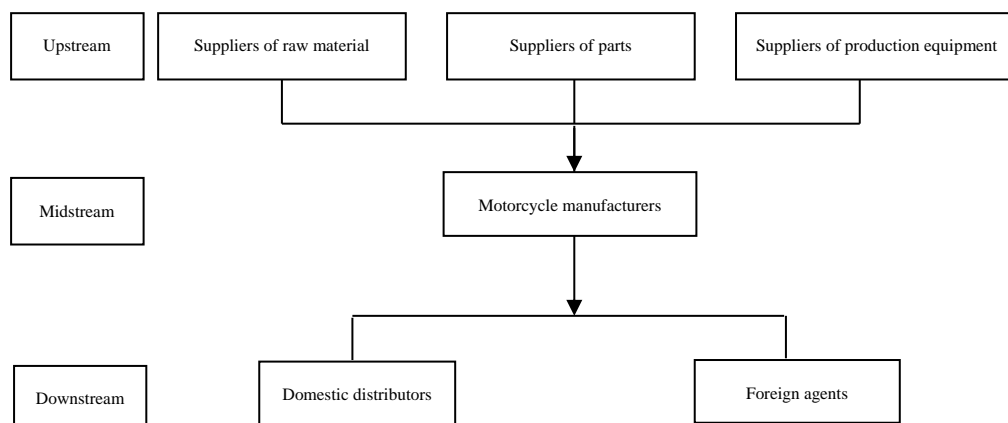
To encourage the private sector to adopt low-pollution automobiles, the government offers a variety of subsidies to encourage the public to purchase EVs. In addition to exempting vehicle license taxes, the exemption of goods taxes for EVs has been extended until 2030. In January 2023, the Legislative Yuan passed the “Climate Change Response Act,” continuing to promote multiple subsidy policies to encourage people to switch to electric cars. As a result, the automotive market is expected to continue benefiting from government policies, which will further increase the penetration rate of electric vehicles.

Under the impact of the global political and economic environment, car market demand was sluggish in the first half of 2025. As the overall situation became clearer, the government extended the Regulations for Reduced Commodity Tax on Used Vehicles for New Vehicle Purchase, and added a new incentive of up to NT\$50,000 for the purchase of new passenger vehicles with engine displacements under 2,000cc, leading to a gradual stabilization of car demand in the second half of the year. As a result, the total sales in Taiwan’s automobile market reached 414,000 units, decrease by 9.5% from 458,000 units in 2024.

(2) Connections among industry upstream, midstream, and downstream

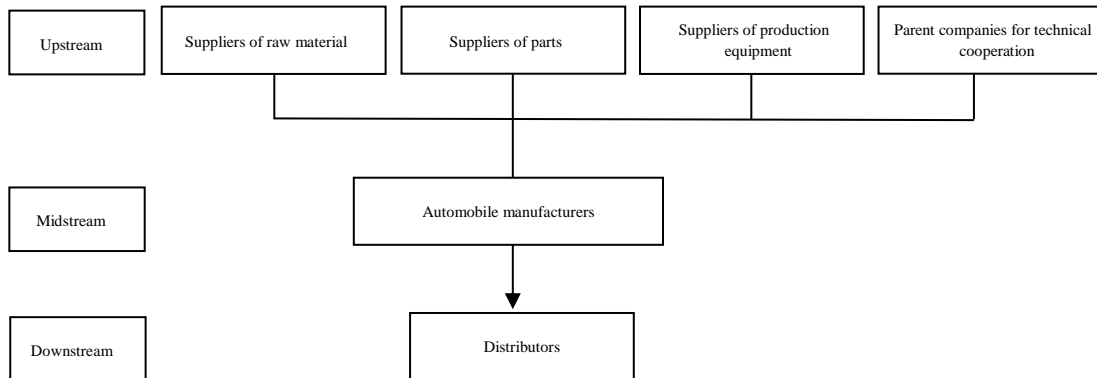
A. Motorcycles

The upstream mainly comprises suppliers of raw material (from the industries of steel, iron, aluminum ingots, rubber and plastics), suppliers of parts (systems/parts) and suppliers of production equipment (equipment and peripherals); the midstream is the motorcycle manufacturers, which manufacture necessary products for consumers by using upstream raw materials and parts; the downstream is the customers served by the motorcycle manufacturers, including domestic distributors for domestic sales and foreign agents for foreign sales.



B. Automobiles

The upstream mainly comprises suppliers of raw material (from the industries of steel, iron, aluminum ingots, rubber and plastics), suppliers of parts (systems/parts), suppliers of production equipment (equipment and peripherals), and the parent companies for technical cooperation (KD parts); the midstream is the automobile manufacturers, which manufacture necessary products for consumers by using upstream raw materials and parts; the downstream is the automobile distribution system.



(3) Future development trends of products

A. Motorcycles

a. More rigorous laws and regulations on environmental protection

The greenhouse effect has led to increasingly severe global warming. In response to this and the awakening of environmental consciousness among consumers, have implemented stricter pollution control regulations and monitoring standards to reduce urban pollution. Some have even resorted to license plate restrictions to control the overall level of pollution. Countries such as Taiwan, South Korea, Japan, Brazil, China, and the United States are adopting more stringent pollution control measures to reduce urban pollution. The development of “low-pollution, low-energy consumption” motorcycles will be a key focus of the motorcycle industry.

b. In view of remarkable differences in regional market demands, it is necessary that company offer relative products to rapidly respond different market needs

In developed countries, there is a greater emphasis on sports, leisure, personal style, and environmental friendliness in motorcycle products. For example, motorcycles with high added value, such as those above 300c.c., are popular for leisure purposes, while smaller motorcycles with sporty or fashionable styles are also in demand.

In the Taiwanese market, motor scooters remain the dominant choice among consumers; however, a notable shift toward environmental consciousness and innovative segmentation is underway. Particularly, the sub-segment

products featuring trendy styling or multifunctional motorcycles appeals have seen burgeoning interest among the younger demographic, leading to a positive growth trajectory in their market share. In the mass market segment, there is a focus on fuel economy, with models emphasizing fuel efficiency being highly successful.

In the Southeast Asian region, CUB-type motorcycles remain highly prevalent, however convenient motor scooters have been steadily growing in popularity in recent years, especially 125/150c.c. models with new features such as 14-inch wheels, gradually gaining mainstream prominence. In developing countries such as China, Central and South America, and Africa, the market is still focused on affordable and durable motorcycles. However, in recent years, there has been a growing trend toward luxury motorcycles with higher prices and larger engine capacities, reflecting the polarization of wealth gaps in these markets.

c. Product development is moving toward meeting the polarized trend of high-end and low-price demands

In developed and highly developed countries, the gap between the rich and the poor has gradually widened and the expenses of living has gradually increased, resulting in the phenomenon of polarized consumption. In developed and highly developed countries, the widening wealth gap and rising cost of living have led to a phenomenon of polarized consumption patterns toward two extremes: premium and value models. High-priced motorcycles are designed with luxurious equipment and extreme performance, serving as a symbol of status and prestige for their owners; low-priced motorcycles are designed with functions that meet basic needs and are mainly used as commuter transportation. In the future, motorcycle manufacturers need to grasp this consumer trend and offer products that cater to the diverse needs of polarized consumers.

d. Increase added value of products and extend the use of related technologies

As the global economy continues to evolve and the demand for environmental protection increases, motorcycles are evolving beyond mere transportation tools to become expressions of personal style and leisure companions. Consequently, leading manufacturers are intensifying their efforts to enhance the overall value of their products. They're achieving this by promoting features such as high-displacement engines for enhanced performance, standardizing safety features such as ABS/CBS/TCS and upgrading to cornering ABS+TCS braking systems, unique and differentiated designs, premium branding to signify quality, the evolution of instrument panels from LCD to TFT displays, and high-efficiency, energy-saving engine performance, thereby enhancing the overall value of the products and extending motorcycle-related technical applications to diversified products, including electric scooters.

e. Development of Alternative Energy Motorcycles

In response to the growing concerns over environmental conservation, leading automotive companies across the globe are channeling substantial

resources into researching alternative energy sources for motorcycles. This includes exploring avenues such as electric scooters, hybrid scooters, and motorcycles powered by hydrogen fuel cells. Despite these concerted efforts, the widespread adoption of alternative energy automobiles is encountering hurdles stemming from technological constraints and concerns regarding battery range. These challenges present obstacles to achieving mass adoption in the near future. Nevertheless, developing alternative energy products has become a paramount priority for manufacturers.

B. Automobiles

a. Development of alternative energy automobiles

In response to the 2050 Net-Zero Emissions vision, manufacturers are actively improving the fuel efficiency of their automobiles and introducing hybrid and electric models. As the OEMs actively introduce new energy vehicles, affordable hybrid and electric vehicles will also enter the market. Consequently, the market share of new energy vehicles is expected to see sustained growth.

b. Development of self-driving automobiles

Autonomous driving is an emerging global trend in automotive development, with major manufacturers competing in research and development of self-driving automobiles. In this development process, Vehicle-to-Everything (V2X) technology and Advanced Driver Assistance Systems (ADAS) play indispensable roles. V2X enables communication between automobiles and surrounding road infrastructure, while ADAS systems use various sensing technologies such as radar and image recognition to control steering, throttle, and braking systems. The integration of V2X and ADAS systems enables faster and safer transportation services, transforming the future of human mobility.

c. Transformation of production structure

The large-scale tariff policy implemented by the U.S. in 2025 has already had a profound impact on the global car market, forcing international car manufacturers to shift production lines to the U.S. to increase production capacity in the U.S. or find other alternatives to reduce tariff costs. To lower tariff costs, the Taiwanese government plans to reduce tariffs on complete vehicles imported from the U.S. This reduction is expected to encourage more models currently produced in Europe or Japan to be sourced from U.S. production lines for import to Taiwan, making vehicles manufactured in the U.S. more price-competitive in the Taiwanese market.

(4) Status of product competitions

A. Motorcycles

In terms of motorcycle products, those 250c.c. and below are still threatened by low-cost products from mainland China, ASEAN, and India. Brand appeal and high-quality, differentiated products are the main response of Taiwanese manufacturers. Meanwhile, Taiwanese companies also leverage global

production, production base specialization, strengthened supply chains, and model platform integration to reduce product costs in order to compete with low-cost rivals. In the high-displacement motorcycle product segment, although Western and Japanese manufacturers still hold technological advantages, Taiwanese manufacturers are investing heavily in R&D to enhance product design, develop new technologies, and improve manufacturing competitiveness, thereby continuously increasing product added value and brand value.

In terms of motorcycle derivative products, electric motorcycle extending from environmental concepts have become a green energy industry in which manufacturers are vigorously investing in R&D or collaborating through technology partnerships to mitigate environmental impacts.

B. Automobiles

In response to the 2050 Net-Zero Emissions vision, coupled with the maturation of battery technology, the decreasing cost of EVs is advantageous for further market expansion due to reduced retail prices. Traditional automotive brands are more actively developing and launching electric vehicle models than in the past.

(III) Technology and research overview

A. R&D expenditures in the recent years

The R&D team of the Company, by adhering to the R&D roadmap of product innovation and technological leadership, are continuously launching high-quality market-leading products that showcase sophisticated core technologies, winning high praise and favor from customers both domestically and internationally. The Company was crowned champion in domestic motorcycle sales for four consecutive years from 2022 to 2025, with the annual market share also reaching a record high of 44.3%. The sales of mid-to-high-end models have grown steadily and approached 50% of the total sales, and the high gross profit and stable sales have enhanced the Company's operating profits. Through persistent investment in innovative technologies and R&D capabilities, we will further expand our leadership in both high-end model development and advanced technological innovation. To achieve our marketing strategy, we will continue to introduce highly competitive products that outperform the industry. The R&D expenditure in recent years amounted to NT\$1,015,112 thousand in 2024 and NT\$1,048,867 thousand in 2025, demonstrating the Company's emphasis on investment in research and development.

In addition, by following the product R&D planning blueprint, we improve product R&D technology capabilities and effectively plan patent layout to protect related intellectual properties. Through providing patent promotion education, we encourage our employees to research and innovate and file patent applications for their R&D results. We have also established an all-round patent application management system and offer patent creation incentives to encourage R&D professionals to actively submit their patent

creations, in order to emphasize the integrity of technology protection in patent layout. By applying for patents of valuable innovative technologies, the Company demonstrates objective technological innovation and inventive steps to consumers, achieving superior product differentiation. At the same time, we properly apply the protection provided by patent rights to exclude potential infringement by other enterprises and create a sustainable competitive advantage.

B. R&D outcomes in recent years

a. Developing brand new styles and performances of automobiles

(a) Motorcycles

- March 2025 “SHEX 125 (China)/ECHS 125 (Europe)”: Launched all new, fully equipped luxury commuter scooter in the Chinese market.
- April 2025 “TTLBT 508”: Launched all new multifunctional large heavy-duty scooter model in the Taiwanese market.
- June 2025 “FIDDLE 125/158”: Retro scooter models for urban women in the Taiwanese market.
- October 2025 “TPBW 125”: Launched all new, stylish scooter designed for everyday commuting in the Vietnamese market.

(b) Automobiles

- May 2025 : MUFASA newly launched.
- November 2025 : INSTER newly launched.

b. Developing modified styles and improving performances

(a) Motorcycles

- January 2025 “MMBCU 158”: Launched a cruising adventure scooter model with improved performance and fuel efficiency, featuring a color LCD instrument panel and a headlight design that illuminates both high and low beams simultaneously in the Taiwanese market.
- March 2025 “DRGBT 150”: Launched a second-generation stylish scooter model in the Chinese market.
- March 2025 “NAGA 150”: Launched a Taiwan-based cruise scooter model in the Vietnam market.
- June 2025 “DUKE 125”: Launched affordable scooter models featuring LED headlights and front position lights in the Taiwanese market.
- June 2025 “JET SL 125 / SL+ 158 SUPER C”: Launched scooter models featuring 125/158c.c. water-cooled engines with enhanced performance and electric drive systems in the Taiwanese market.
- June 2025 “JOYRIDE 16 300”: Launched new front-end styling and improved foot space in this 300cc-class, entry-level large heavy-duty scooter model in the Taiwanese market.
- July 2025 “SYMPHONY SR 125”: Launched a 16-inch commuter scooter with a new front and side design, and upgraded specifications

in the European market.

- August 2025 “CLBCU 125”: Launched a new women’s fashion scooter model featuring a new LED taillight design and easily upgradable specifications in the Taiwanese market.

(b) Automobiles

- April 2025 TUCSON L Minor change officially launched.
- September 2025 CUSTIN 2.0T officially launched.

(6) Long-term and short-term development plan (future development strategies of the Company)

Items	Development Plans	
Short-term Development Plans	a. Winning the hearts of consumers and maintain market lead	<ul style="list-style-type: none"> ◎ Optimization of retail store layout and service experience ◎ Putting customer satisfaction first in sales and after-sales service ◎ Increasing customer loyalty and repeat purchase rates
	b. Operational performance growth	<ul style="list-style-type: none"> ◎ Annual growth in profit from automobiles and motorcycles ◎ Expansion of overseas business scale
Long-term Development Plans	a. Innovative leading technology	<ul style="list-style-type: none"> ◎ Development of diversified new energy technologies and products ◎ Integration of resources for complete product portfolio ◎ Buildup of technological capabilities and introduction of high-displacement products
	b. Enhancement of favorable brand image	<ul style="list-style-type: none"> ◎ Pursuit of quality, providing highly reliable products ◎ Complete product line offering high price–performance ratio.
	c. Global strategy	<ul style="list-style-type: none"> ◎ Joint sales of global brand in three regions ◎ International talent development and cultivation ◎ Flexible resource allocation for global procurement ◎ Actively seek international collaboration opportunities

II. Overview of the Market, Production and Sales

(I) Market Analysis

1. Motorcycles

(1) Sales areas of main products:

Apart from domestic sales, the motorcycles and their parts manufactured by the Company are also exported to regions and countries such as Europe, America, Africa, Australia, Southeast Asia, Hong Kong, Macao, Japan, etc.

(2) Market shares:

The Company's domestic/foreign sales and domestic market shares over the past two years are shown as follows. In the future, the Company will continue developing new products to satisfy consumer needs and maintain its stable growth:

Unit: Unit; %

Year Items	2025	2024
Domestic Sales (Ex-factory) Growth Rate	314,911 (+0.91%)	312,057 (-7.23%)
Foreign Sales (Ex-factory) Growth Rate	12,816 (-10.83%)	14,373 (+1.69%)
Total Domestic and Foreign Sale (Ex-factory) Growth Rate	327,727 (+0.40%)	326,430 (-6.87%)
Domestic Market Shares	44.3%	40.9%

Note: The above foreign sales exclude sales of IKD and triangular trade volume.

(3) Market supply and demand situation in the future

The International Monetary Fund (IMF) stated that the global economy has continued to demonstrate resilience to trade shocks and has maintained a fairly strong growth trajectory. The global economy has demonstrated remarkable resilience, and trade disruptions have not prevented global growth. While current performance remains strong, risks are still tilted to the downside. The risks are primarily concentrated in geopolitical tensions and rapid technological changes. Even though the situation may evolve positively, the global economy could face a major financial crisis if the substantial resources invested in artificial intelligence have not yielded the expected productivity gains. The overall tariff level has been lower than initially threatened, and the U.S. accounts for only about 13% to 14% of global trade. Most countries have not yet taken retaliatory measures, which helped to mitigate the impact of U.S. tariffs. However, a worsening of trade prospects could still lead to a deterioration in inflation and macroeconomic conditions. In 2025, the IMF revised its global economic growth forecast upward by 0.2 percentage points to 3.2%. The IMF maintained its forecast for global growth this year at around 3.1%, and the outlook for the global economy in 2026 remains optimistic.

In the domestic scooter market, global economic uncertainty impacted purchasing power in 2025, leading to a 5.9% decline in the overall Taiwanese market. However, the Company responded by launching competitive products at the right time – the new JET SL super C and the revamped Duke – which generated positive word-of-mouth for the SYM brand and significantly boosted the Company's sales and market share. As a result, the Company's growth exceeded the overall market growth by 1.8%, solidifying its leading position.

In 2026, the overall domestic environment will be affected by the global regional

conflicts that will soon slow down and the positive factor of the government's extension of the commodity tax reduction policy for vehicle replacement, the annual domestic motorcycle market size is expected to grow by 10%, up to 780,000 units. The company will continue to introduce new products to ensure the number of units sold and market share, so that the SYM brand will continue to take the leading position in the market.

In the export market, Taiwanese motorcycle manufacturers face formidable competition from Chinese brands. However, the Taiwanese industry maintains certain advantages in R&D and design capabilities. These strengths, coupled with strategic overseas factory deployment, enable Taiwanese companies to gradually realize overall benefits and maintain competitiveness in the global market. SYM will not only continue to provide high-value-added products in developed countries, such as high-displacement scooters, but also strengthen competitive triangular trade products. At the same time, the Company are actively promoting the upgrade of product specifications to counter the high-spec at low-price strategies adopted by Chinese brands. In addition, the Company will continue to strengthen the operation of the market in the Central and South America, Africa, the Middle East, and ASEAN markets, integrate the cost advantages of the overseas subsidiaries, and provide products that are reasonable and competitive. Therefore, the Company is still optimistic about the development of the export market.

(4) Growth of the industry in the future

A. Domestic motorcycle market: The motorcycle industry is grappling with several key challenges, including high ownership rates, sluggish market growth, stringent environmental regulations, and escalating product prices. Despite these hurdles, the ongoing stimulus of the trade-in policy is expected to sustain consumer purchasing intentions. As a result, profitability remains a paramount focus for industry operations. In light of these conditions, the industry's development trajectory emphasizes the continuous enhancement of product value-added and investment in eco-friendly product development. In 2026, the Company remains steadfast in its commitment to quality, service, and innovation. By prioritizing these core values, the Company seeks to earn consumer loyalty through genuine engagement and connection, a concept referred to as "winning hearts". Through the introduction of products and services that resonate with customers, the Company aims to elevate customer satisfaction levels and cultivate a strong brand image built on trust and brand affinity.

B. Foreign motorcycles market: While the motorcycle market in developed countries is considered saturated, there is still room for growth in developing countries. Therefore, the Company's mid-term strategy growth should remain relatively stable. In terms of market operation, the Company will continue to expand its product line, adjust product sales mix, strengthen overseas distribution network layout, develop emerging markets overseas, seek overseas cooperation opportunities to improve sales profits and expand sales volume in

emerging markets, thus enhancing brand image.

(5) Competitive niches

- A. After-sales service parts are sold exclusively by the Company, increasing confidence and satisfaction among dealers and consumers.
- B. The Company has a comprehensive distribution network in the domestic market.
- C. By continuing to focus on the heavy motorcycle market and investing in high-priced and popular scooters, sales revenue and operating profit are expected to increase.

(6) Countermeasures for favorable/unfavorable Factors of Development Visions

A. Favorable factors

a. External environment – global

- (a) With the rising awareness of environmental protection and under the circumstance that inflation has not yet eased, consumers are paying more attention to fuel economy, and the demand for economical and fuel-efficient products such as EVs and motorcycles has increased.
- (b) The purchasing power in emerging markets is increasing, indicating long-term market growth of two-wheeled markets.
- (c) OEM/ODM opportunities derived from cost pressures for Western brands.
- (d) The large displacement markets in Europe and the US are of considerable size, and the products have high added value.
- (e) There is increased demand in mature Western markets as well as growing markets in emerging markets for mid- to low-priced products.
- (f) The structure of the scooter market in emerging markets is gradually expanding.
- (g) Favorable factors such as demographic dividends, improved infrastructure, and rising living standards in emerging markets will contribute to the expansion of demand and consumption of two-wheeled products.
- (h) The market demand for multi-functional and cross-industry products will be expanded each year, with R&D in related models invested to increase sales and profits.
- (i) Some markets (e.g., Vietnam) have tariff advantages when exporting to Europe. Establishing a presence early will allow the Company to reduce costs and improve their competitive edge.

b. External environment - Taiwan

- (a) Increased demand from young consumers for trendy and differentiated products will boost spending on vehicle purchases and related accessories and parts.
- (b) Increased availability of low-price/installment payment options lowers the threshold for purchasing motorcycles, which is beneficial for market

activity.

- (c) Energy and environmental factors drive the development of energy-saving and environmentally friendly vehicles.
- (d) Government subsidies for promoting EVs will gradually stimulate the electric vehicle market.
- (e) Continued implementation of motorcycle trade-in and scrapping subsidy policies by central and local governments will boost motorcycle sales growth.
- (f) The Environmental Protection Administration's "Regulations for Reduced Commodity Tax on Used Vehicles for New Vehicle Purchase" has been extended to 2030. The policy of reducing the commodity tax by NT\$4,000 for trading in motorcycles four years or older for new ones has been maintained, and an additional tax reduction of NT\$2,000 has been offered for the purchase of new motorcycles with engine capacities of 150c.c. or less.

B. Unfavorable factors

a. External environment - global

- (a) With the advent of the green environmental era and ongoing discussion of carbon taxes, alternative eco-friendly products (EVs) will gradually enter the market, partially replacing gasoline-powered motorcycles.
- (b) Significant differences exist in product demand and regulations across regions.
- (c) Export markets face pressure from both large European, Japanese, and Chinese manufacturers, squeezing the development of export markets.
- (d) Global pollution emissions and safety-related regulations are becoming increasingly stringent, requiring better cost control and technological breakthroughs in response.
- (e) European and Japanese brands are increasingly introducing products manufactured in India, ASEAN, and China, featuring continuously enhanced specifications and equipment, all at affordable price points. This strategic move aims to penetrate the mass market segment effectively, thereby intensifying competition and squeezing the survival for other players in export markets.
- (f) In some emerging markets, import regulations are unclear, policies change frequently, and local content requirements increase annually, making the import threshold for motorcycle products stricter, requiring actively grasp of market information and timely response.
- (g) Inflation in export markets continues to worsen, potentially affecting subsidiaries' sales profits due to increased costs.
- (h) The fluctuation of foreign exchange rate is one of the factors affecting the profitability of the model.
- (i) In recent years, geopolitical factors and conflicts have caused instability in international shipping schedules and transit times, impacting market

sales.

b. External environment - Taiwan

- (a) Increasingly stringent environmental and safety regulations lead to increased costs, and higher prices may affect consumer willingness to purchase new vehicles.
- (b) Government efforts to promote the electric vehicle market and ongoing subsidy policies will partially substitute gasoline-powered motorcycles.
- (c) The population aged 15 to 40 presents a negative growth, and the number of motorcycle buyers decreases.
- (d) Promotions have made low-priced models the mainstream in the market, leading to substitution effects for mid- to high-priced models and reducing manufacturers' motorcycle sales profits.
- (e) Continued development of public transportation systems has led to substitution effects on motorcycle sales.
- (f) Taiwan is facing the trend of trade liberalization, and new competitors and low-cost products may enter the Taiwanese market.

C. Countermeasures

- a. Domestically, the focus is on enhancing channel efficiency, service, and parts supply, offering attractive and eco-friendly products, strengthening online marketing, and enhancing brand image.
- b. Internationally, the focus is on continuing to focus on sales in four major regions (Europe, ASEAN, Middle East and Africa, Central and South America), developing new markets and customers, expanding the global sales network, deepening market penetration in mature markets to increase market share and brand image, expanding sales of large displacement models, and promoting emerging markets.

2. Automobiles

(1) Sales areas of main products:

All products manufactured by the Company and distributed by it as agent are sold domestically.

(2) Market shares: The domestic sales and market shares over the past two years are as follows:

Unit: Unit; %

Year	2025	2024
Items		
Sales (Ex-factory)	18,984	22,437
Growth Rate	-15.39%	0.35%
Domestic Market Shares	4.59%	4.95%

(3) Market supply and demand situation in the Future

In recent years, the rising awareness of environmental protection, coupled with the battery technology becoming more mature has prompted a decrease in the cost of

electric vehicles. Lower market prices are conducive to further market expansion. In addition, in response to the 2050 Net-Zero Emissions vision, the future electric vehicle trend will become the main supply and demand in the car market.

(4) Countermeasures for favorable/unfavorable Factors of Development Visions

A. Favorable factors

According to the “Commodity Tax Act”, the government has extended the reduction of tax for the replacement of old vehicles to 2030. Also, the tax reduction for new passenger cars with an engine displacement of less than 2,000cc was increased to a maximum of NT\$50,000 per vehicle through 2030. Additionally, the policies of “exemption from vehicle license tax” and “reduction of commodity tax” for EVs are being extended until 2030. The government has introduced these policies to reduce the financial burden of buying a car and encourage purchases.

B. Unfavorable factors

- a. Under the impact of the large-scale tariffs imposed by the U.S., the Taiwanese government plans to reduce duties on complete vehicles imported from the U.S. A reduction in these tariffs is expected to increase the price competitiveness of U.S.-made cars in Taiwan, potentially affecting the domestic automotive market.
- b. Taiwan’s labor cost advantage has disappeared, and international car manufacturers have set up production plants in emerging countries with lower labor costs. In addition, the loose monetary policy of the Japanese yen has made imported Japanese vehicles competitive in price.
- c. Facing global climate change, energy saving and carbon reduction are issues that all countries must address seriously and proactively. The automotive industry is at the forefront, and environmental regulations for automobiles are becoming increasingly stringent in various countries. Each manufacturer will inevitably invest more in researching and developing new products, new technologies, improving engine fuel efficiency, and developing alternative energy vehicles, inevitably increasing the cost of purchasing cars for customers.

C. Countermeasures

- a. Introduce non-powered automatic equipment from Japan and increasing the proportion of automated equipment production can reduce labor-intensive production methods, achieve energy savings, improve production efficiency, and enhance quality. Automated facilities also help lower the age range of labor and increase the willingness of younger generations to engage in production, allowing the industry to effectively control labor expenses.
- b. Strengthen Hyundai’s brand image in the domestic market by providing trustworthy high-end products and services, continuing to cultivate the Taiwanese market, and increasing market share and revenue in the domestic market.
- c. Deepen cooperation with the technology parent company and actively

striving to become part of the global supply chain system to increase opportunities for exporting finished vehicles and parts, compensating for the insufficient scale of the domestic market.

- d. Expand the product line of heavy-duty commercial vehicles to operate in the heavy-duty vehicle market, increasing revenue and profitability.
- e. Consider fuel efficiency, economy, and alternative energy as the development trends for vehicles in response to the emerging eco trends. Continue to plan and develop high-efficiency, low-fuel-consumption vehicles and green energy vehicles. The parent technology and brand partner, Hyundai Motor, has a medium-to-long-term plan to launch a large number of EVs. In addition, Hyundai is currently accelerating the progress of autonomous driving technology, and plans to gradually equip its models with “Level 3” autonomous driving function in response to the future development of the automotive market.

(II) Usage and Manufacturing Processes for Main Products

1. Main products and uses

Motorcycles:

(1) Scooter series

Domestic sales:

100~115c.c. : FIDDLE LT 115, WOO 115

125~160c.c. : VIVO 125, Z1 Attila 125, DUKE 125, New DUKE 125, JET SR 125, JET SL 125 SUPER, JET SL+ 158 SUPER, FIDDLE 125, FIDDLE DX 150, CLBCU 125, 4MICA 125/150, KRNBT 125, NEW DRGBT 158, MMBCU 158

270~300c.c. : JOYMAX Z+ 300

400~600c.c. : CRUiSYM 300, ADXTG 400, MAXSYM GT 400, MAXSYM TL 508, TTLBT 508

Foreign sales:

125~160c.c. : JOYRIDE S 125, VS 125, Joymax Z+ 125, CRUiSYM 125, DRGBT 158, MMBCU 158, JET SL 125 SUPER, JET SL+ 158 SUPER, New DUKE 125

180~300c.c. : HD2 180, JOYRIDE 200I, CRUiSYM 250/300, VS300, CITYCOM 300i, Joymax Z+ 250/300, HD 300, CITYCOM 300

400~600c.c. : MAXSYM TL 508, MAXSYM GT 400, ADXTG 400, TTLBT 508

(2) Gear series

Domestic sales: Wolf 125, Wolf Legend 125

(3) ATV series

Foreign sales: DS 250

(4) Electric scooters

Domestic sales: E-WOO

Automobiles:

(1) VENUE: 1.6L Gasolin

(2) TUCSON L: 2.0L Gasolin, 1.6L Gasolin, 1.6L HEV

(3) CUSTIN: 1.5L Gasolin, 2.0L Gasolin

(4) MUFASA: 2.0L Gasolin

(5) Commercial automobiles: PORTER 3.25t Diesel fuel, QT500 5t Diesel fuel

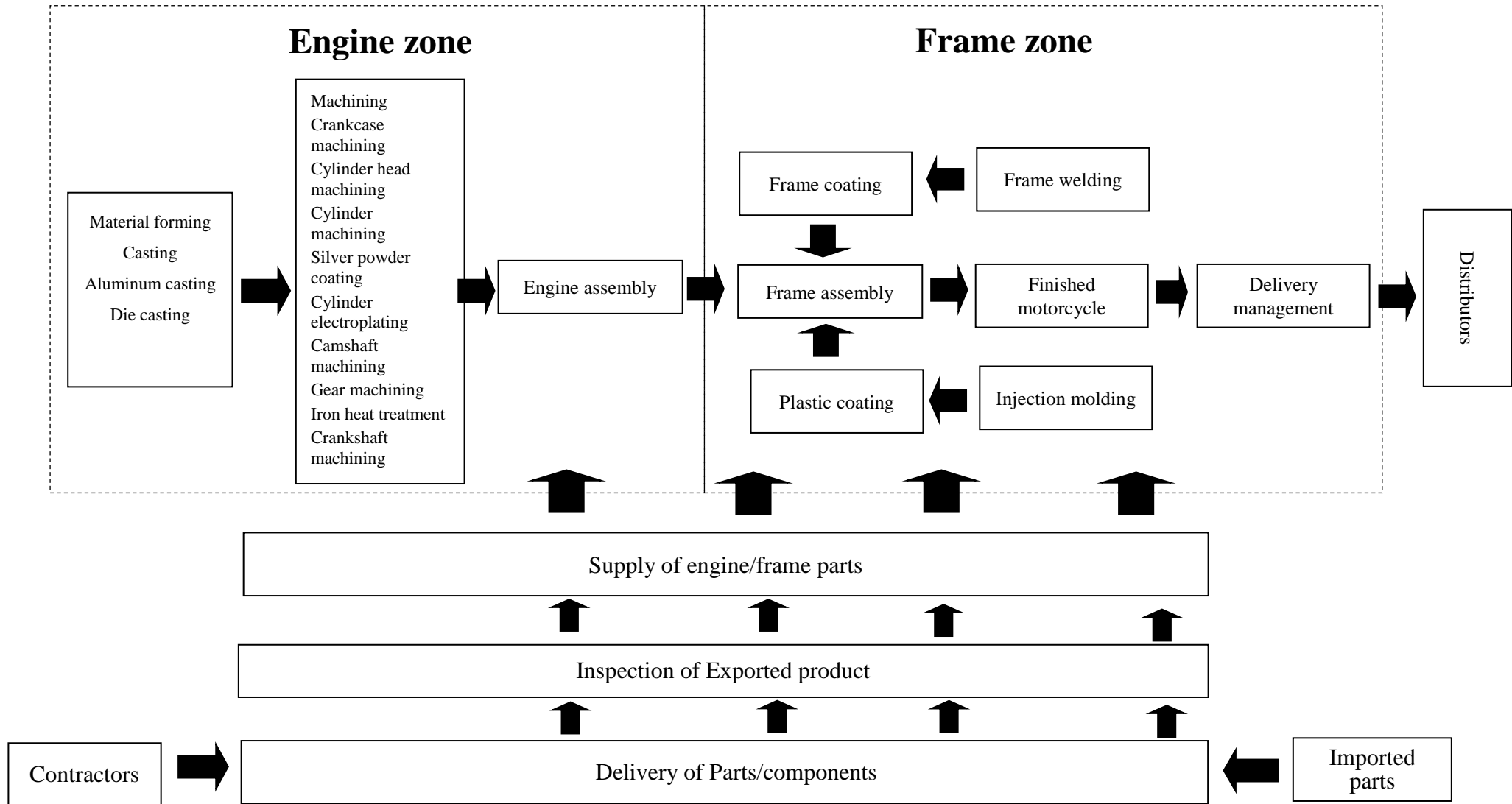
(6) Imported automobile series: INSTER Electric, KONA Electric, IONIQ 5 Electric,

IONIQ 6 Electric, SANTA FE SUVs, STARIA

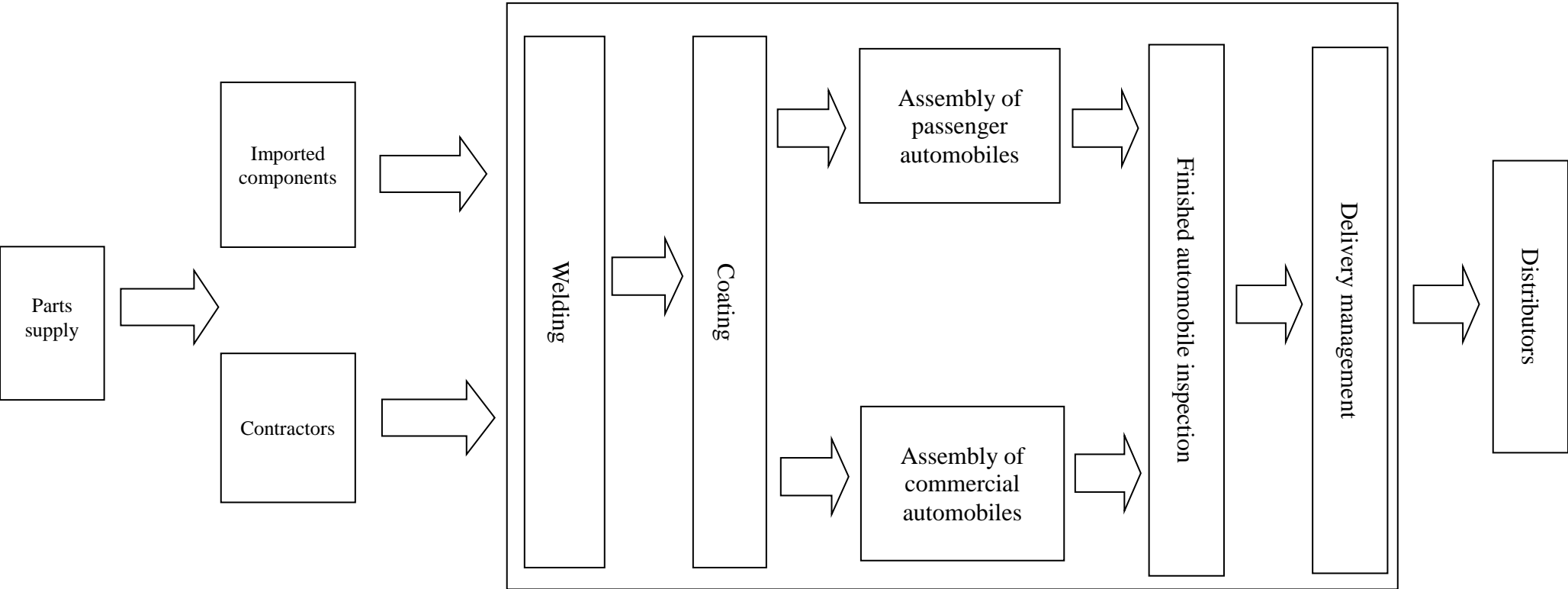
Commercial automobiles

2. Production process of primary products

Motorcycles:



Automobiles:



(III) Supply Situation of Main Raw Materials and Parts for Motorcycle and Automobile

1. Motorcycles:

(1) Main raw materials used by the Company:

- A. All aluminum ingots, plastic particles and coatings are purchased from domestic manufacturers at domestic market prices.
- B. For supply of all raw materials, the standard usage is calculated based on the monthly production schedule, and the raw materials are purchased according to the stock status.

(2) Motorcycle parts purchased by the Company in 2025, 7% were imported from abroad, while 93% were purchased from domestic contractors or processed by such contractors as entrusted by the Company.

A. Supply situation of import:

The Company places orders monthly with foreign manufacturers according to the production/marketing schedules, stock status and lead time for scheduling orders, in order to satisfy factories' production requirements. In the face of the pandemic, the production schedule of electronics-related parts and components has been affected, resulting in significant adjustments to production schedules.

B. Supply situation of domestic contractors:

Through the platform of the third-party manufacturers, the Company issues the production forecast for the semi-annual production of motorcycles. This serves as a reference for the long-term material preparation of the third-party manufacturers. Orders are issued on a weekly basis and the vendors deliver the goods according to the order instructions, to meet the market sales changes.

(3) All above supplies shall be in line with actual production requirements.

2. Automobiles:

(1) Among the automobile parts purchased by the Company, main parts are imported from foreign countries, while the some parts are purchased from domestic manufacturers or processed by the contractors as entrusted by the Company.

- A. Ratios of purchased parts: 80% KD parts and 20% domestic parts.
- B. Origins of purchased parts: KD parts are from Hyundai Motor Company and its subsidiaries; domestic parts are from domestic component manufacturers.
- C. In order to cooperate with the national policy, we have imported CKD models from China, which must reach 35% of the localized value chain. The Company is fully committed to the support of this policy and has plans in place to gradually achieve the policy requirements.

(2) The Company primarily procures components from Hyundai Motor and its subsidiaries in South Korea, as well as domestic component manufacturers. Although we are experiencing shortages with some parts in the short term, the supply of other components remained largely stable.

(3) All above supplies can still be in line with actual production requirements.

(4) Businesses on commercial automobiles: Given the stable market for commercial automobiles in Taiwan, our current production lines manufacture light-duty and

medium-sized commercial automobiles. This strategy allows us to establish a comprehensive product line for the commercial automobile business.

(IV) List of Major Suppliers and Customers in the Past Two Years

1. Major suppliers

Unit: NT\$ thousand

Items	Q1 of 2026				2025				2024			
	Suppliers	Amount	%	Relationship with the Issuer	Suppliers	Amount	%	Relationship with the Issuer	Suppliers	Amount	%	Relationship with the Issuer
1	Hyundai Motor Company	2,240,362	29	Companies having business dealings with the Company	Hyundai Motor Company	11,086,980	33	Companies having business dealings with the Company	Hyundai Motor Company	12,522,946	37	Companies having business dealings with the Company
2	Xiamen Xiaxing Motorcycle Co., Ltd	1,324,100	17	The Company's sub-sub-sidiary	Xiamen Xiaxing Motorcycle Co., Ltd	3,862,495	12	The Company's sub-sub-sidiary	Xiamen Xiaxing Motorcycle Co., Ltd	4,324,406	13	The Company's sub-sub-sidiary
3	Others	4,153,701	54	-	Others	18,508,651	55	-	Others	16,716,364	50	-
	Net purchase	7,718,163	100	-	Net purchase	33,458,126	100	-	Net purchase	33,563,716	100	-

2. Major customers

Unit: NT\$ thousand

Items	Q1 of 2026				2025				2024			
	Customers	Amount	Percentage of annual net sales (%)	Relationship with the Issuer	Customers	Amount	Percentage of annual net sales (%)	Relationship with the Issuer	Customers	Amount	Percentage of annual net sales (%)	Relationship with the Issuer
1	Nanyang Industries Co., Ltd.	3,408,074	29	The Company's sub-sub-sidiary	Nanyang Industries Co., Ltd.	14,326,744	31	The Company's sub-sub-sidiary	Nanyang Industries Co., Ltd.	16,809,991	34	The Company's sub-sub-sidiary
2	Dingtai Vehicles Co., Ltd.	1,395,148	12	-	Dingtai Vehicles Co., Ltd.	5,541,467	12	-	Dingtai Vehicles Co., Ltd.	5,631,371	11	-
3	Others	7,056,176	59	-	Others	26,563,363	57	-	Others	27,355,569	55	-
	Net sales	11,859,398	100	-	Net sales	46,431,574	100	-	Net sales	49,796,931	100	-

III. Employee Information

Datas of employees include their average working years, average age, and distribution of education level in the past two years:

Year		As of May 14, 2026 of the current fiscal year	2025	2024
Employees	Male	2,159	2,217	2,218
	Female	312	322	324
	Total	2,471	2,539	2,542
Average Age		42.8	43	43
Average working Years		16.2	16.2	16.8
Education Level Distribution	PhD	1	1	2
	Master’s Degree	297	302	295
	Bachelor’s Degree	838	856	855
	High School Diploma	1,000	1,012	987
	Below High School	335	368	403

The Company’s growth in the number of employees with high school and vocational school educations in 2025 stemmed from its proactive implementation of diversity and inclusion (D&I) values and the recruitment of Indonesian migrant workers with strong technical skills. This represents an improvement over previous years, when the workforce primarily consisted of individuals with a high school education or lower, and has substantively enhanced the professional capabilities and stability of the Company’s technical base.

This initiative aligns with the spirit of diversity and inclusion inherent in ESG principles, fostering a high-performing production team through precise talent selection and robust on-the-job training programs. The Company is committed to developing outstanding talent from diverse backgrounds into a core competitive advantage, demonstrating a long-term commitment to talent cultivation and social responsibility while maintaining stable operational growth.

IV. Environmental Protection Expenditures

- Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents:
There were no significant losses and disposals in 2025.
- Investment in energy-saving or green energy-related, environment-friendly, and sustainable machinery and equipment:
In 2025, an investment of NT\$12.22 million in energy-saving equipment was made, saving 1,175,000 kWh of electricity and reducing 556.72 MtCO₂e, as described

below :

Hsinchu Plant: Replacement of aging equipment, introduction of energy-saving and environmentally friendly high-efficiency transformers, energy-saving lighting improvements, renew the old air compressor, replacement of air compressors, replacement of air conditioners, installation of high-efficiency motors, etc., which saved total electricity consumption of 1,103,000 kWh.

Xinfeng Plant: Improvements in energy efficiency for air conditioning and chiller systems have reduced power consumption by 72,000 kWh.

V. Labor Relations

(I) Information on Employee Benefits, Continuing Education, Training, and Retirement Systems and the Status of Their Implementation, Labor Agreements and Measures for Safeguarding Employees' Rights and Interests:

Items	Systems and Measures
Benefits	<p>The Company has established the Employee Welfare Committee to appropriately plan employee benefits and improve related welfare systems.</p> <ol style="list-style-type: none"> 1. Wedding and funeral subsidies 2. Bereavement subsidies 3. Mid-Autumn and year-end bonuses 4. Birthday presents 5. Cash gifts for festivals 6. Domestic and foreign travel subsidies 7. Automobile purchases subsidies 8. Scholarships 9. Club subsidies 10. Annual large-scale events subsidies 11. Traffic allowances 12. Internal and external employee education and training 13. Commemorative gold coins for senior employees 14. Hospitalization subsidies for employees and their families 15. Emergency aids and loans 16. Group insurances 17. Regular health examinations 18. Special store offers

Items	Systems and Measures
Retirement (Resignation) Systems	<p>(1) Retirement: For pensions covered by the old pension system, in accordance with the Labor Standards Act, the Company established the Regulatory Committee on Reserve for Employee Retirement and makes monthly contributions to the reserve for employee retirement. As of the end of December 2025, the balance amounted to NT\$546,507 thousand in the special retirement account. For pensions covered by the new pension system, in accordance with the Labor Pension Act, the Company monthly contributes 6% of its employees' wages to their individual special accounts for those who adopt the new pension system. As for those who opt for voluntary contributions, the Company makes contributions to their individual special accounts at a ratio designated by the employees themselves.</p> <p>(2) Resignation: According to rules of the Company, the employees, whose pension has been paid under the old system for more than five years (inclusive) but no more than 25 years, may apply for resignation allowance at the time of resignation. The retirement allowance shall be determined by multiplying the years of service, monthly base salary, and certain ratio (20%~110%). In 2025, the Company paid a resignation allowance to its resigned employees in the amount of NT\$0.</p>
Continuing Education and Training	<p>We have established a comprehensive education and training system. Based on the Company's business strategy, organizational development direction, and future core competency needs, we plan and implement education and training programs for all levels and fields. We also encourage our colleagues to continue learning and professional development to enhance their expertise and job skills, thereby maintaining and strengthening the Company's overall competitive advantage. Depending on the purpose of talent development and the nature of the training, the Company's education and training programs include the following:</p> <p>(1) Management competency training: This training is designed to develop the management skills, leadership qualities, and organizational vision of supervisors. This encompasses management competency training, on-the-job training, and reserve cadre development programs. Additional training content is planned based on the Company's talent pool and international development needs.</p> <p>(2) Core competency training: This training is designed to establish the Company's shared core competencies and key skills. Training courses are planned based on the competency framework and the requirements of different job levels.</p> <p>(3) Professional competency training: This training is designed to deepen employees' professional knowledge, technical skills, and practical application abilities. Training courses are planned according to different professional categories, job duties, and work requirements.</p> <p>(4) Engineering system training: This training is designed to enhance engineering expertise, manufacturing capabilities, and the transfer of skills, encompassing professional engineering training, skill certification, and on-the-job training (OJT).</p> <p>(5) Newcomer training: This training is designed to help new employees and new managers understand the company culture, policies, and job responsibilities, facilitating their rapid integration into the organization and enhancing their job performance.</p> <p>(6) Other training: Includes necessary courses organized by various departments as required by laws and regulations, as well as training courses planned to support business development, mission execution, or project needs.</p>

Items	Systems and Measures
Labor Agreements	<p>The Company enters into collective agreements with its employees based on the Labor Standard Act, and files such agreements with the Labor Affairs Bureau. It implements related systems in accordance with laws, regulations and collective agreements.</p> <p>(1) The Company and its employees formally entered into the collective agreements on March 28, 1989. Such agreements were renewed in May 1992, May 1995, May 1998, July 2001, June 2004, June 2007, June 2010, June 2013, June 2016, June 2017, and June 2020. The most recent effective signing period was from July 2023 to July 2026. To foster stable labor relations and cultivate harmony between labor and management, the Company is committed to promoting labor welfare through proactive measures. Central to this endeavor is the initiation of collective bargaining procedures with the labor union. In these negotiations, both parties adhere to the principles of labor–management autonomy and integrity, engaging in constructive dialogue on various aspects including labor conditions, welfare measures, education and occupational safety, rewards and penalties, as well as promotion criteria.</p> <p>(2) The Company quarterly holds a labor-management symposium.</p> <p>(3) Apart from internal administrative channels, the Company also offers alternative methods, such as suggestion boxes and improvement proposals, for submitting complaints. These options ensure smooth communications between the employees and management.</p>
Measures for Safeguarding Employees' Rights and Interests	<p>The Company has lawfully established a labor union and holds quarterly labor-management meetings, so the labor relations are harmonious. The Company provides suggestion boxes, complaint channels, employee communication zones, and employee assistance mechanisms to assist employees in solving related problems.</p>
Losses from Labor Disputes in the Most Recent Year	<p>The labor relations in the Company are harmonious, and the Company has not suffered any loss from labor disputes. It is predicted that the Company won't be involved in any major labor disputes because it has sufficient channels for communicating about labor relations, salary, and benefit systems.</p>

(II) Losses from Labor Disputes in the Most Recent Year:

The labor relations in the Company are harmonious, and the Company has not suffered any loss from labor disputes. It is predicted that the Company won't be involved in any major labor disputes because it has complete channels for communicating about labor relations, salary, and benefit systems.

(III) Protective Measures for Work Environment and Employees' Personal Safety

The Company upholds being people-oriented as its core value. The Company is devoted to providing safe, sanitary and healthy workplaces. It carries out occupational safety and health management in accordance with labor laws and regulations. In 1999, it introduced and obtained the certification by the occupational safety and health management system OHSAS 18001. It also implemented and enforced related rules and PDCA cycle to guarantee its employees' personal safety and health. In order to strengthen procurement management, contract management and change management, the Company adopted CNS 15506 Occupational Safety and Health Management System in 2015.

In an effort to comply with international standards and national standards, the Company adopted ISO/CNS 45001 Occupational Safety and Health Management System in 2019, and passed the management system verification. The current effective period is from October 17th 2026 to October 16th 2028. These systems are designed to assist the organization in providing safe sanitary workplaces, preventing harms or health impacts from work, and actively improving organizational health and safety performance.

Additionally, the Company performs workplace hazard and risk identification and formulates plans for management, audit assistance, independent management, education, training, and emergency response drills. It takes preventive measures against possible injuries and disasters and regularly conducts emergency response drills to ensure systematic responses in a well-organized manner when any accident happens, minimizing damages and losses. The Company also guarantees its employees' life safety to achieve the goal of "no disaster, harm or occupational disease" as stated in its safety and health declaration.

(IV) Information on Code of Conduct or Ethics for Employees

Related procedures and rules are specially drafted to be followed by employees in their conducts, rights, obligations and ethical concepts. They are summarized as follows:

1. Hierarchical delegation of responsibilities

(1) Hierarchical delegation of responsibilities for business approval

Clarify business procedures and hierarchical delegation of responsibilities, and regulate authorities for each position

(2) Application form for position agent

Implement an agent system to ensure normal business operations of the Company.

(3) Positions and titles structure

Establish structure of positions and titles to provide employees with appropriate blueprints for career development.

2. Work rules

Clarify the rights and obligations of employees and the employer, and urge all staff of the Company to jointly promote the business operations of the Company.

3. Code of professional ethics

To become internationalized, the Company has to learn from international enterprises. Specifically, the headquarters shall define the code of professional ethics and require all its employees to carefully read, personally sign, and comply with related rules.

4. Responsibilities of Sectors

Clarify responsibilities and organizational functions of each main sector in order to allocate tasks among sectors according to their respective professions and enhance the Company's core competencies.

5. Punishment and reward measures

To promptly reward employees with contributions and protect the Company from damages arising out of employees' behaviors, related rewards and punishments are specified in the work rules.

6. Evaluation measures

The supervisors offer appropriate assistance and feedback according to employees' performances, which are used as basis for individual rewards, transfer, promotion, appointment, dismissal, cultivation, work review, and improvement.

7. Management measures for attendance and leave

To maintain disciplines, improve work quality, and establish guidelines for the employees' attendance and leave, the Company has formulated comprehensive rules on employees' attendance and leave.

8. Measures on non-competition and confidentiality undertakings

To safeguard the commercial interests and enhance the competitiveness of the Company, employees are obliged to maintain the confidentiality of the Company's business. To avoid any harm to the interests or business reputation of the Company, employees ought to sign Non-competition and Confidentiality Undertakings.

9. Management measures for the prevention of workplace violence

To prevent and control workplace violence, maintain gender equality at work, and safeguard human dignity, the Company has established related rules and formed a Workplace Violence Complaint Handling Committee. Furthermore, relevant laws, complaint channels, and procedures have been announced on the internal website to regulate employees' conduct and ensure a friendly working environment.

VI. Cyber Security Management

As the Company grows, the protection of electronic data and the continuous operation of information systems become increasingly important. Through the proper deployment of information security protection measures, we aim to avoid information security incidents caused by factors such as cyber attacks, natural disasters, and machine failures.

(I) Data Security Aspect:

Based on the importance of data and the frequency of risk occurrence, we have categorized risk levels and established local high-availability and network remote offsite backup mechanisms. The Company regularly conducts data restoration drills to reduce the risk of data loss. Additionally, we have enhanced the functionality of our storage systems, utilizing more advanced technology and predictive analytics to proactively prevent data storage system failures.

(II) Network Security Aspect:

To maintain normal business operations, we have implemented network and computer security protection systems. We continuously update relevant information

security equipment, set up internal and external network security protections, and deploy endpoint protection on important hosts.

(III) Management Systems:

1. Establishment of the Information and Communications Security Management Committee:

The Information and Communications Security Management Committee (referred to as the Information Security Committee) was established as a dedicated unit to ensure the effective operation of the information and communication security operations. The Information Security Committee uniformly formulates information and communication security policies and regularly reviews them. The content includes information and communication security, information and communication asset management, risk assessment and management, human resource security management, information and communication access control, physical and environmental security, organizational context assessment, system and network security, system development and operation, information security incident reporting and handling, business continuity management, information and communication security audit management, corrective management, document and record management, backup and recovery management, database management, and implementation of information and communications security.

2. Establishing a Personal Data Protection Committee:

We have established a Personal Information Protection Committee as a dedicated unit to ensure the effective operation and strengthen the personal information protection framework. The personal data protection system has been set up in accordance with the principles of applicable laws and regulations and international standards. The system aims to ensure that all personal data is properly protected. The personal data protection policy is regularly reviewed, and the management, implementation, and audit of personal data protection are continuously conducted.

3. Obtain ISO 27001:2022 certification: the certificate valid until January 3, 2028.

4. Through the appointment of 20 dedicated information security supervisors and personnel, we continuously review and improve the information security system to mitigate information security risks to an acceptable level and protect the confidentiality, integrity, and availability of information.

5. Continue to implement the information security PDCA cycle operations:

- (1) Conduct inventory and risk assessment of information assets on a regular basis every year.
- (2) Conduct disaster recovery drills for critical systems.
- (3) Perform system vulnerability scanning and penetration testing on a regular basis every year.
- (4) Regular system source code scans are conducted every year.
- (5) Execution of social engineering drills on a regular basis every year.
- (6) Hold information security education and training on a regular basis every year.

- (7) Dissemination of information security awareness to employees on a regular basis every month.
- (8) A total of 19 information security meetings were held, and 1 information security management review meeting was held to regularly review the information communication security policy.
- (9) Implemented 1 internal audit and 1 external audit; there were no major deficiencies identified, ensuring the implementation of information security measures.

6. Information security maintenance and monitoring:

Information and communication security management is a continuous process. The Company has established dedicated organizations and formulated a series of information security regulations. We have obtained ISO 27001 certification and regularly undergo third-party verification to ensure the continuous implementation of information and communication security. Furthermore, we have planned additional monitoring mechanisms to adapt to the rapidly changing landscape of information security due to technological advancements

- (1) Establishment of a security operations center (SOC): Construction has been completed, enabling centralized collection and real-time monitoring of corporate information security. This allows for effective threat analysis and rapid response, strengthening internal crisis management capabilities.
- (2) Application performance monitoring (APM): The deployment has been completed, assisting the Information System Center in monitoring the complex virtualized architectural environment. Breaking the limitations of traditional monitoring, this system accurately locates performance bottlenecks and identifies the causes of interruptions, reducing fault resolution time from hours to minutes.
- (3) Implemented multi-factor authentication (MFA): Construction was completed in 2025. To enhance identity security, multi-factor authentication has been implemented for remote access services. This two-factor verification mechanism reduces the risk of account hijacking, password leaks, and unauthorized access, ensuring user identity authenticity and establishing a robust access defense.
- (4) Managed detection and response (MDR): Construction was completed in 2025. Strengthen protection for critical endpoints to proactively detect and block malware, ransomware, and advanced persistent threats. This ensures that endpoint devices remain free from malicious software and effectively prevents the spread of cybersecurity threats within the network.

(IV) Information Security Joint Defense:

Joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) to facilitate the sharing of cybersecurity information and strengthens collaborative defense against cyber threats. This collaboration aims to achieve comprehensive effectiveness in cross-domain cybersecurity threat prevention.

VII. Important Contracts

As of the date of publication of this annual report, material contracts are as follows:

Contract Type	Parties	Contract Term	Main Content	Restrictions
Automobiles:				
Distribution Contract	Nanyang Industries Co., Ltd.	January 1, 2026 ~ Proposed Expiry Date	Authorize distributors to sell the Company's automobiles and parts within the territory of R.O.C.	None
Distribution Contract	Hyundai Motor Company	January 1, 2025 ~ December 31, 2029	Sell automobiles and parts of Hyundai Motor Company within the territory of R.O.C.	None
Technology licensing contract (PORTER)	Hyundai Motor Company	November 20, 2013 ~ November 19, 2028	The Company shall manufacture automobiles within the territory of R.O.C. according to specifications and technical materials provided by Hyundai Motor Company.	None
Technology licensing contract (TUCSON HEV)	Hyundai Motor Company	January 29, 2023 ~ January 28, 2028	The Company shall manufacture automobiles within the territory of R.O.C. according to specifications and technical materials provided by Hyundai Motor Company.	None
Technology licensing contract (VENUE)	Hyundai Motor Company	April 27, 2020 ~ April 26, 2028	The Company shall manufacture automobiles within the territory of R.O.C. according to specifications and technical materials provided by Hyundai Motor Company.	None
Technology licensing contract (TUCSON L)	Hyundai Motor Company	May 10, 2021 ~ May 09, 2029	The Company shall manufacture automobiles within the territory of R.O.C. according to specifications and technical materials provided by Hyundai Motor Company.	None
Technology licensing contract (CUSTIN)	Hyundai Motor Company	July 26, 2021 ~ July 25, 2029	The Company shall manufacture automobiles within the territory of R.O.C. according to specifications and technical materials provided by Hyundai Motor Company.	None
Technology licensing contract (QT 500)	Hyundai Motor Company	April 1, 2023 ~ March 31, 2027	The Company shall manufacture automobiles within the territory of R.O.C. according to specifications and technical materials provided by Hyundai Motor Company.	None
Technology licensing contract (MUFASA)	Hyundai Motor Company	April 8, 2025 ~ April 7, 2030	The Company shall manufacture automobiles within the territory of R.O.C. according to specifications and technical materials provided by Hyundai Motor Company.	None

Contract Type	Parties	Contract Term	Main Content	Restrictions
Motorcycles:				
No. VIPO 19 Technology Transfer Contract	Vietnam Manufacturing and Export Processing Co., Ltd.	August 01, 2023 ~ July 31, 2026	Technology transfer for new types of motorcycles, including V4A, VW5, VW6 and etc.	Exclusive licensing
No. VIPO 20 Technology Transfer Contract	Vietnam Manufacturing and Export Processing Co., Ltd.	July 05, 2024 ~ July 04, 2027	Technology transfer for new types of motorcycles, including VHA, VH2, VWN, VWR, VFN, VFL and etc.	Exclusive licensing
Appendix VIPO ANNEX 03 Technology Transfer Contract	Vietnam Manufacturing and Export Processing Co., Ltd.	September 15, 2024 ~ September 14, 2027	Adjusted the definition of net selling price, including VWA, VW4 and etc.	Exclusive licensing
No. VIPO 21 Technology Transfer Contract	Vietnam Manufacturing and Export Processing Co., Ltd.	December 02, 2024 ~ December 01, 2027	Technology transfer for new types of motorcycles, including VH3, VHB, VSH, VSK, VYA, VYB, VYC, VHC and etc.	Exclusive licensing
No. VIPO 22 Technology Transfer Contract	Vietnam Manufacturing and Export Processing Co., Ltd.	August 15, 2025 ~ August 14, 2028	Technology transfer for new types of motorcycles, including VSL, VSM, VYD, VYE and etc.	Exclusive licensing
No. VIPO 23 Technology Transfer Contract	Vietnam Manufacturing and Export Processing Co., Ltd.	April 01, 2026 ~ March 31, 2029	Technology transfer for new types of motorcycles, including VKD · VKE · VKF · VKG · VKH · VKJ and etc.	Exclusive licensing

Chapter 5. Review and Analysis of Financial Position and Financial Performance, and a Listing of Risks

I. Financial Position:

1. Comparative Analysis on Consolidated Financial Position

Unit: NT\$ thousand; %

Items \ Year	2025	2024	Difference	
			Amount	%
Current assets	35,774,386	32,237,236	3,537,150	10.97
Property, plant, and equipment	22,437,059	16,115,874	6,321,185	39.22
Other assets	38,926,745	19,904,039	19,022,706	95.57
Total assets	97,138,190	68,257,149	28,881,041	42.31
Current liabilities	23,537,929	22,254,010	1,283,919	5.77
Non-current liabilities	31,298,083	17,417,802	13,880,281	79.69
Total liabilities	54,836,012	39,671,812	15,164,200	38.22
Share capital	7,836,756	7,974,896	(138,140)	(1.73)
Capital reserves	1,717,409	1,735,853	(18,444)	(1.06)
Retained earnings	17,902,162	16,547,004	1,355,158	8.19
Other equity	(1,005,652)	(985,533)	(20,119)	2.04
Treasury stock	(132,816)	(132,816)	0	0.00
Non-controlling interests	15,984,319	3,445,933	12,538,386	363.86
Total equity	42,302,178	28,585,337	13,716,841	47.99

Notes on material changes:

Property, plant and equipment, other assets, non-current liabilities, non-controlling interests:

Primarily due to the inclusion of a new subsidiary in the 2025 consolidated financial statements.

2. Comparative Analysis on Parent Company Only Financial Position

Unit: NT\$ thousand; %

Items \ Year	2025	2024	Difference	
			Amount	%
Current assets	9,201,185	8,253,189	947,996	11.49
Property, plant, and equipment	5,314,313	5,311,760	2,553	0.05
Other assets	38,483,650	35,839,387	2,644,263	7.38
Total assets	52,999,148	49,404,336	3,594,812	7.28
Current liabilities	12,617,015	12,539,508	77,507	0.62
Non-current liabilities	14,064,274	11,725,424	2,338,850	19.95
Total liabilities	26,681,289	24,264,932	2,416,357	9.96
Share capital	7,836,756	7,974,896	(138,140)	(1.73)
Capital reserves	1,717,409	1,735,853	(18,444)	(1.06)
Retained earnings	17,902,162	16,547,004	1,355,158	8.19
Other equity	(1,005,652)	(985,533)	(20,119)	(2.04)
Treasury stock	(132,816)	(132,816)	0	0.00
Total equity	26,317,859	25,139,404	1,178,455	4.69

Notes on material changes:

The increase in non-current liabilities was primarily due to the increase in long-term borrowings.

II. Financial Performance:

1. Comparative Analysis of Consolidated Operating Results

Unit: NT\$ thousand

Items \ Year	2025	2024	Difference	
			Amount	%
Operating revenue	62,631,961	65,624,544	(2,992,583)	(4.56)
Operating costs	49,638,905	52,244,077	(2,605,172)	(4.99)
Gross profit	12,993,056	13,380,467	(387,411)	(2.90)
Operating expenses	7,545,685	7,524,408	21,277	0.28
Net operating profit	5,447,371	5,856,059	(408,688)	(6.98)
Non-operating income and expenses	727,113	619,741	107,372	17.33
Profit before income tax	6,174,484	6,475,800	(301,316)	(4.65)
Income tax expense	1,258,669	1,343,318	(84,649)	(6.30)
Net income for the year	4,915,815	5,132,482	(216,667)	(4.22)
Other comprehensive income (net amount after tax)	(38,798)	464,233	(503,031)	(108.36)
Total comprehensive income for the year	4,877,017	5,596,715	(719,698)	(12.86)

Notes on material changes:

Other comprehensive income: Primarily due to a decrease in exchange differences on translation of financial statements of foreign operations compared to 2024.

2. Comparative Analysis of Parent Company Only Operating Results

Unit: NT\$ thousand

Items \ Year	2025	2024	Difference	
			Amount	%
Operating revenue	46,431,574	49,796,931	(3,365,357)	(6.76)
Operating costs	40,497,003	43,569,239	(3,072,236)	(7.05)
Gross profit	5,916,408	6,219,592	(303,184)	(4.87)
Operating expenses	2,951,296	2,894,164	57,132	1.97
Net operating profit	2,965,112	3,325,428	(360,316)	(10.84)
Non-operating income and expenses	2,214,078	2,219,411	(5,333)	(0.24)
Profit before income tax	5,179,190	5,544,839	(365,649)	(6.59)
Income tax expense	645,901	774,442	(128,541)	(16.60)
Net income for the year	4,533,289	4,770,397	(237,108)	(4.97)
Other comprehensive income (net amount after tax)	(22,269)	416,063	(438,332)	(105.35)
Total comprehensive income for the year	4,511,020	5,186,460	(675,440)	(13.02)

Notes on material changes:

Other comprehensive income: Primarily due to a decrease in exchange differences on translation of financial statements of foreign operations compared to 2024.

III. Cash Flow:

(I) Liquidity analysis for the past two years

1. Consolidated Liquidity Analysis

Unit: %

Items \ Year	2025	2024	Increase (Decrease) (%)
Cash flow ratio (%)	18.69	29.82	(37.32)
Cash flow adequacy ratio (%)	83.17	93.17	(10.73)
Cash reinvestment ratio (%)	2.09	6.54	(68.04)

Note: 1. The decrease in the cash flow ratio was primarily due to the decrease in net cash flows from operating activities.

2. The decrease in the cash reinvestment ratio was mainly due to the decrease in net cash flows from operating activities and the increase in non-current assets.

2. Parent Company Only Liquidity Analysis

Unit: %

Year	2025	2024	Increase (Decrease) (%)
Cash flow ratio (%)	13.11	24.14	(45.69)
Cash flow adequacy ratio (%)	59.88	92.21	(35.06)
Cash reinvestment ratio (%)	Note 1	1.32	-

Note: 1.The cash flow from operating activities for the current period, after deducting cash dividends, resulted in a net cash outflow; therefore, the ratio is not applicable.

2.The decrease in cash flow-related ratios was primarily due to the decrease in cash inflows from operating activities.

(II) Cash Liquidity Analysis for the Upcoming Year

Unit: NT\$ thousand

Cash at Beginning of Year	Net Cash Inflows from Operating Activities	Net Cash Outflow from Investments and Financing Activities of the Whole Year	Cash Balance (Deficit)	Remedial Measures for Cash Inadequacy	
				Investment Plan	Financial Plan
2,473,169	2,473,704	(2,692,782)	2,254,091	-	-

In the coming year, the estimated cash inflow from operating activities is NT\$2,473,704 thousand, the estimated cash outflow from investing activities is NT\$221,833 thousand, and the estimated cash outflow from financing activities is NT\$2,470,949 thousand.

IV. Impacts of Material Capital Expenditure in the Most Recent Fiscal Year upon Financial Business:

(I) Utilization and Source of Funds of Major Capital Expenditures

Unit: NT\$ thousand

Plan	Actual or expected source of funds	Actual or expected completion date	Funds required	Actual or estimated capital expenditure				
				2026	2025	2024	2023	2022
Projects for production rationalization	Private capital	2026	1,584,028	281,366	285,302	580,487	271,387	165,486
Development of new types of scooters	Private capital	2026	1,061,592	292,105	238,113	267,658	102,040	161,676
Others	Private capital	2026	1,101,673	151,194	201,418	386,637	66,183	296,241

(II) Expected Benefits

1. Invest in equipment to expand, integrate, and improve the efficiency and quality of present product lines. This will also enhance product competitiveness and ensure a prompt response to both domestic and foreign market needs.
2. Invest in developing new types of motorcycles and creating more complete product lines, so as to develop new market segments and new international markets while increasing market shares, corporate revenues, and sales.

V. Investment Policy for the Most Recent Fiscal Year, Main Causes of Profits or Losses Resulting Therefrom, Improvement Plans and Investment Plan for the Upcoming Fiscal Year:

The Company's reinvestment strategies focus on its core businesses. The investment income from reinvestment accounted for using equity method in 2025 amounted to NT\$2,829,352 thousand. In the future, the Company will continue to implement the reinvestment plans with an attitude of seeking progress while maintaining stability.

VI. Risk Management and Assessment:

(I) Impact on the Company's Profit (Loss) Due to Interest and Exchange Rate Fluctuations and Inflation, and Future Responses:

1. Changes in interest rates

The Company's interest rate risks primarily stem from the liabilities related to managing its operating activities. Its main financing instruments are short and mid-term liabilities measured at banks' benchmark interest rate and fixed interest rate. To reduce interest rate risks, the Company strives to lower its loan interest rate with financial institutions every year according to market interest rates.

The interest rate range for short-term borrowings of the Company in 2025 was 1.735%~1.8%, and the interest rate for long-term borrowings was 1.77%~1.893%. With all other conditions unchanged, for every 1% increase or decrease in the loan interest rate, the net profit of the Company in 2025 would decrease or increase by NT\$124,231 thousand.

2. Exchange rate fluctuations

In 2025, the foreign sales revenue of the Company increased by NT\$176,217 thousand compared with those in 2024. The ratio of foreign sales revenue to the total revenue of the Company increased from 14.38% in 2024 to 15.8% in 2025. In addition, most parts used by the Company for automobile production were imported from foreign countries. In order to mitigate the impact of exchange rate fluctuations on its net profit, the Company has engaged in necessary hedging transactions to manage associated risks. These transactions include spot sales of net inflow of US dollars and the conclusion of foreign exchange forward contracts, with the aim of reducing impacts of exchange rate fluctuations on the Company's gains (losses).

To strengthen its risk control over exchange rate fluctuations, the Company has also taken the following countermeasures:

- (1) Regularly collects market information on exchange rates to understand fluctuation trends in exchange rate;

- (2) Conducts regular reviews and performs timely foreign exchange operations to adjust foreign currency positions;
- (3) Appoints financial institutions that have cooperated with the Company to provide professional advisory services and requires finance personnel to collect information about exchange rates and provide related sectors with this information promptly;
- (4) Takes into account exchange rate fluctuations to ensure that the Company will make reasonable profits when providing quotations in foreign currencies.

3. Inflation

According to the data released by the Directorate General of Budget, Accounting and Statistics of Executive Yuan, the average consumer price index in 2025 is 109.60, increased by 1.79% compared with that of 107.81 in 2024. The Company's costs have increased due to an increase in the global price of raw materials, growing needs for necessary for key components, tightened supply, and continuous price increases. Consolidate the Group's strength in global procurement to ensure adequacy and timeliness of supply. For certain components facing rising raw material costs, the Company adopts multi-manufacturer development or collaborates with multiple manufacturers on joint design and research. With a commitment to maintaining or enhancing quality, it mitigates impacts of the price increase by reducing the consumption of raw materials that are experiencing price growth through various development or production methods. In the future, the Company will continue to explore manufacturers with new technologies or cooperate with manufacturers to develop new technologies, thereby alleviate the impacts of adverse factors due to lowering costs with technologies.

(II) Policy regarding High-risk Investments, Highly Leveraged Investments, Loans to Other Parties, Endorsements/Guarantees, and Derivatives Transactions, Main Reasons for the Profit (Loss) Generated Thereby, and Future Response Measures:

To effectively control financial risks, the Company hasn't engaged in high-risk or highly leveraged investments or transactions. Capital loans, endorsements or guarantees and derivatives transactions also comply with related laws regulated by the Securities and Futures Bureau. Furthermore, the Company has developed operational procedures for capital loans, endorsements/guarantees and derivatives transactions, along with measures for internal control and management to improve financial and business management. Furthermore, the Company engages in derivative financial products transactions to mitigate market risks rather than for the purpose of trading or speculative product trading. In the future, it will continue to regularly evaluate and flexibly adjust related hedging strategies based on its business conditions and changes in market trends.

(III) Future R&D Plans and Expected R&D Spending:

1. Motorcycles:

- (1) Continuously plans products favored by target consumers and develops its own-brand motorcycles that lead the trends and increases its market share.
- (2) Masters core technologies of its excellent products, accumulates creative product technologies, and expands leading technologies.
- (3) Improves its abilities for platform integration, R&D, and design to rapidly launch products worth more than what they are paid for.

- (4) Continuously develops heavy-duty motorcycles, big-sized Heavy Motorcycle and innovative products with high added value.
 - (5) Integrates R&D technologies and production resources of overseas bases to launch special segmentation of high-end models and economical and practical models.
2. Automobiles:
- Plans to introduce hybrid automobiles, electric automobiles, and those equipped with high fuel efficiency engines in response to environmental regulations and standards.
3. In 2026, the Company plans to invest NT\$292,105 thousand in R&D of new models.
- (IV) Impacts of Changes in Domestic and Foreign Material Policies and Legal Changes upon Financial Operations of the Company and Countermeasures:
- The Company operates in compliance with relevant domestic and foreign laws and regulations, and the management has been paying close attention to laws and policies affecting the Company's business and operations. Currently, there is no significant impact on financial operations.
- (V) Impacts of Developments in Science and Technology and Industrial Changes on the Financial Operations of the Company and Countermeasures:
- 1. With the development of digital environments and technological tools, there is a growing focus on data protection and ensuring the continuous operation of information systems. Through the proper deployment of information security and protective measures, efforts are made to prevent cybersecurity incidents caused by factors such as cyberattacks, natural disasters, and equipment failures.
 - 2. The Company has obtained ISO 27001 information security management system certification. Through comprehensive measures in system security, network security, and policy management, the Company ensures the protection of information confidentiality and effectively controls cybersecurity risks.
 - 3. Actively develop NEVs, and give priority to safety to win market opportunities.
 - 4. The Company is closely monitoring the future technological advancements and market development trends in electric scooters, while also conducting research on key technologies and innovative business models for charging service related to electric scooters.
- (VI) Effects of Changes in Company Image upon Crisis Management and Countermeasures:
- 1. To strengthen governance, the Company has appointed independent directors and instituted both an Audit Committee and a Remuneration Committee, which convene regular meetings. These committees adhere to regulatory requirements, ensuring prompt disclosure of pertinent information. Additionally, the Company has established a spokesperson mechanism, with a dedicated unit tasked with effectively maintaining the Company's corporate image.
 - 2. To implement sustainable development policies and strategies and to clearly define the Company's ESG strategy framework and management mechanisms for effective promotion of related businesses, the ESG Committee was established. Its main missions are as follows:
 - (1) Assist in developing the Company's sustainability direction, strategy, and objectives, and in securing Board of Directors approval of related resolutions.
 - (2) Monitor, analyze, track, and revise the Company's sustainability goal performance.

- (3) Focus on issues important to stakeholders, including, but not limited to, government, shareholders, customers, suppliers, employees, the community, and the media, and address their needs through effective communication.
 - (4) Coordinate ESG assessment items to meet regulatory requirements.
 - (5) Analyze governance, strategy, risks and opportunities, and goal indicators related to sustainability (including climate change).
3. In the face of global challenges posed by extreme climate conditions, businesses are being tested on their resilience to risks. As a major manufacturing hub for finished vehicles, the Company has established a Sector of ESG & sustainability affairs, aligning with the goal of sustainable environmental management. This initiative echoes government initiatives toward achieving net zero emissions. Annually, the Company publishes ESG reports, actively researches new energy technologies, and products, committing to long-term, sustainable operations. We recognize our corporate responsibility in shaping the future and strive to create it collectively.
4. In addition to formulating annual and monthly operational plans, the Company regularly conducts weekly meetings, monthly meetings, and sales and production meetings. These meetings aim to enhance management precision and facilitate swift responses to the supply status of raw materials and critical components. They ensure the monitoring of the Company's operational activities and enable effective allocation and acquisition of internal resources, thereby enhancing crisis response capabilities.
- (VII) Expected Benefits and Possible Risks Associated with Any M&A and Countermeasures: None.
- (VIII) Expected Benefits and Possible Risks Associated with Any Plant Expansion and Countermeasures:
The Company's plant expansions have all gone through complete and prudent evaluation by responsible units. The return on investment and possible risks have all been taken into account.
- (IX) Risks Associated with Any Concentration of Sales or Purchase and Countermeasures:
- 1. Motorcycles
 - (1) Purchase:
 - A. Risks:
 - 1. Among the motorcycle parts purchased by the Company, several technologically advanced components are procured from professional manufacturers that possess exclusive technologies. All other parts are supplied by more than 2 manufacturers, all of whom are competent for production. Therefore, there is no risk of purchasing concentration.
 - 2. In terms of motorcycle components imported from overseas, we estimate future shipments by using half-yearly production forecasts and increase the safety stock level and lead time of purchase, in order to reduce the risk of delayed delivery of components.
 - B. Countermeasures:
 - 1. For the parts purchased from exclusive manufacturers, the Company maintains good relations with them. Meanwhile, it actively develops

relationships with new manufacturers and looks for alternative resources satisfying their needs, in order to reduce risks.

2. Provides manufacturers with a half-year predictive quantity for their reference in preparing goods. Increases the safety stock level and extends the lead time for purchasing to reduce risks of late delivery of parts.

(2) Sales:

A. Domestic sales:

The Company's general agents for selling motorcycles include general distributors in Taiwan and outing islands (Kinmen and Penghu) and individual distributors. The Company has maintained cooperation and good interactions with these distributors for many years. For motorcycles delivery, the Company first collects a shipping security deposit from the general distributors and individual shipping distributors. Motorcycles will then be shipped within the range secured by the deposit according to the corresponding order, and the payment for the entire order will be collected one week thereafter. After the Finance Sector confirms that the payment has been received and recognized, the guaranteed number of motorcycles will be restored, and the motorcycles will then be delivered. The general distributors and individual distributors shall manage their sales and inventories by themselves in cooperation with the Company's marketing process. It is concluded that there are no centralized or immediate risks.

B. Foreign sales:

1. The Company sells its motorcycles all over the world. It has set up an Overseas Business Sector to coordinate the marketing and production capacity of the factories in three regions for global shipping. Foreign sales arrangement focuses on promoting its sales in four major markets (Europe, Central/South America, Africa/Middle East, and ASEAN). At present, SYM has approximately 100 agents worldwide, and formulates a sales distribution strategy delegated by region and country, effectively reducing regional "market risk".
2. In addition, the Company plans to purchase product liability insurance for export models every year to reduce the risk of liability claims in overseas markets (risk diversification) resulting from product defects.
3. The Company's foreign sales of its motorcycles comply with the principle of "delivery after obtaining a bank's letter of credit as a guarantee or receiving payment." If a customer has any special payment conditions or requirements for a credit line change, the requirements shall be reviewed and approved by supervisors before delivery to lower "financial risks".

2. Automobiles

(1) Purchase:

The Company's automobiles are primarily supplied by Hyundai. Since Hyundai has experienced strikes every July to August for a long time, the purchasing risk is relatively high. However, the Company maintains long-term and close

cooperation with its suppliers to ensure that there will not be a shortage of components. In recent years, the rise of isolationism has made the shipping industry extremely unstable in the face of the pressure of tariff wars. In response to this change, the Company's safety stock is a key to the Company's future growth. Moreover, the Company has negotiated with Hyundai Korea to not only meet the Company's safety stock supply but also the actual production demand. In addition, Nanyang Industries Co., Ltd. is the main customer and an affiliate of the Company. Both companies regularly hold production and sales meetings to review their sales ratio and jointly diversify purchasing risks, ensuring that the Company does not incur unnecessary costs. In addition, Nanyang Industries Co., Ltd. is the main customer and an affiliate of the Company. Both companies regularly hold production and sales meetings to review their sales ratio and jointly diversify purchasing risks, ensuring that the Company does not incur unnecessary costs.

(2) Sales:

The Company's products are sold in the vast end customer market, so there is no sales concentration for either passenger or commercial vehicles. Nanyang Industries Co., Ltd. and other distributors order the Company's vehicle products according to consumers' orders, and they cannot prevent other distributors from selling these products. Therefore, the sales risks are diversified, and the Company has the authority to direct the sales market.

For passenger vehicles, Nanyang Industries Co., Ltd. strives to develop diverse sales channels, apart from selling through its sales bases. For commercial vehicles, Nanyang Industries Co., Ltd. employs a distribution method involving designated regions and volumes, catering to commercial groups.

- (X) Impacts of Substantial Share Transfer by Directors, Supervisors or Shareholders Holding over 10% Shares on the Company, Risks and Countermeasures: None.
- (XI) Impacts of Changes in Management Rights on the Company, Risks and Countermeasures: None.
- (XII) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that involve the company and/or any company director, any company supervisor, the president, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10%, and/or any company or companies controlled by the company; and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: None.
- (XIII) Other Important Risks and Countermeasures: None.

VII. Other Important Matters: None.

Chapter 6. Special Notes

I. Information on Affiliates

Please refer to MOPS for details

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

Check route as the following:

MOPS > Single Company > Download Electronic Documents > Three Reporting Forms for Affiliated Enterprises

II. Issuance of Private Placement Securities of the Most Recent Fiscal Year and as of the Date of the Annual Report: None.

III. Other Necessary Supplementary Information: None.

IV. Situations Listed in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act, which Might Materially Affect Shareholders' Equity or the Price of the Securities, Occurring during the Most Recent Fiscal Year and as of the Date of the Annual Report: None.

Sanyang Motor Co., Ltd.

Chairman Ching-Yuan Wu