



Stock Code: 6416

# Caswell, Inc.

## 2025 Annual Report

Annual Report Website: <https://mops.twse.com.tw>  
<https://www.cas-well.com/>

Printing Date: March 31, 2026

## I.

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Telephone : (02) 2371-1658

## IV. CPAs for the Latest Financial Statements

CPA : Kuo Hsin-yi, Chang Chao-wen  
Name of CPA Firm : KPMG  
Address : 68F, No. 7, Section 5, Xinyi Road, Taipei City  
Website : <http://www.kpmg.com.tw>  
Telephone : (02)8101-6666

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

## VI. Company Website:<http://www.cas-well.com>



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## Chapter 1. Letter to Shareholders

Dear Shareholders,

In 2025, the global trade environment continued to face challenges from rising protectionism and escalating geopolitical risks. The U.S. government's promotion of the "America First" policy led to significant changes in global trade, tariffs, and supply chain systems, accompanied by substantial exchange rate fluctuations. These factors impacted industry development and supply chain stability. Under these unfavorable overall operating conditions, growth momentum in most industries was suppressed; however, the Company maintained a stable operational performance through the concerted efforts of all employees.

For the fiscal year 2025, the Company's consolidated net operating revenue amounted to NT\$4,309,272 thousand, representing an increase of NT\$55,603 thousand, or 1.3%, compared to NT\$4,253,669 thousand in 2024. After-tax net income was NT\$315,590 thousand, a decrease of NT\$14,492 thousand, or 4.4%, from NT\$330,082 thousand in 2024. The Company's revenue and profit performance in 2025 was primarily affected by U.S. tariff policies and exchange rate fluctuations. Although revenue denominated in U.S. dollars initially showed nearly 10% growth, the significant depreciation of the U.S. dollar starting in May of the second quarter narrowed overall revenue growth. Nevertheless, the Company's solid financial position, flexible capacity allocation, and effective management measures enhanced operational efficiency, mitigating the impact of exchange rates on profitability. Overall, the core business operations remained stable.

With the continuous development of the Artificial Intelligence of Things (AIoT), autonomous driving, humanoid robots, and wireless access networks (5G and 6G communications), innovative applications of cloud and edge computing have been rapidly emerging. The massive connectivity of devices and the transmission of large volumes of data have led to persistent information security issues—such as ransomware attacks, denial-of-service attacks, misinformation, and leakage of trade secrets—that pose serious threats to business operations. Supply chain attacks have become a primary target, especially impacting capital-intensive industries such as industrial infrastructure, the energy sector, and technology applications. As a result, information security has become a key focus for governments and enterprises worldwide. Artificial intelligence (AI) has rapidly advanced due to breakthroughs in algorithm technology and the powerful, high-speed computing capabilities provided by AI chips. These developments have strengthened AI reinforcement learning training and enabled the creation of more diverse models in text, speech, and video. As a result, AI's reasoning capabilities have become more precise and are now widely applied across various industries,

healthcare, education, and entertainment gaming in daily life. This progress has further enhanced generative AI's ability to accurately respond to a wide range of inquiries and demands. AI injects new momentum into information security protection, helping the Company enhance its defense capabilities. However, AI tools can also be used to conduct or generate various types of highly realistic fraud, such as deepfakes. Consequently, major technology companies have been actively investing in the AI information security sector, developing a variety of AI information security products and services. By integrating AI with information security technologies, they assist enterprises in strengthening information security resilience, detecting simulated fraud, enhancing corporate governance capabilities, and reducing operational risks. This approach aims to build a safer and more reliable network environment for businesses and organizations while providing robust protection.

In response to market and industry development trends, the Company's operational plan for the year 2026 continues to build upon its long-established excellence in software, firmware, and hardware research and development capabilities and experience. By integrating the ingenuity and creativity of the R&D team with diverse customer needs and industry expertise, and by considering technological development trends while actively seeking strategic partners, the Company aims to create an ecosystem of industry collaboration and to launch integrated solutions. Leveraging years of research and development in multiple innovative designs, technologies, and experiences, combined with the innovative thinking of strategic partners, the Company continues to design and develop a more diversified range of products. These products include information and communication network security management systems, advanced cloud and AI computing servers, enterprise client network packet switches, virtual/wide-area client premises equipment (vCPE/uCPE) for software-defined wide area networks (SD-WAN), industrial and enterprise storage devices, industrial Internet control systems, and intelligent edge computing gateways. In response to the demands of network traffic management, data packet storage and transmission, and data security in various cloud application service fields, as well as the low latency requirements of edge computing, edge AI applications, deep learning, and intelligent computing applications, we assist clients with comprehensive and rapid integration of software and hardware. We also provide the necessary certifications for products and services, thereby shortening the development timeline for various application platform systems. By leveraging supply chain and manufacturing resources, we offer a comprehensive product line with high cost-effectiveness to meet clients' diverse needs in IT/OT/CT/DT network and information security application products and services.

The Company continues to invest in research and development of high-performance multicore processors (Intel/AMD X86 and RISC/ARM architectures), high-bandwidth Ethernet

networks (10G/25G/40G/100/200GbE), network switches, data processing units (DPU), and field-programmable gate arrays (FPGA). The Company will also work with customers to develop servers and server Board remote management systems (LOM/BMC) to address and prevent various network and hacker attacks. The Company will continue to invest in and promote the business model of system integration services and solution sales, aiming to develop new business directions. By providing related products and services, the Company seeks to gradually increase unit sales prices and value, thereby enhancing profitability. Furthermore, due to specific customer demands for production history, testing and verification, customized specifications, quality certification systems, maintenance services/records, after-sales maintenance and service, and global distribution management of system products, the company continues to develop and enhance integrated information platform services and testing and verification software packages. We are increasing the automation of process verification software and procedures, establishing after-sales service centers, optimizing the logistics management information system of our global distribution centers, and fully integrating with customers' internal systems. In addition to more comprehensive product testing and verification, we are consistently implementing various quality, environmental, and information security management systems in accordance with International Organization for Standardization (ISO) standards. We are also actively adopting short-, medium-, and long-term goals for corporate sustainability (ESG) policies to provide customers with better, more sustainable supply chain options.

In the face of volatile global economic activities, fluctuations in raw material supply and prices, trade tariffs, and geopolitical risks, the Company's management team and all employees have continuously upheld a diligent, dedicated, and prudent work ethic. Aligned with the Company's sustainable development strategy, we have developed and deeply cultivated related industries, including information security, enterprise storage, 5G/6G mobile communications, semiconductors, electric vehicles, autonomous driving, practical applications and transformation of artificial intelligence, AI information security and governance, smart manufacturing and smart cities, and robotics applications. In response to the global goal of achieving net-zero carbon emissions, the Company has actively promoted corporate sustainability (ESG) initiatives. In prudent response to the risks posed by geopolitical factors, the Company has carefully planned its global production and distribution models and established a collaborative ecosystem with strategic partners in related industries. The Company actively develops global customers to stabilize revenue and profit growth, enabling all shareholders to share in the benefits of growth and mutual success.

Chairman Steve Chu

President Reaforl Hung

Accounting Supervisor Amber Lee

## Chapter 2. Corporate Governance Report

### I. Information Regarding Directors and the Management Team

#### (I) Directors and supervisors

March 31, 2026

Position	Nationality/ Place of Registration	Name	Gender Age	Elected (Appointed) Date	Term	Date First Elected	Shareholding When elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Major Experience (Education)	Other Position Concurrently Held at the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Remarks
							Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding			Position	Name	Nature of Relationships	
Chairman	R.O.C.	Ennoconn Corporation	—	2023.06.14	Three Years	2014.12.5	20,000,000	33.32%	20,000,000	27.27%	—	—	—	—	Bachelor of Electronic Engineering, St. John's and St. Mary's Institute of Technology Senior Assistant Vice President of Hon Hai Precision Industry Co., Ltd.	Chairman, CASwell, Inc. Chairman & CEO, Ennoconn Corporation Director, Goldtek Technology Co., Ltd. Chairman, Dextatek Technology Co., Ltd. Director, Suzhou Ennoconn Technology Co., Ltd. Chairman, Poslab Technology Corporation Chairman, AIS Cayman Technology Group Chairman, Ennoconn International Investment Co., Ltd. Director, Marketech International Corp. Director, EnnoMech Precision Co., Ltd. Director, Vecow Co., Ltd. Director, Xinqu Star Venture Capital Co., Ltd. Chairman, Ennoconn Investment Holdings Co., Ltd. Chairman, Ennorise Corporation Chairman, Innovative Systems Integration Ltd. Chairman and Chief Executive Officer, Nera Telecommunications Ltd. Chairman, EnnoVision Inc. Director, Ennoconn Solutions Singapore Director, EnnoAI Singapore Director, Kontron AG Ennoconn Thailand Co., Ltd. Director	—	—	—	—
		Representative: Steve Chu	Male 61-70				50,000	0.08%	50,000	0.07%	—	—	—	—						



Position	Nationality/ Place of Registration	Name	Gender Age	Elected (Appointed) Date	Term	Date First Elected	Shareholding When elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Major Experience (Education)	Other Position Concurrently Held at the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Remarks
							Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding			Position	Name	Nature of Relationships	
															Director, Ennoconn India Corporation Director, Ennoconn Australia Pty Ltd. Director, Ennoconn New Zealand Ltd.					
Director	R.O.C.	Reaforl Hung	Male 51-60	2023.06.14	Three Years	2010.10.11	115,446	0.16%	188,446	0.26%	-	-	-	-	Master, Department of Innovation and Entrepreneurship Management, Shih Chien University (EMBA) R&D Vice President, Portwell, Inc.	President, Director, and Member of the Sustainability Development Committee, CASwell, Inc. Director, CASO, INC. Chairman, Hawkeye Tech, Co., Ltd.	-	-	-	-
Independent Director	R.O.C.	Jennifer Shao	Female 51-60	2023.06.14	Three Years	2013.04.09	-	-	-	-	-	-	-	-	Master's in Business Administration, National Chung Hsing University Vice President, Hanyou Investment Consulting Co., Ltd.	Independent Director and Member of the Remuneration Committee, Audit Committee and Sustainability Committee, CASwell, Inc. Chairman, Caiying Investment Co., Ltd. Independent Director and Member of the Audit and Sustainable Development Committees, Ennoconn Corp. Independent Director of Insyde Software Co., Ltd. and Member of the Audit Committee	-	-	-	-
Independent Director	R.O.C.	Fang Wen-Chang	Male 61-70	2023.06.14	Three Years	2013.04.09 (Note 1)	-	-	-	-	-	-	-	-	Ph.D. in Computer Science from Northwestern University, Dean of the College of Business at National Taipei University	Independent Director and Member of the Remuneration Committee, Audit Committee and Sustainability Committee, CASwell, Inc. President of Dayeh University, Doctoral Program of the College of Management at Dayeh University, Jointly Appointed Professor of the College of Management	-	-	-	-
Independent Director	R.O.C.	Luke Teng	Male 61-70	2023.06.14	Three Years	2023.06.14	-	-	-	-	-	-	-	-	Business Administration Program, National Chengchi University Director of Advanced Power Electronics Corp.	Independent Director and Member of the Remuneration Committee, Audit Committee and Sustainability Committee, CASwell, Inc. Corporate (Future Technology Consulting, Inc.) Representative Vice Chairman and Chief Strategy Officer, Advanced Power Electronics Co., Ltd. Chairman, Future Technology Consulting, Inc. Corporate (Future Technology Consulting, Inc.) Representative Director, Tainet Communication System Corp. Corporate (Future Technology Consulting, Inc.) Representative Director, Future Technology	-	-	-	-

Position	Nationality/ Place of Registration	Name	Gender Age	Elected (Appointed) Date	Term	Date First Elected	Shareholding When elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Major Experience (Education)	Other Position Concurrently Held at the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Remarks
							Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding			Position	Name	Nature of Relationships	
															Consulting (B.V.I.), Inc. Corporate (Advanced Power Electronics Co., Ltd.) Representative Director, Perfect Prime Ltd. (Samoa) Corporate (Advanced Power Electronics Co., Ltd.) Representative Chairman, Green Power Semiconductor Corp. Corporate (Advanced Power Electronics Co., Ltd.) Representative Director, WuXi Indie Microelectronics Ltd. Independent Director, Tul Corporation Corporate (Advanced Power Electronics Co., Ltd.) Representative Director, Fuhong Investment Co., Ltd. Director, Data Image Co., Ltd. Corporate (Future Technology Consulting, Inc.) Representative Chairman, Xinqu Star Venture Capital Co., Ltd. Director, Zhinan Star Venture Capital Co., Ltd. Director, Taikhe Star Venture Capital Co., Ltd. Corporate (Future Technology Consulting, Inc.) Representative Director, NCCU Star Venture Capital Co., Ltd.					

Note 1: During his initial term, Independent Director Wen-Chang Fang served from 2013.04.09 to 2020.06.15.

## (II) Major shareholders of the Company's major corporate shareholders:

## 1. Major shareholders of corporate shareholders

March 31, 2026

Name of Corporate Shareholder	Major shareholders of corporate shareholders
Ennoconn Corporation	Baoxin International Investment Co., Ltd. 22.74% Citibank (Taiwan) Limited, entrusted with the custody of the investment account of Google International LLC 3.35% Bank of Taiwan is entrusted with the custody of the Yuanta Taiwan High Dividend Low Volatility ETF Securities Investment Trust Fund account 3.14%. Chunghwa Post Co., Ltd. 3.02% Hsiang Fa Investment Co., Ltd. 2.52% Hua Nan Commercial Bank, Ltd., entrusted with the custody of the Yuanta Taiwan Value High Dividend ETF securities investment trust fund account 2.43% China Life Insurance Co., Ltd. 1.94% Labor Pension Fund (New Fund) 1.46% Hung Yang Venture Investment Co., Ltd. 1.41% TransGlobe Life Insurance Inc. 1.13%

## 2. Major Shareholders of Major Corporate Shareholder

March 31, 2026

Name of Corporate Shareholders	Major Shareholders of the Corporate Shareholders
Baoxin International Investment Co., Ltd.	Hon Hai Precision Industry Co., Ltd. 100%
Chunghwa Post Co., Ltd.	Ministry of Transportation 100%
Hsiang Fa Investment Co., Ltd.	MediaTek Capital Co., Ltd. 76.48%
China Life Insurance Co., Ltd.	KGI Financial Holding Co., Ltd. 100%
Hung Yang Venture Investment Co., Ltd.	Hon Hai Precision Industry Co., Ltd. 97.95% Baoxin International Investment Co., Ltd. 2.05%
TransGlobe Life Insurance Inc.	Zhongwei Dehui Co., Ltd. 100%

(III) Disclosure of Information on Professional Qualifications of Directors and Independence of Independent Directors:

Name	Qualifications Professional Qualifications and Experience (Note 1)	Independence Criteria	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Representative of Ennoconn Corporation: Steve Chu	Chairman Steve Chu graduated from Electronic Engineering, St. John's and St. Mary's Institute of Technology. He is the former Senior Assistant Vice President of Hon Hai Precision Industry Co., Ltd., and is currently the Chairman of Ennoconn Corporation. He has solid capabilities of operational judgment, business management, crisis management, industrial knowledge, global market viewpoint, leadership and decision-making.	N/A	0
Representative of Ennoconn Corporation: Aven Lou	Director Aven Lou graduated from the Department of Business Administration at Feng Chia University. He previously served as Vice President of Hon Hai Precision Industry Co., Ltd. and currently holds the position of President of Ennoconn Corp.'s Mainland China division. He possesses strong operational judgment, accounting and financial analysis skills, management capabilities, crisis management expertise, industry knowledge, international market insight, leadership, and decision-making abilities.	N/A	0
Representative of Ennoconn Corporation: Nelson Tsay	Director Nelson Tsay graduated with a Master's degree in Business Administration from West Coast University, USA. He is the former Chairman of American Industrial Systems Inc., and is currently the President of Ennoconn Corporation. He has solid capabilities of operational judgment, business management, crisis management, industrial knowledge, global market viewpoint, leadership and decision-making.	N/A	0
Reaforl Hung	Director Reaforl Hung graduated from the Innovation Management and Entrepreneurship Program, Shih Chien University. He is former R&D Vice President of Portwell, Inc., and is currently the President of CASwell, Inc. He has solid capabilities of operational judgment, business management, crisis management, industrial knowledge, global market viewpoint, leadership and decision-making.	N/A	0

Qualifications Name	Professional Qualifications and Experience (Note 1)	Independence Criteria	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Jennifer Shao	Independent Director Jennifer Shao graduated from Business Administration Graduate School, National Chung Hsing University. She used to be the Vice President of Hanyou Investment Consulting Co., Ltd., and is currently the Chairperson of Caiying Investment Co., Ltd. She has solid capabilities of accounting and financial analysis, business management, crisis management, industrial knowledge, global market viewpoint, leadership and decision-making.	Neither the Independent Director him/herself, their spouse, nor any relative within the second degree of kinship hold shares of the Company (or	2
Fang Wen-Chang	Independent Director Wen-Chang Fang graduated with a Ph.D. from Northwestern University in the United States. He previously served as the Dean of the College of Business at the National Taipei University, he brings academic expertise, crisis management skills, industry knowledge, international market insight, leadership and decision-making skills.	hold any under others' names) nor act as a director, supervisor or employee of the Company, companies with	0
Luke Teng	Independent Director Luke Teng graduated from the Chairman Business Administration Program at National Chengchi University. He used to be the Chairman for Tainet Communication System Corp., and currently the Vice Chairman and Chief Strategy Officer of Advance Power Electronics Corp., and Chairman of Future Technology Consulting, Inc. He has solid capabilities of operational judgment, business management, crisis management, industrial knowledge, global market viewpoint, leadership and decision-making.	a specific relationship or affiliates, and no one has provided the Company or its affiliates with business, legal, financial, accounting and other services for remuneration in the past 2 years.	1

Note 1: Not under any of the categories stated in Article 30 of the Company Act.

(IV) Diversity and Independence of the Board of Directors:

1. Diversity of the Board of Directors:

The Company's "Corporate Governance Best-Practice Principles" stipulate that diversity should be considered in the Board of Directors' composition. An appropriate diversification policy should be formulated based on its own operation, business type, and development needs. It should include but not limited to the following two major standards:

- (1) Basic requirements and values: gender, age, nationality and culture, etc.
- (2) Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

The members of the Board of Directors shall have the knowledge, skills and accomplishments necessary to perform their duties. To achieve the ideal goals of corporate governance, the overall Board of Directors should have the following capabilities:

- (1) Capability to make sound business judgments.
- (2) Accounting and financial analysis capabilities.
- (3) Business management ability.
- (4) Crisis management capability.
- (5) Industrial knowledge.
- (6) Global market perspective.
- (7) Leadership skills.
- (8) Capability to make decisions.

The current Board of Directors consists of seven members, including three independent directors. Among them, one is a female director, accounting for 14% of the seats. This aligns with the Company's current diversity management goals for the Board. Starting in 2025, in accordance with the "Sustainable Development Action Plans for TWSE- and TPEX-listed Companies," at least one-third of the seats on the Board of Directors should be held by directors of either gender. However, due to the industry characteristics and the Company's prior emphasis on professional ability and experience in director selection, the gender composition of the Board has not yet met the aforementioned requirement. To enhance gender diversity within the Board of Directors, the Company will continue to optimize the director nomination mechanism. This will involve recommending female candidates with professional backgrounds through various channels, such as industry and academic institutions, as well as matching them via the independent director talent database. The aim is to gradually increase the gender ratio during future Board elections.

Name	Position	Diversity Policy											
		Gender	Age	Concurrent employee of the Company.	Professional knowledge and skills								
					Academic experience	Capability to make sound business judgments	Accounting and financial analysis capabilities	Business management	Crisis management capability	Industrial Knowledge	Global market viewpoint	Leadership skills	Capability to make decisions
Steve Chu	Chairman	Male	61~70		✓		✓	✓	✓	✓	✓	✓	✓
Aven Lou	Director	Male	51~60		✓	✓	✓	✓	✓	✓	✓	✓	✓
Nelson Tsai	Director	Male	51~60		✓		✓	✓	✓	✓	✓	✓	✓
Reaforl Hung	Director	Male	51~60	✓	✓		✓	✓	✓	✓	✓	✓	✓
Jennifer Shao	Independent Director	Female	51~60			✓	✓	✓	✓	✓	✓	✓	✓
Fang Wen-Chang	Independent Director	Male	61~70		✓			✓	✓	✓	✓	✓	✓
Luke Teng	Independent Director	Male	61~70		✓		✓	✓	✓	✓	✓	✓	✓

2. Independence of the Board of Directors:

The current Board of Directors of the Company is composed of seven directors, including three independent directors (with a ratio of 43%). No situation listed in Article 26-3, Paragraph 3 and Paragraph 4 of the Securities and Exchange Act applies to the three independent directors, including to describe the situations of spouses and relatives within the second degree of kinship between the directors, supervisors, or directors and supervisors.

## (V) Information on the President, Vice Presidents, Assistant Vice Managers, and Supervisors of Divisions and Branch Units

March 31, 2026

Position	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Major Experience (Education)	Other Position Concurrently Held at the Company and Other Companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Remarks
					Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding			Position	Name	Nature of Relationships	
President	R.O.C.	Reaforl Hung	Male	2011.9.27	188,446	0.26%	—	—	—	—	Master, Department of Innovation and Entrepreneurship Management, Shih Chien University (EMBA) R&D Vice President, Portwell, Inc.	Director, CASO, INC. Chairman, Hawkeye Tech, Co., Ltd.	—	—	—	—
Senior Vice President of R&D Department	R.O.C.	Frank Hsu	Male	2015.1.1	449,840	0.61%	39,438	0.05%	—	—	Master, Department of Communication Engineering, National Taipei University R&D Vice President, Portwell, Inc.	Corporate Director Representative, CASwell International Investment Co., Ltd. Supervisor, Beijing CASwell Ltd.	—	—	—	—
Senior Vice President of Product Development Center	R.O.C.	Stephen Chang	Male	2013.6.1	120,165	0.16%	12,000	0.02%	—	—	Master, Department of Control Engineering, National Chiao Tung University Assistant Vice Manager, Accusys Technology Co., Ltd.	—	—	—	—	—
Vice President of General Administration Center	R.O.C.	Carrie Huang	Female	2009.7.1	216,272	0.29%	—	—	—	—	Master, Department of Business Management, National Taipei University Senior Financial Manager of Portwell, Inc.	Supervisor of HAWKEYE TECH, CO., LTD	—	—	—	—
Vice President of Sales Center	R.O.C.	Ray Lin	Male	2018.1.3	20,838	0.03%	—	—	—	—	Master, Department of Business Management, National Dong Hwa University	Executive Director of Beijing CASwell Ltd.	—	—	—	—

Position	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Major Experience (Education)	Other Position Concurrently Held at the Company and Other Companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Remarks
					Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding			Position	Name	Nature of Relationships	
											Senior Business Manager of Portwell, Inc.					
Vice President of Product Development Center	R.O.C.	Jack Tsai	Male	2019.1.1	20,000	0.03%	—	—	—	—	Bachelor, Department of Electrical Engineering, Datong University of Technology Assistant Manager of Hardware R&D, Accusys, Inc.	—	—	—	—	—
Vice President of Platform Application Center	R.O.C.	Alan Yu	Male	2019.1.1	8,556	0.01%	—	—	—	—	Master, Department of Electrical Engineering, Ocean University Chief Engineer of software R&D, Accusys, Inc.	—	—	—	—	—
Assistant Vice President, Product Planning Department	R.O.C.	Pomah Yen	Male	2012.8.1	26,000	0.04%	10,000	0.01%	—	—	Master, Computer Science & Information Engineering, Taipei University Product Manager of Portwell Technology Co., Ltd.	Director of CASO, INC., President of Caswell Americas Inc.	—	—	—	—
Assistant Vice Manager of Information Technology Department	R.O.C.	Simon Chiu	Male	2019.1.1	1,856	0.00%	—	—	—	—	Master, Department of Industrial Management, National Chung Hua University E Senior Manager of Portwell Technology Co., Ltd.	—	—	—	—	—
Assistant Vice Manager of R&D Department	R.O.C.	Eric Chang	Male	2020.1.1	8,000	0.01%	—	—	—	—	Master, Department of Electrical Engineering, Ocean University R&D Manager of Portwell Technology Co., Ltd.	—	—	—	—	—
Assistant Vice President,	R.O.C.	Hans Chen	Male	2021.4.1	—	—	1,000	0.00%	—	—	Doctor, Department of Electronic Engineering,	Director of HAWKEYE	—	—	—	—

Position	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Major Experience (Education)	Other Position Concurrently Held at the Company and Other Companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Remarks
					Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding			Position	Name	Nature of Relationships	
Product Planning Department											National Taiwan University of Science and Technology Senior Product Manager, Caswell, Ltd.	TECH, CO., LTD				
Assistant Vice President, Product Planning Department	R.O.C.	Yannic Chou	Male	2021.4.1	1,000	0.00%	—	—	—	—	Master, Industrial Engineering and Management, National Chiao Tung University. Senior Product Manager, Caswell, Ltd.	—	—	—	—	—
Assistant Vice Manager of Business Department	R.O.C.	Cynthia Liu	Female	2025.1.1	—	—	—	—	—	—	Bachelor of Arts in English and American Literature, Soochow University Director of Business Operations, CASwell Inc.	Apligo GmbH Chairman				
Head of Internal Audit	R.O.C.	Grace Lan	Female	2018.7.23	—	—	—	—	—	—	Bachelor, Department of Accounting, Fu-Jen Catholic University Head of Internal Audit of Sung Gang Asset Management Corp. Limited	—	—	—	—	—
Accounting Manager	R.O.C.	Amber Lee	Female	2022.4.29	—	—	—	—	—	—	Bachelor, Department of Public Finance and Tax Administration, National Taipei University of Business KPMG Vice Manager	—	—	—	—	—

(VI) Remuneration to the Directors, Supervisors, President, and Vice Presidents

1. Remuneration to directors

December 31, 2025; Unit: NT\$ thousand

Position	Name	Remuneration to directors						Summation of A, B, C, and D as a % of EAIT		Relevant Remuneration Received by Directors Who Are Also Employees				Summation of A, B, C, D, E, F and G as a % of EAIT		Compensation from an Invested Company Other than the Company's Subsidiary						
		Base Compensation (A)		Severance Pay and Pension (B)		Directors (C)		Business Execution Expenses (D)		Salary, Bonus, and Allowance (E)		Severance Pay and Pension (F)		Employee Compensation (G)								
		The Company	All Companies in the Consolidated Financial Statements	The Company	All Companies in Consolidated Financial Statements	The Company	All Companies in Consolidated Financial Statements	The Company	All Companies in Consolidated Financial Statements	The Company	All Companies in Consolidated Financial Statements	The Company	All Companies in Consolidated Financial Statements	Cash	Stock		Cash	Stock	The Company	All Companies in Consolidated Financial Statements		
Director	Ennoconn Corporation Representative: Steve Chu	—	—	—	—	3,000	3,000	780	2,210	3,780 1.20%	5,210 1.65%	6,411	6,411	108	108	840	—	840	—	11,139 3.53%	12,570 3.98%	None
	Ennoconn Corporation Representative: Aven Lou																					
	Ennoconn Corporation Representative: Nelson Tsay																					
	Ennoconn Corporation Representative: Reaforl Hung																					
Independent Director	Jennifer Shao	—	—	—	—	1,800	1,800	462	462	2,262 0.72%	2,262 0.72%	—	—	—	—	—	—	—	2,262 0.72%	2,262 0.72%	None	
	Fang Wen-Chang																					
	Luke Teng																					

Range of Remuneration

Range of Remuneration Paid to Directors	Name of Director			
	Total Amount of Remuneration (A+B+C+D)		Total Amount of Remuneration (A+B+C+D+E+F+G)	
	The Company	All Companies H in Consolidated Financial Statements	The Company	All Companies I in Consolidated Financial Statements
Less than NT\$1,000,000	Ennoconn Corporation (representative: Aven Lou), Ennoconn Corporation representative: Nelson Tsay, Reaforl Hung, Jennifer Shao, Wen-Chang Fang and Luke Teng	Ennoconn Corporation (representative: Aven Lou), Ennoconn Corporation representative: Nelson Tsay, Jennifer Shao, Wen-Chang Fang and Luke Teng	Ennoconn Corporation (representative: Aven Lou), Ennoconn Corporation representative: Nelson Tsay, Jennifer Shao, Wen-Chang Fang and Luke Teng	Ennoconn Corporation (representative: Aven Lou), Ennoconn Corporation representative: Nelson Tsay, Jennifer Shao, Wen-Chang Fang and Luke Teng
NT\$1,000,000 (inclusive)-NT\$2,000,000 (exclusive)	Ennoconn Corporation (Representative: Steve Chu)	Ennoconn Corporation (Representative: Steve Chu)	Ennoconn Corporation (Representative: Steve Chu)	Ennoconn Corporation (Representative: Steve Chu)
NT\$2,000,000 (inclusive)-NT\$3,500,000 (exclusive)		Reaforl Hung		
NT\$3,500,000 (inclusive)-NT\$5,000,000 (exclusive)				
NT\$5,000,000 (inclusive)-NT\$10,000,000 (exclusive)			Reaforl Hung	Reaforl Hung
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)				
NT\$15,000,000 (inclusive)~NT\$30,000,000 (exclusive)				
NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive)				
NT\$50,000,000 (inclusive)~NT\$100,000,000 (exclusive)				
Over NT\$100,000,000				
Total	7	7	7	7

2. Remuneration to Supervisors: not applicable
3. Remuneration of the President and Vice President

December 31, 2025; Unit: NT\$ thousand

Position	Name	Salary (A)		Severance Pay and Pension (B)		Bonus and Allowance (C)		Employee Compensation (D)				Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Compensation from an Invested Company Other than the Company's Subsidiary		
		The Company	All Companies in Consolidated Financial Statements	The Company	All Companies in Consolidated Financial Statements	The Company	All Companies in Consolidated Financial Statements	The Company		All Companies in Consolidated Financial Statements		The Company	All Companies in Consolidated Financial Statements			
								Cash	Stock	Cash	Stock					
President	Reaforl Hung	10,695	10,695	739	739	10,806	10,806	2,540	-	2,540	-	24,780	7.85%	24,780	7.85%	None
Senior Vice President	Frank Hsu															
Senior Vice President	Stephen Chang															
Vice President	Carrie Huang															
Vice President	Ray Lin															
Vice President	Jack Tsai															
Vice President	Alan Yu															

Range of Remuneration

Range of Remuneration Paid to the President and Vice Presidents	Name of President and Vice President	
	The Company	All Companies in Consolidated Financial Statements
Less than NT\$1,000,000	—	—
NT\$1,000,000 (inclusive)-NT\$2,000,000 (exclusive)	—	—
NT\$2,000,000 (inclusive)-NT\$3,500,000 (exclusive)	Frank Hsu, Carrie Huang, Ray Lin, Jack Tsai, Alan Yu	Frank Hsu, Carrie Huang, Ray Lin, Jack Tsai, Alan Yu
NT\$3,500,000 (inclusive)-NT\$5,000,000 (exclusive)	Stephen Chang	Stephen Chang
NT\$5,000,000 (inclusive)-NT\$10,000,000 (exclusive)	Reaforl Hung	Reaforl Hung
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)	—	—
NT\$15,000,000 (inclusive)~NT\$30,000,000 (exclusive)	—	—
NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive)	—	—
NT\$50,000,000 (inclusive)~NT\$100,000,000 (exclusive)	—	—
Over NT\$100,000,000	—	—
Total	7 people	7 people

4. Name of managers distributing employee compensation and distribution  
December 31, 2025; Unit: NT\$ thousand

	Position	Name	Stock	Cash	Total	Proportion to Earnings After Tax
Managerial Officer	President	Reaforl Hung	—	3,780	3,780	1.2%
	Senior Vice President	Frank Hsu				
	Senior Vice President	Stephen Chang				
	Vice President and Head of Finance	Carrie Huang				
	Vice President	Ray Lin				
	Senior Vice President of R&D Department	Jack Tsai				
	Senior Vice President of R&D Department	Alan Yu				
	Assistant Vice Manager of Business Department	Cynthia Liu				
	Assistant Vice President, Product Planning Department	Hans Chen				
	Assistant Vice President, Product Planning Department	Yannic Chou				
	Assistant Vice Manager of Information Technology Department	Simon Chiu				
	Assistant Vice Manager of R&D Department	Eric Chang				
	Accounting Manager	Amber Lee				

5. The Company's remuneration policy

- (1) Specify and compare the remunerations to Directors, Presidents and Vice Presidents of the Company in proportion to the earnings after tax from the Company and companies included in the consolidated financial statements in the most recent 2 years, and specify the policies, standards, combinations, procedure of decision-making of remunerations and their relation to business performance and future risk:

- A. Analysis of total remuneration, as a percentage of net income stated in the parent the Company only financial statements, paid to the Directors, President, and Vice Presidents during the past 2 fiscal years

Unit: NT\$ thousand

Year Item	2024				2025			
	Remuneration		As percentage of net income after tax		Remuneration		As percentage of net income after tax	
	The Company	All Companies in Consolidated Financial Statements	The Company	All Companies in Consolidated Financial Statements	The Company	All Companies in Consolidated Financial Statements	The Company	All Companies in Consolidated Financial Statements
Director	14,104	15,452	4.27%	4.68%	13,401	14,832	4.25%	4.70%
President and Vice President	26,525	26,525	8.04%	8.04%	24,780	24,780	7.85%	7.85%

- B. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with risks and business performance.
- a. The director's remuneration of the Company is determined in accordance with Article 19 of the Company's Articles of Incorporation. The remuneration for directors performing duties for the Company is based on their degree of involvement in the Company's operations and the value of their contributions, taking into account domestic and international industry standards, and is authorized by the Board of Directors. Furthermore, according to Article 23 of the Company's Articles of Incorporation, if the Company makes a profit in the fiscal year, a provision of up to 2% shall be set aside for director's remuneration. The Company regularly evaluates director's remuneration according to the "Rules for Performance Evaluation of Board of Directors." The performance evaluation standards for directors include aspects such as degree of operational involvement, professional development and contribution, board performance, company operations, and governance performance. The assessment of director's performance and the actual remuneration disbursed are all subject to review by the Remuneration Committee before being submitted for approval

by the Board of Directors. The remuneration structure for the Company's managers mainly consists of base salary, bonuses, and employee remuneration. The base salary is determined based on the position held and the responsibilities undertaken, taking into account industry standards for similar positions. Bonuses are calculated considering future industry trends and risks, as well as the Company's annual operational performance, financial condition, operational status, and individual performance. The Company bases the issuance of bonuses for each manager on their performance evaluation results. Performance evaluation criteria include financial indicators, which assess the profitability of the Company and the achievement rate of managers' targets. Non-financial indicators: Operational management capabilities, participation in sustainable operations, and timely review of the remuneration system based on actual operational conditions and relevant regulations. The actual remuneration disbursed to managers is all subject to review by the Remuneration Committee before being submitted for approval by the Board of Directors.

- b. The review of the Company's remuneration policy, related payment standards, and system is primarily based on the overall operational status of the Company. It is determined based on the achievement rate of performance and contribution to enhance the overall team effectiveness of the Board of Directors and the organization. Furthermore, we reference industry salary standards to ensure that the remuneration for our management team remains competitive, enabling us to retain and attract excellent management talent. All significant decisions made by the Company's management team are carefully considered after assessing material risks. Managers are also responsible for managing and mitigating risks within their scope of duties. The performance related to these decisions is reflected in the Company's profitability results. To further mitigate operational risks, the Company has purchased liability insurance for directors and managers. As of now, there have been no litigation cases. Therefore, the likelihood of directors and managers bearing responsibility, obligations, or liabilities in the future is low.

## II. Status of Corporate Governance

### (I) Operation of the Board of Directors:

A total of 5 meetings of the Board of Directors were held in 2025 and 2026. The attendance of the directors is as follows:

Position	Name	Attendance in Person B	Attendance by Proxy	Attendance Rate [(B)/(A)]	Remarks
Chairman	Ennoconn Corporation Representative: Steve Chu	5	0	100%	Reelected
Director	Ennoconn Corporation Representative: Aven Lou	4	1	80%	Reelected
Director	Ennoconn Corporation Representative: Nelson Tsay	5	0	100%	Reelected
Director	Reaforl Hung	5	0	100%	Reelected
Independent Director	Jennifer Shao	5	0	100%	Reelected
Independent Director	Fang Wen-Chang	5	0	100%	Newly Appointed
Independent Director	Luke Teng	5	0	100%	Newly Appointed

Other matters to be recorded:

I. With regards to the implementation of the Board of Directors, if any of the following circumstances occurs, the dates, terms of the meetings, contents of motions, all independent directors' opinions and the Company's handling of such opinions should be specified:

(I) Matters listed in Article 14-3 of the Securities and Exchange Act

A total of 4 Board meetings were held in 2024. The details of the decisions taken can be found on pages 45-46 of the annual report. All independent directors had no objection to the matters listed in Article 14-3 of the Securities and Exchange Act, and they were approved accordingly.

(II) Other resolutions of the Board of Directors, which the Independent Director(s) voiced objection or reservation that are documented or issued through a written statement in addition to the above:

None

II. Regarding recusals of directors from voting due to conflicts of interests, the names of the directors, contents of motions, reasons for recusal, and results of voting should be specified:

Date of Board Meetings	Name of Director	Major Resolutions	Reasons of Avoiding Conflicts of Interest	Voting
2025/03/05	Reaforl Hung	Proposal to assess and establish compensations and remuneration for Directors and managers for 2025.	Has a conflict of interest with themselves or the represented legal entity	Abstained from discussion and voting due to conflict of interest
2025/08/06	Directors	Directors Individual Remuneration Distribution	Has a conflict of interest with themselves or the represented legal entity	Abstained from discussion and voting due to conflict of interest
2025/08/06	Reaforl Hung	Manager Remuneration Distribution	Has a conflict of interest with themselves or the represented legal entity	Abstained from discussion and voting due to conflict of interest
2026/03/04	Reaforl Hung	Proposal to assess and establish compensations and remuneration for Directors and managers for 2026.	Has a conflict of interest with themselves or the represented legal entity	Abstained from discussion and voting due to conflict of interest

III. TWSE/TPEX listed companies shall disclose the information of self-evaluation (or peer evaluation) of the Board of Directors, such as evaluation cycle, period, scope, method, and contents:

Evaluation Frequency	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content	Evaluation Result	Report Submission Date of Board of Directors
Once a year	From January 1, 2025 to December 31, 2025	Board of Directors	Chairman self-evaluation	1. Degree of participation in the Company's operations 2. Improvement of the quality of the Board of Directors' decision-making 3. Composition and structure of Board of Directors 4. Election and continuing education of the Directors. 5. Internal control	Excellent	2026/03/04
		Board member	Director self-evaluation	1. Execution of the Company's goals and tasks	Excellent	

Evaluation Frequency	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content	Evaluation Result	Report Submission Date of Board of Directors
				2. Understanding of the director's roles and responsibilities 3. Degree of participation in the Company's operations 4. Management and communication of the internal relations 5. Expertise and continuing education of the Directors 6. Internal control		
		Audit Committee	Committee member self-evaluation	1. Degree of participation in the Company's operations 2. Awareness of the duties of the Audit Committee 3. Improvement of the quality of the Audit Committee's decision-making 4. Composition and member election of the Audit Committee 5. Internal control	Excellent	
		Remuneration Committee	Committee member self-evaluation	1. Degree of participation in the Company's operations 2. Awareness of the duties of the Remuneration Committee 3. Improvement of the quality of the Remuneration Committee's decision-making 4. Composition and member election of the Remuneration Committee 5. Internal control	Excellent	
		Sustainability Committee	Committee member self-evaluation	1. Degree of participation in the Company's operations 2. Awareness of the duties of the Sustainable Development Committee 3. Improvement of the quality of the Sustainable Development Committee's decision-making 4. Composition and member election of the Sustainable Development Committee 5. Internal control	Excellent	
Once every three	From December	Board of Directors	External Evaluation	1. Board composition and division of responsibilities	Note 1	2025/03/05

Evaluation Frequency	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content	Evaluation Result	Report Submission Date of Board of Directors
years	1, 2023, to November 30, 2024.		by the Chinese Corporate Governance Association	2. Board guidance and supervision 3. Board authorization and risk management 4. Board communication and collaboration 5. Board self-discipline and improvement		
Note 1: For the assessment report, please refer to <a href="https://www.cas-well.com/wp-content/uploads/bod_report.pdf">https://www.cas-well.com/wp-content/uploads/bod_report.pdf</a>						

<p>IV. Measures taken to strengthen the functionality of the Board of Directors in the current and the latest year, and implementation status:</p> <p>(I) Enhance the quality of the Board of Directors: Establish a corporate governance supervisor responsible for corporate governance matters, strengthen the functions of the Board of Directors, adopt a system for nominating candidates for the Board of Directors, and ensure that the Board of Directors is diverse and professionally competent. Each year, directors are provided with training and regular briefings on policies and regulations to enhance the Board of Directors ability to function and make decisions.</p> <p>(II) Strengthening Board Structure: The Company has established an Audit Committee, consisting of all independent directors in their respective professions, to review significant matters. In addition, a Remuneration Committee is established to annually evaluate and review the compensation system for the Company's directors and executive officers and to make recommendations to the Board for its consideration. On November 6, 2024, the Sustainability Committee was established to provide opinions on matters related to sustainable development.</p> <p>(III) Compliance with Director's Conflict of Interest: If any director has a conflict of interest, they will voluntarily recuse themselves from the Board meeting.</p> <p>(IV) Compliance with Laws and Regulations: The Board of Directors has indeed complied with the "Board Meeting Operation and Management Regulations" and upheld the spirit of information transparency. The major decisions of the Board of Directors were announced on the MOPS and the Company's website in accordance with the regulations, and the implementation was satisfactory.</p> <p>(V) Internal Control: The audit unit monitors the Company's internal controls and risk management, and the head of audit reports on its implementation at Board meetings.</p>
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(II) Information on the operation of the Audit Committee:

1. For the professional qualifications and experience of the Audit Committee members appointed, please refer to the information on Directors and Supervisors on page 7-8.
2. Committee Operations:

The Committee convenes at least once each quarter and may hold meetings as needed. The Committee shall specify the reasons for the convening and notify all Independent Director members of the Committee at least seven days in advance. However, those with urgent matters are not subject to this limitation. The Committee shall elect one member from among all members to serve as convener and chairperson of meetings. If the convener is on leave or otherwise unable to convene a meeting, he or she shall designate another independent director to act on his or her behalf. If no proxy is designated, the independent directors of the Committee shall elect one among themselves to act as proxy. The Committee conducts an annual performance evaluation; for evaluation details, please refer to page 25-27.
3. The Committee's annual work priorities are as follows:
  - Approval of the 2024 Annual Operating Report.
  - Approval of the Financial Report for 2024 and the first three quarters of 2025.
  - Approval of the 2024 Earnings Distribution Plan
  - Approval of the 2024 Statement of Internal Control System
  - Approval of the 2025 Business Plan
  - Approval of the change of the Company's CPAs
  - Approval of the Independence & Competency Assessment and Appointment & Remuneration of the CPAs for 2025
  - Approval of the Amendments to the Articles of Incorporation, Pre-Approval Procedures for Non-Assurance Services Provided by the Certified Public Accountant, Internal Control System—Payroll Cycle, and the Internal Audit Implementation Rules—Payroll Cycle
  - Passed renewal of the short-term credit line with banks and financial products borrowing facilities
  - Approval of the lending of funds to subsidiary Apligo GmbH
  - Approval of the 2026 Audit Plan

As of the date of publication of the Annual Report, total of 5 meetings of the Audit Committee were held in 2025 and 2026. The attendance of the committee members is as follows:

Position	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (B/A)	Remarks
Independent Director	Jennifer Shao	5	—	100.00%	Reelected
Independent Director	Fang Wen-Chang	5	—	100.00%	Newly Appointed
Independent Director	Luke Teng	5	—	100.00%	Newly Appointed
Other matters to be recorded:					
I. The date of the Board meeting, the term, contents of the proposals, contents of motions, contents of independent directors' objections, reservations or material proposals, and the Company's handling of the resolutions of the Audit Committee should be recorded under the following circumstances in the operations of the Audit Committee meeting:					
(I) Matters Listed in Article 14-5 of the Securities and Exchange Act (Operational Status)					

Audit Committee Date (Term)	Major Resolutions	Opinions of all Independent Directors and the Company's handling of opinions of Independent Directors
2025/03/05 (5th Session, 7th Meeting)	<ol style="list-style-type: none"> <li>1. 2024 Annual Operating Report</li> <li>2. 2024 Annual Financial Statement</li> <li>3. 2024 Earnings Distribution Plan</li> <li>4. 2024 Statement of Internal Control System</li> <li>5. 2025 Business Plan</li> <li>6. Change of the Company's CPAs</li> <li>7. Independence &amp; Competency Assessment and Appointment &amp; Remuneration of the CPAs for 2025</li> </ol>	Approved by all Independent Directors

Audit Committee Date (Term)	Major Resolutions	Opinions of all Independent Directors and the Company's handling of opinions of Independent Directors
	<ol style="list-style-type: none"> <li>8. Renewal of the short-term credit line with banks and financial products borrowing facilities</li> <li>9. Proposal of amendment to the Company's Articles of Incorporation</li> </ol>	
2025/05/07 (5th Session, 8th Meeting)	<ol style="list-style-type: none"> <li>1. Financial statements for the first quarter of 2025</li> <li>2. Application for renewal of the credit line with Hua Nan Bank.</li> </ol>	Approved by all Independent Directors
2025/08/06 (5th Session, 9th Meeting)	<ol style="list-style-type: none"> <li>1. Financial statements for the second quarter of 2025</li> <li>2. The Company intends to apply to Taishin Commercial Bank and the Export-Import Bank of the Republic of China for the renewal of its short-term bank credit and financial product transaction limits.</li> <li>3. Proposal for lending of new funds to subsidiary Apligo GmbH</li> </ol>	Approved by all Independent Directors
2025/11/12 (5th Session, 10th Meeting)	<ol style="list-style-type: none"> <li>1. Financial statements for the third quarter of 2025</li> <li>2. The Company intends to apply to Taiwan Land Bank, Cathay United Bank, and Bank of Taiwan for short-term bank credit and financial product transaction limits.</li> <li>3. Proposal for lending of new funds to subsidiary Apligo GmbH</li> <li>4. Proposed amendments to the “Regulations for Pre-approval of Non-assurance Services Provided by the Company's Auditors”</li> <li>5. Proposed Amendments to the Company's “Internal Control System – Payroll Cycle” and “Internal Audit Implementation Rules – Payroll Cycle”</li> <li>6. 2026 Audit Plan</li> </ol>	Approved by all Independent Directors

Audit Committee Date (Term)	Major Resolutions	Opinions of all Independent Directors and the Company's handling of opinions of Independent Directors
2026/03/04 (5th Session, 11th Meeting)	<ol style="list-style-type: none"> <li>1. 2025 Business Operations Report</li> <li>2. 2025 Financial Statements</li> <li>3. 2025 Earnings Appropriation</li> <li>4. 2025 Statement of Internal Control System.</li> <li>5. The Company intends to acquire a 70% stake in Network Box Holdings Ltd.</li> <li>6. 2026 Business Plan</li> <li>7. Independence &amp; Competency Assessment and Appointment &amp; Remuneration of the CPAs for 2026</li> <li>8. The Company intends to apply to KGI Bank for a short-term credit facility and financial product transaction limit.</li> <li>9. Proposed Amendments to the Company's "Regulations Governing the Acquisition and Disposal of Assets"</li> <li>10. Proposed Amendments to the Company's "Guidelines for Sustainable Development Practices"</li> <li>11. Proposed Amendment to the Company's "Sustainability Report Preparation and Assurance Procedures"</li> </ol>	Approved by all Independent Directors

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

II. If there were independent directors who abstained from voting due to conflict of interest, the independent directors' names, contents of the proposal, causes of avoiding conflicts of interest and participation in voting should be specified: None

III. Communications between the Independent Directors, the Company's chief internal auditor and CPAs (should include the material items, methods and results of audits of corporate finance or operations, etc.).

(I) At least once every two months via email or meetings, the internal audit unit of the Company communicates with, and submits audit reports to, Independent Directors in

accordance with the audit plan. When necessary, the audit head will attend the meeting of Audit Committee to report and communicate on matters such as audit business, omission and improvement and make records and report them to the Board of Directors.

Date	Motion	Opinions of Independent Directors and Results
2025.01.20 Internal Audit Report Meeting	Report on the implementation status of audits in December 2024	No objections
2025.02.05 Internal Audit Report Meeting	Report on the implementation status of audits in January 2025	No objections
2025.03.07 Internal Audit Report Meeting	Report on the implementation status of audits in February 2025.	No objections
2025.04.29 Internal Audit Report Meeting	Report on the implementation status of audits from March to April 2025	No objections
2025.05.22 Internal Audit Report Meeting	Report on the implementation status of audits from April to May 2025	No objections
2025.07.29 Internal Audit Report Meeting	Report on the implementation status of audits from June 2025 to July 2025	No objections
2025.08.27 Internal Audit Report Meeting	Report on the implementation status of audits from July to August 2025	No objections
2025.11.11 Internal Audit Report Meeting	Report on the implementation status of audits in October 2025	No objections
2025.12.05 Internal Audit Report Meeting	Report on the implementation status of audits in November 2025	No objections

- (II) Independent directors of the Company communicate individually with the CPAs at least four times a year through meetings and other means. They discuss matters such as the audit or review results of financial reports, amendments to relevant laws and regulations, and significant investment projects. Additionally, communication with the independent directors is conducted on an as-needed basis.

Date	Motion	Opinions of Independent Directors and Results
2025.03.05 Audit Committee Pre-Meeting	CPAs explained the contents, findings and key audit items of the 2024 consolidated financial statements after the audit	The CPA replied to the inquiry of the independent directors, and all the independent directors had no opinion
2025.05.07 Audit Committee Pre-Meeting	<ol style="list-style-type: none"> <li>1. The certified public accountant provided explanations regarding independence, the firm's quality control system, and the review of the Company's first quarter report for 2025.</li> <li>2. Strategy for responding to U.S. tariffs.</li> </ol>	The CPA replied to the inquiry of the independent directors, and all the independent directors had no opinion
2025.08.06 Audit Committee Pre-Meeting	<ol style="list-style-type: none"> <li>1. The certified public accountant provided an explanation regarding ethics and independence, as well as the review of the Company's second quarter report for the year 2025.</li> <li>2. Important updates on securities and exchange regulations. Advance Notice: Draft Amendments to the Regulations Governing the Contents of Annual Reports of Public Companies</li> </ol>	The CPA replied to the inquiry of the independent directors, and all the independent directors had no opinion
2025.11.12 Audit Committee Pre-Meeting	<ol style="list-style-type: none"> <li>1. The certified public accountant provided an explanation regarding ethics and independence, as well as the review of the Company's third quarter report for the year 2025.</li> <li>2. Annual audit plan</li> </ol>	The CPA replied to the inquiry of the independent directors, and all the independent directors had no opinion

(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	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Does the Company establish and disclose its corporate governance best-practice principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company has established “Corporate Governance Best Practice Principles” in accordance with the “Corporate Governance Best Practice Principles for Listed and Over-the-Counter Companies” and published them on the Company's website and on MOPS.	No significant differences.
II. Shareholding structure & shareholders' rights				No significant differences.
(I) Does the Company establish and implement internal operating procedures to deal with shareholders' suggestions, doubts, disputes, and litigations?	✓		(I) The Company sets up the spokesperson system to handle relevant issues. The Company deeply understands and coordinates on the handling of the suggestions or concerns of shareholders, and has formulated the “Corporate Governance Best-Practice Principles” to ensure shareholders' rights and interests, which is implemented in accordance with relevant procedures.	
(II) Does the Company possess a list of its major shareholders with controlling power	✓		(II) The Company has appointed a share transfer agency to handle relevant affairs on behalf of the Company, to monitor the	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
as well as the ultimate owners of those major shareholders?			shareholding status of directors, executives, and shareholders holding more than ten percent of shares, and regularly report the changes in their shareholdings every month according to regulations.	
(III) Does the Company establish and execute a risk management and firewall system within its affiliates?	✓		(III) The Company has established the “Procedures for Transactions with Specific Related Parties and Group Enterprises,” the “Subsidiary Monitoring Procedures,” and the “Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises,” which clearly regulate the management of personnel, assets, and other matters involving related enterprises. Furthermore, effective risk control is achieved through the implementation of internal controls and internal audit systems.	
(IV) Does the Company establish internal rules against insiders using undisclosed information to trade in securities?	✓		(IV) The Company has established the “Processing Procedures for Significant Internal Information” to specify the operating procedures for maintaining the confidentiality of significant internal information, and promotes the concept in which undisclosed information that is	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			not made public may not be used to trade the Company's securities during the monthly internal reporting. Content includes directors being prohibited from trading their stocks during the thirty days prior to the annual financial report announcement and the fifteen days prior to each quarterly financial report announcement.	
<p>III. Composition and responsibilities of the Board of Directors</p> <p>(I) Does the Board of Directors plan to formulate a diversification policy, specific management goals, and implement them?</p>	✓		<p>(I) According to our Corporate Governance Best Practice Principles, the composition of the Board of Directors should take into account diversity, including basic criteria and values (such as gender and age) as well as professional knowledge and skills (professional background, expertise and industry experience). For information on the Board's diversification policy and its implementation, please refer to the Board's Diversity and Independence Statement on pages 11-13.</p> <p>The specific management goal is to gradually increase the understanding and background of</p>	No significant differences.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(II) Does the Company voluntarily establish other functional committees in addition to the legally-required Remuneration Committee and Audit Committee?	✓		the Board members in corporate governance, environmental sustainability, corporate social responsibility, and legal matters in order to enhance their ability to oversee and guide the Company in response to international development trends. The Company's Board of Directors currently meets diversity requirements. However, in order to meet future development needs, the composition of diversity will continue to be reviewed and the goal of diversifying Board members will be strengthened during the election process.	
(III) Does the Company establish standards and methods to evaluate the performance of the BOD, conduct the evaluation annually and regularly, report the	✓		(II) In order to enhance the functionality of the Company's Board of Directors, strengthen corporate governance, and promote sustainable development, the Board of Directors approved the establishment of a Sustainability Committee on November 6, 2024.  (III) The Company's Board of Directors approved the "Board Performance Evaluation Method" on March 19, 2020. It stipulates that the Board conduct at least one annual performance evaluation of the Board itself,	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
results of evaluations to the BOD, and use them as a reference for individual directors' remuneration and nomination and renewal?			<p>individual directors, and the Functional Committees (the Remuneration Committee, the Audit Committee, and the Sustainable Development Committee). Internal evaluations should be conducted at the end of each fiscal year in accordance with these regulations to evaluate the performance for that year. In the first quarter of each year, evaluations should be conducted based on compliance with relevant laws and regulations, operational participation, and evaluation indicators, which serve as a basis for review, improvement, and the selection or nomination of directors. The performance self-assessment results of the Board of Directors, board members, and each functional committee (Remuneration Committee, Audit Committee, and Sustainable Development Committee) for the year 2025 were rated as excellent (see page 25-27) and were reported to the Board of Directors on March 4, 2026.</p> <p>In 2024, the Company commissioned the Taiwan Corporate Governance</p>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(IV) Does the Company regularly evaluate the independence of the CPAs?	✓		<p>Association to evaluate the performance of its Board of Directors. The evaluation results were reported to the Board of Directors on March 5, 2025.</p> <p>(IV) The Company's Audit Committee annually evaluates the independence and qualifications of the Company's principal accountants. In addition to following the Company's "Criteria for Evaluating the Independence and Suitability of Auditors (Note 1)" (see pages 46-47) and referring to AQIs indicator information for evaluation, we confirm that the auditors and firms have superior audit experience and training hours compared to the industry average. In addition, we have continuously implemented digital audit tools over the past three years to enhance audit quality. The results of the evaluation for the most recent fiscal year were discussed and approved by the Audit Committee on March 4, 2026, and submitted to the Board of Directors for approval on the same date, concerning the evaluation of the independence and suitability of the auditors.</p>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
IV. Does the Company appoint adequate persons and a chief governance officer to be in charge of corporate governance matters (including but not limited to providing directors and supervisors required information for business execution, assisting directors and supervisors in following laws and regulations, handling matters in relation to the Board meetings and shareholders' meetings and keeping minutes at the Board meetings and shareholders' meetings according to law)?	✓		On November 9, 2022, the Company's Board of Directors approved the establishment of a Corporate Governance Officer, who is tasked with overseeing corporate governance matters through the General Administration Center. In 2025, the Corporate Governance Officer completed a total of 24 hours of continuing education in compliance with the regulations. The main responsibilities of this role include organizing meetings of the Board of Directors and shareholders in accordance with legal requirements, preparing minutes for these meetings, assisting directors with onboarding and ongoing education, providing necessary information for directors to perform their duties, helping directors adhere to laws by reporting to the Board on the compliance of independent directors' qualifications during nomination, election, and tenure periods, handling changes related to directors, and managing other matters stipulated in the Company's Articles of Incorporation or contracts.	No significant differences.
V. Does the Company establish communication channels and a dedicated section on	✓		The Company has designated a spokesperson and a deputy spokesperson to serve as the external communication channel of the	No significant differences.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
the company website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers) to respond to material corporate social responsibility issues in a proper manner?			Company, a spokesperson designated mailbox, and a special area for stakeholders is set up on the website of the Company, where a special person will respond to the important corporate social responsibility issues concerned by the stakeholders. Stakeholder Communication website: <a href="https://www.cas-well.com/about/esg/sustainability/stakeholder/identification/">https://www.cas-well.com/about/esg/sustainability/stakeholder/identification/</a>	
VI. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Stock Affairs Agency Department of Grand Fortune Securities Co., Ltd handles the relevant affairs of the shareholders' meeting.	No significant differences.
VII. Information disclosure (I) Does the Company have a website to disclose the financial operations and corporate governance status?	✓		(I) The Company has established a corporate website (website address: <a href="https://www.cas-well.com">https://www.cas-well.com</a> ) and discloses financial and corporate governance information on the website. The Company also complies with legal requirements to declare and announce important information, financial transactions and corporate governance on MOPS.	No significant differences.
(II) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated	✓		(II) The Company has an English website and has appointed a special person in charge of collecting and disclosing corporate information and disclosing all information on the	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
<p>people to handle information collection and disclosure, creating a spokesman system, and making the process of investor conferences available on the corporate website)?</p> <p>(III) Does the Company publicly announce and file the annual financial reports within two months after the close of the given fiscal year and publicly announce and file the first, second, and third quarterly financial reports and the operation of each month ahead of the required deadline?</p>	✓		<p>MOPS and the Company's website in accordance with the law, including corporate briefings, shareholders' meetings and audio files. The spokesperson and deputy spokesperson serve as external communication channels.</p> <p>(III) The Company publishes and reports its annual financial reports and first, second, and third-quarter financial reports within the prescribed period, together with its operations, according to Article 36 of Securities and Exchange Act.</p>	
<p>VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier</p>	✓		<p>(I) Employee's rights and interests and employee's care: Since the Company started its business, it has attached great importance to the growth of employees' career and the maintenance of employees' rights and interests, and has taken humanized employee self-management and spontaneous learning as its main line. The Company has established</p>	No significant differences.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
relations, stakeholder rights, Directors' and Supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by Directors and Supervisors)?			<p>employee welfare committee to handle various welfare measures according to law. Besides, to fully take care of employees, the Company not only implements the retirement mechanism and related vacation system according to the Labor Basic Standard Law, but also takes various welfare measures such as group insurance, birthday gift, health check, annual bonus, wedding and funeral allowance, and community activities.</p> <p>(II) Investor relations: the Company convenes shareholders' meetings every year in accordance with the Company Act and the relevant regulations, and provide shareholders with the opportunity to raise questions or submit proposals. Besides, the Company has set up a spokesperson system to deal with matters related to shareholder suggestions, doubts and disputes. The Company also handles matters related to the announcement and declaration of related information in accordance with the regulations set forth by the competent authority to promptly provide information that may affect shareholders' decision-making.</p>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>(III) Supplier relations: In terms of related matters between the Company and suppliers, the Company maintains smooth communication channels with suppliers to ensure good relationships with them.</p> <p>(IV) Stakeholder rights: The Company has designated a spokesperson and a deputy spokesperson to communicate directly with stakeholders, thus respecting and maintaining the legal rights and interests of stakeholders.</p> <p>(V) Continuing education for directors and supervisors: Directors of the Company possess professional background in the relevant industries and practical experience in business management. The Company provides the Directors with courses covering topics such as corporate governance, sustainability issues, and securities regulations; each director is required to complete a minimum of 6 hours of continuing education annually.</p> <p>(VI) Implementation of risk management policies and risk evaluation measures: The Company has established relevant operating guidelines and various institutional regulations to</p>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			supervise the implementation of risk management and assessment by responsible managers. (VII) Implementation of customer policies: The Company maintains smooth communication channels with customers to ensure good relationships with them. (VIII) Purchase of liability insurance for Directors and Supervisors: The Company has purchased liability insurance for Directors and Supervisors to strengthen the protection of shareholders' interests, disclosed related information in accordance with regulations.	
IX. Please refer to the recent annual Corporate Governance Evaluation published by the Corporate Governance Center of the Taiwan Stock Exchange Corporation. The results indicate the improvements made, as well as the priority areas and measures for those that have yet to be improved.				
(I) Improvements in the 11th Corporate Governance Evaluation Indicators:				
	Number	Item	Improvement Method	
	1.3	Did the company have the Chairman, a majority of Directors, and the Convener of the Audit Committee personally attend the Annual Shareholders' Meeting, and is the attendance list disclosed in the minutes?	The Company's 2025 Annual Shareholders' Meeting was attended in person by the Chairman, a majority of the Directors, and the Convener of the Audit Committee, and the attendance list was disclosed in the minutes.	
	1.6	Will the company hold the Annual Shareholders' Meeting before the end of May?	The Company convened a shareholders' meeting on May 22, 2025.	
(II) The 12th corporate governance evaluation indicators have not yet been improved and priority projects have been strengthened. The Company will conduct a detailed evaluation of items that have not yet received scores, establish annual improvement targets for each, and prioritize the promotion of sustainable development as a key area of enhancement.				

Note 1:

Independent Evaluation Item	Evaluation Result	Are independence conditions met?
1. The Company has not changed its CPA for seven consecutive years.	Yes	Yes
2. There is no direct or indirect material financial interest between the members of the audit service team and their family members, other joint professional accountants and their family members, the firm and its affiliated companies and the Company.	Yes	Yes
3. There is no mutual financing or guarantee between the Company or the Company's directors and supervisors, members of the audit service team and their families, other joint professional accountants and their families, firms and firm-related companies. (Commercial activities that are normal lending by financial institutions are not subject to this restriction. )	Yes	Yes
4. There is no commercial relationship affecting independence between the accounting firm or members of the audit service team and the Company or affiliated companies.	Yes	Yes
5. There is currently no potential employment relationship between members of the audit services team and the Company.	Yes	Yes
6. Members of the audit service team have not served as directors or supervisors of the Company or persons who have had a significant influence on audit cases in the past two years.	Yes	Yes
7. The audit fees paid by the Company to the CPAs are fixed amounts, not contingent fees. There are no overdue fees that affect the independence of the audit.	Yes	Yes
8. The non-audit services provided by the CPA firm and its affiliated companies to the Company, including the Company registration, did not directly affect the important subjects of the audit case, did not involve the Company's management functions, did not make decisions on behalf of the Company, and did not affect independence either.	Yes	Yes
9. Members of the audit service team are not entrusted to be the defenders of the Company's positions or opinions or mediate conflicts with third parties on behalf of the Company.	Yes	Yes
10. Members of the audit service team have no kinship with the Company's directors, supervisors, managers, or personnel who have a significant influence on audit cases.	Yes	Yes
11. The directors, supervisors, and managers of the Company did not give gifts of great value to the members of the audit service team.	Yes	Yes
12. Among the Company's directors, supervisors, managers, or personnel with positions that have a significant impact on audit cases, there is no personnel from the CPA firm who has retired/resigned within one year.	Yes	Yes
13. The independent directors of the Company did not work in the CPA firm within the two years before and during their tenure. The remuneration committee of the Company has not	Yes	Yes

Independent Evaluation Item	Evaluation Result	Are independence conditions met?
been a professional providing business, legal, financial, accounting, and other services or consulting within the two years before and during the term of office.		
14. The members of the audit service team did not suffer or feel intimidated by the Company, making them unable to maintain objectivity and clarify professional doubts. For example: (1) The management of the Company has improper requirements on the choice of accounting policies or the disclosure of financial statements. (2) The Company did not ask to reduce the inspection work that should be performed on the grounds of reducing fees	Yes	Yes
15. Has the CPA complied with the independence standard No. 10 of the Bulletin of Norm of Professional Ethics for Certified Public Accountant and has a “Statement of Independence” issued by the CPA been obtained?	Yes	Yes

Competency Assessment Items	Evaluation Result	Is the competency requirement met?
1. Do they possess the qualifications of an accountant to carry out the duties of a Certified Public Accountant?	Yes	Yes
2. Have there been no disciplinary actions by the competent authority and the Certified Public Accountants Association, or sanctions imposed pursuant to Article 37, Paragraph 3 of the Securities and Exchange Act in the past five years?	Yes	Yes
3. Do they have relevant industry knowledge of CPA clients?	Yes	Yes
4. Have the workload of the CPAs and adequacy of the audit service team's efforts been reviewed?	Yes	Yes
5. Have the accountants received no external inspection deficiencies, fines or improvement orders from regulatory authorities in recent years?	Yes	Yes
6. Does the CPA firm have innovative capabilities (planning)?	Yes	Yes

(IV) Operation status of the Remuneration Committee:

1. Professional Qualifications and Independence Analysis of the Remuneration Committee Members

December 31, 2025

Qualifications		Professional Qualifications and Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Title	Name			
Independent Director Convener:	Fang Wen-Chang	Please refer to pages 11-13 for disclosure of information on professional qualifications of directors and independence of independent directors	0	
Independent Director	Jennifer Shao		0	
Independent Director	Luke Teng		1	

2. The responsibilities of the Remuneration Committee are to formulate and regularly review the policies, systems, standards and structures of performance evaluation and remuneration of directors and managers, and to regularly evaluate and determine the remuneration of directors and managers.

3. Operation status of the Remuneration Committee:

(1) The Company's Remuneration Committee consists of 3 members.

(2) The Company's Compensation Committee is responsible for professionally and objectively evaluating the compensation policies and systems for the Company's Directors and Managerial Officers. The Committee meets at least twice annually and may hold additional meetings as necessary to provide recommendations for the Board of Directors' decision-making. Performance evaluations are conducted annually; for details, please refer to page 25-27.

## (3) Key Focus Areas for the Year:

- Passing the amendment to the Company's managerial remuneration policy and system
- Passing the proposal for the policy and structure of remuneration for Directors and managers of the Company in 2025
- Passing the Company's 2024 Employee Remuneration Plan
- Passing the Company's 2024 Directors Remuneration Plan
- Passing the Directors Individual Remuneration Distribution for 2024
- Passing the 2024 Manager Remuneration Plan

(4) The term of office of the current Remuneration Committee is: From June 14, 2023 to June 13, 2026. A total of 3 meetings of the Remuneration Committee (A) were held in 2025 and 2026, with the qualifications of members and attendance records as follows:

Position	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (B/A)	Remarks
Convener	Fang Wen-Chang	3	—	100%	Reelected
Committee Member	Jennifer Shao	3	—	100%	Newly Appointed
Committee Member	Luke Teng	3	—	100%	Newly Appointed

Other matters to be recorded:

- I. If the Board of Directors declines to adopt or modify a recommendation of the Remuneration Committee, it should specify the date of the meeting, session, content of the motion, resolution by the Board of Directors and the Company's response to the Remuneration Committee's opinion: None
- II. If there are resolutions of the Remuneration Committee to which members object or express reservations, and for which there is a record or declaration in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None

III. The proposals and resolutions for the year 2025 and up to the date of this Annual Report's publication (2026) are as follows (operational status):

Date of Remuneration Committee	Major Resolutions	Opinions of all members of Remuneration Committee and the Company's handling of the opinions
2025/03/05	<ol style="list-style-type: none"> <li>1. Amendment to the Company's managerial remuneration policy and system</li> <li>2. Proposal for the policy and structure of remuneration for Directors and managers of the Company in 2025</li> <li>3. The Company's 2024 Employee Remuneration Plan</li> <li>4. The Company's 2024 Directors Remuneration Plan</li> </ol>	Approved by all committee members
2025/08/06	<ol style="list-style-type: none"> <li>1. Directors Individual Remuneration Distribution for 2024</li> <li>2. 2024 Manager Remuneration Plan</li> </ol>	Approved by all committee members
2026/03/04	<ol style="list-style-type: none"> <li>1. Proposal for the policy and structure of remuneration for Directors and managers of the Company in 2026</li> <li>2. 2025 Employee Remuneration Plan</li> <li>3. 2025 Directors Remuneration Plan</li> </ol>	Approved by all committee members

(V) Operation status of the Sustainability Committee:

1. Committee composition:

In order to enhance the functionality of the Board of Directors and achieve sustainable development, the Company's Board of Directors approved the establishment of a Sustainability Committee on November 6, 2024. This committee consists of five members: one Director, three Independent Directors, and one Corporate Governance Officer with expertise in corporate governance. Each member undergoes annual training on sustainability-related topics, ensuring they possess professional knowledge in sustainability. Committee members are as follows:

Position	Name	Professional Qualifications
Convener (Director/President)	Reaforl Hung	Operational judgment, business management, crisis management, industry knowledge, international market perspective, leadership, decision-making, technology development
Committee Member (Independent Director)	Jennifer Shao	Accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective, leadership, decision-making, technology development
Committee Member (Independent Director)	Fang Wen- Chang	Academic experience, crisis management, industry knowledge, international market perspective, leadership, decision-making, technology development
Committee Member (Independent Director)	Luke Teng	Operational judgment, business management, crisis management, industry knowledge, international market perspective, leadership, decision-making
Committee Member (Corporate Governance Officer)	Carrie Huang	Accounting and financial analysis, corporate governance, leadership, decision-making

2. The responsibilities of this committee are as follows:

The committee, under the authority granted by the Board of Directors, shall exercise the duty of care of a good manager, faithfully perform the following responsibilities, and report to the Board of Directors:

- (1) Formulate, promote, and strengthen the Company's sustainable development policies, annual plans, and strategies.
- (2) Review, track, and revise the implementation and effectiveness of sustainable development.
- (3) Supervise the disclosure of sustainability information and review the sustainability report.
- (4) Supervise the implementation of the Company's Sustainable Development Best Practice Principles and other sustainability-related tasks as resolved by the Board of Directors.

Dedicated units for sustainable development assist the committee in implementing various plans, the task force comprises the Corporate Governance Group, the Sustainable Environment Group, and the

Social Welfare Group, and reports to the committee on the execution status of sustainable development.

Cross-departmental teams execute the tasks of the aforementioned groups, consolidating implementation plans or other sustainability-related matters and reporting the execution results to the dedicated units for sustainable development or the committee.

3. The first Sustainability Committee was established on November 6, 2024. The term of office of the current Sustainability Committee is: From November 6, 2024 to June 13, 2026. As of March 4, 2026, the Sustainability Committee has held 3 meetings, with the attendance records as follows:

Position	Name	Attendance in Person	Attendance by Proxy	Actual Attendance Rate	Remarks
Convener	Reaforl Hung	3	-	100%	
Committee Member	Jennifer Shao	3		100%	
Committee Member	Fang Wen-Chang	3	-	100%	
Committee Member	Luke Teng	3	-	100%	
Committee Member	Carrie Huang	3	-	100%	

## Operational Status:

Sustainability Committee Meeting Date	Major Resolutions	Opinions of all Independent Directors and the Company's handling of opinions of Independent Directors
2025/03/05 (1st Session, 1st Meeting)	<ol style="list-style-type: none"> <li>1. Report on the achievements of sustainable development implementation in 2024 and future promotion goals</li> <li>2. Report on the progress and planning of the 2024 sustainability report</li> <li>3. Report on the progress of greenhouse gas inventory and verification for the Company</li> </ol>	All Independent Directors have no objections.
2025/08/06 (1st Session, 2nd Meeting)	<ol style="list-style-type: none"> <li>1. 2024 Stakeholder Communication Report</li> <li>2. H1 2025 Sustainable Development Implementation Report</li> <li>3. Report on the progress of greenhouse gas inventory and verification</li> <li>4. 2024 ESG Report Plan</li> </ol>	All Independent Directors have no objections.
2026/03/04 (1st Session, 3st Meeting)	<ol style="list-style-type: none"> <li>1. Report on the progress of greenhouse gas inventory and verification for the Company</li> <li>2. 2025 Stakeholder Communication Report</li> <li>3. Report on the achievements of sustainable development implementation in 2025 and future promotion goals</li> <li>4. Report on the progress and planning of the 2025 sustainability report</li> </ol>	All Independent Directors have no objections.

(VI) Implementation Status on Promoting Sustainable Development and Deviations Status from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof:

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Has the company established a governance framework to promote sustainable development and established a dedicated unit for this purpose? Is this unit authorized by the Board of Directors and subject to their supervision?	✓		In 2022, the Company formed the Sustainable Development Committee, chaired by the President and with the Corporate Governance Officer serving as the Executive Secretary. Under its framework, three specialized groups were established: the Corporate Governance Group, the Sustainable Environment Group, and the Social Welfare Group. These groups are responsible for planning medium- and long-term sustainable development initiatives. The implementation status and results are periodically reported to the Board of Directors. To strengthen the functionality of the Board of Directors and implement sustainable development, the Company's Board approved the establishment of the Sustainability Development Committee on November 6, 2024, and reported on sustainability progress to the Board on March 4, 2026. The Board also plays an oversight and guidance role, requiring the management team to make adjustments to the sustainable development strategy, policies, targets and action plans as necessary.	No significant differences.
II. Does the Company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management	✓		To effectively manage and implement operations such as corporate governance, ethical corporate management, and corporate social responsibility (CSR), the Company has continuously formulated management measures that were approved by the Board of Directors, such as "Sustainable Development Best	No significant differences.

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
policies or strategies?			Practice Principles,” “Corporate Governance Best-Practice Principles,” “Ethical Corporate Management Operating Procedures and Behavior Guidelines,” and “Code of Ethical Conduct,” and please refer to the description of the “7. Other Important Information to Facilitate a Better Understanding of Implementation Status on Promoting Sustainable Development” on page 74-75 for the Company’s material issues and risk management policies.	
<p>III. Environmental issues</p> <p>(I) Has the Company set an environmental management system designed to industry characteristics?</p>	✓		<p>(I) The Company has established an environmental management system in accordance with industry characteristics. In March 2025, it completed ISO 14064-1 greenhouse gas inventory certification; in April, it obtained ESG-related certifications; and in July, it passed the ISO 14001 and ISO 45001 management system effectiveness certifications. The Company is progressively implementing ESG requirements and related regulations to promote sustainable operations, zero-accident production, and to enhance product quality and customer satisfaction. For the Company's international certification information, please refer to “Other Important Information to Facilitate a Better Understanding of Implementation Status on Promoting Sustainable Development” on page 73-74.</p>	No significant differences.

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(II) Does the Company endeavor to utilize energy efficiency and use renewable materials that have low impact on the environment?	✓		(II) The Company complies with domestic environmental protection regulations and implements green design principles in accordance with RoHS, REACH restricted substances, and the EU WEEE recycling directive. It promotes reuse, recycling, and waste recovery to reduce the burden of waste disposal. In packaging materials, priority is given to the use of recycled or reusable materials to minimize environmental impact. At the same time, the Company advocates energy conservation in daily operations and implements green administrative practices to reduce the environmental impact of disposable waste on the planet. In the course of providing products, the Company adheres to a green procurement policy, prioritizing the selection of equipment with energy-saving labels and high energy conversion efficiency. Regarding key component power supply units (PSUs), the Company actively increased the procurement ratio of 80 PLUS Platinum grade units to reduce power loss and heat generation during customer use, thereby enhancing product energy efficiency. In 2025, the procurement ratio of Platinum efficiency grade units accounted for 43.5% of the total volume.	No significant differences.

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(III) Has the Company evaluated the current and future potential risks and opportunities of climate change, and adopted countermeasures against relevant issues?	✓		(III) The Company evaluates the impact of climate change, which may lead to energy supply problems, so it first takes coping measures to save energy or replace energy. It also formulates relevant emergency response procedures for the risk of operational interruption caused by natural disasters to improve the response efficiency of incidents and to reduce possible losses. For specific implementation, please refer to the 2025 Annual Sustainability Report-Climate Change Governance Chapter.	No significant differences.
(IV) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years with polices in place regarding to greenhouse gas emissions reduction, water usage reduction and other waste management?	✓		(IV) The Company's greenhouse gas emissions primarily stem from electricity and water usage. Based on the emission coefficients provided by Taiwan Power Company and Taiwan Water Corporation, as well as the Company's total consumption, the annual emissions are summarized in the table below. While the water consumption and total waste generated during operations are not considered significant for the Company and have a relatively low impact on the overall environment, the Company is committed to ensuring transparency in environmental management and implementing Sustainable Development Goals (SDGs) by concretely quantifying such information. The Company	No significant differences.

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof																																									
	Yes	No	Description																																										
			<p>conducts a greenhouse gas inventory in accordance with the ISO 14064-1 standard. The relevant data statistics are as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">Greenhouse Gas Emissions</th> </tr> <tr> <th colspan="3">Unit: Metric tons</th> </tr> <tr> <th>Carbon dioxide equivalent</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Scope 1</td> <td>131.2722</td> <td>83.1001</td> </tr> <tr> <td>Scope 2</td> <td>489.7228</td> <td>497.4617</td> </tr> <tr> <td rowspan="2">Scope 3</td> <td>Category 3 880.0788</td> <td>Category 3 875.1404</td> </tr> <tr> <td>Category 4 142.0679</td> <td>Category 4 180.0375</td> </tr> <tr> <th colspan="3">Water Usage</th> </tr> <tr> <th colspan="3">Unit: megaliters/year</th> </tr> <tr> <th>Item</th> <th>2024</th> <th>2025</th> </tr> <tr> <td>Water consumption</td> <td>5,74</td> <td>4.42</td> </tr> <tr> <th colspan="3">Waste Status</th> </tr> <tr> <th colspan="3">Unit: metric tons/year</th> </tr> <tr> <td>Non-hazardous waste</td> <td>0.12</td> <td>1.10</td> </tr> </tbody> </table> <p>Note 1: Scope of Information: Operational sites in Taiwan (Parent company, standalone)</p> <p>Note 2: The Company has completed 2025 greenhouse gas inventory and plans to obtain third-party verification in 2026.</p> <p>Note 3: The Company's waste does not contain hazardous materials.</p> <p>The Company has set an annual goal of 1% energy saving and carbon reduction and it has analyzed the discharge volume of various discharge sources, electricity consumption, water consumption and waste recycling volume. The implementation measures are as follows:</p>	Greenhouse Gas Emissions			Unit: Metric tons			Carbon dioxide equivalent	2024	2025	Scope 1	131.2722	83.1001	Scope 2	489.7228	497.4617	Scope 3	Category 3 880.0788	Category 3 875.1404	Category 4 142.0679	Category 4 180.0375	Water Usage			Unit: megaliters/year			Item	2024	2025	Water consumption	5,74	4.42	Waste Status			Unit: metric tons/year			Non-hazardous waste	0.12	1.10	
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			<p>In 2025, there was a decrease of 6.51% compared to 2024.</p> <p>2. Water consumption: Decreased by 23% in 2025 compared to 2024.</p> <p>3. Waste: Increased by 816.7% in 2025 compared to 2024, due to the replacement of old models by customers following the launch of new models.</p>	
<p>IV. Social Issues</p> <p>(I) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p>	✓		<p>(I) The Company's Resource Management Department serves as the responsible unit and, in addition to complying with relevant labor laws and regulations, has established an employee handbook and management rules. The Company also supports the human rights protection principles and fundamental standards set forth in international human rights conventions such as the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Organization's Core Conventions. The Company is committed to integrating these human rights principles and values into its corporate culture as a demonstration of its dedication to safeguarding human rights. The Company's human rights policy: The Company is committed to fulfilling its corporate social responsibility and upholding</p>	No significant differences.

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
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			<p>human rights by respecting and supporting internationally recognized human rights standards and principles, including the Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. The Company complies with the laws and regulations of its operating locations and has established a human rights policy based on the United Nations Guiding Principles on Business and Human Rights to prevent any infringement or violation of human rights and to ensure that all employees are treated fairly and with dignity. This policy applies to all employees of the Company.</p> <p>Execution Policy:</p> <ol style="list-style-type: none"> <li>1. In accordance with relevant laws and regulations, we provide a safe and healthy workplace.</li> <li>2. We are committed to maintaining a workplace free from violence, harassment, and intimidation, while also respecting the privacy and dignity of employees.</li> <li>3. The Company does not employ child labor.</li> <li>4. Forced labor is strictly prohibited.</li> <li>5. The Company strictly</li> </ol>	

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>prohibits unlawful discrimination and reasonably ensures equal opportunities for employment and promotion in the workplace.</p> <p>The Company's human rights protection policy applies to:</p> <ol style="list-style-type: none"> <li>1. All Directors and Employees</li> <li>2. Contracted personnel and dispatched personnel</li> </ol> <p>Additionally, suppliers and partners are required to adhere to relevant human rights protection principles.</p> <p>The Company requires the protection of human rights for suppliers and partners to cover the following matters:</p> <ol style="list-style-type: none"> <li>1. Prohibition of discrimination and unequal treatment</li> <li>2. Prohibition of forced labor and child labor</li> <li>3. Workplace safety and health</li> <li>4. Freedom of association</li> <li>5. Personal data protection</li> <li>6. Anti-harassment and anti-bullying</li> </ol> <p>In 2025, a total of 25 hours of human rights protection education and training were conducted for new employees.</p> <p>The Company has also established a whistleblowing system and handling procedures, with the relevant policies published on the Company's website to ensure open channels for complaints and fairness in</p>	

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof										
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			<p>case handling. The Company's whistle-blowing system and the processing procedure: <a href="https://www.cas-well.com/about/esg/sustainability/development/reporting-system/">https://www.cas-well.com/about/esg/sustainability/development/reporting-system/</a> Measures and Implementation Status of Human Rights Protection:</p> <table border="1"> <thead> <tr> <th>Issues of Concern</th> <th>Specific Measures</th> </tr> </thead> <tbody> <tr> <td>Occupational Safety Related</td> <td> <ol style="list-style-type: none"> <li>1. Regularly monitor the workplace environment (CO2, brightness of the office space) and to maintain facilities and equipment in order to ensure the safety of the workplace</li> <li>2. Conduct fire training and drills every 6 months.</li> </ol> </td> </tr> <tr> <td>Protecting Women</td> <td> <ol style="list-style-type: none"> <li>1. Adhere to labor laws and gender work equality regulations</li> <li>2. A nursing room was established to create a child-friendly environment.</li> </ol> </td> </tr> <tr> <td>Prohibition of Child Labor</td> <td> <ol style="list-style-type: none"> <li>1. The Company strictly prohibits the employment of individuals under the age of 16.</li> <li>2. Applicants are required to complete a basic information form including their date of birth. Upon reporting for duty, they must present identification documents for verification to ensure the implementation of the age verification mechanism.</li> </ol> </td> </tr> <tr> <td>Personal Data Protection</td> <td>Employee identification documents and related information are exclusively</td> </tr> </tbody> </table>	Issues of Concern	Specific Measures	Occupational Safety Related	<ol style="list-style-type: none"> <li>1. Regularly monitor the workplace environment (CO2, brightness of the office space) and to maintain facilities and equipment in order to ensure the safety of the workplace</li> <li>2. Conduct fire training and drills every 6 months.</li> </ol>	Protecting Women	<ol style="list-style-type: none"> <li>1. Adhere to labor laws and gender work equality regulations</li> <li>2. A nursing room was established to create a child-friendly environment.</li> </ol>	Prohibition of Child Labor	<ol style="list-style-type: none"> <li>1. The Company strictly prohibits the employment of individuals under the age of 16.</li> <li>2. Applicants are required to complete a basic information form including their date of birth. Upon reporting for duty, they must present identification documents for verification to ensure the implementation of the age verification mechanism.</li> </ol>	Personal Data Protection	Employee identification documents and related information are exclusively	
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Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>managed by the Human Resources Division and securely stored under lock to ensure data accuracy and security.</p>	
			<p>Employee Health Management</p> <ol style="list-style-type: none"> <li>1. The Company conducts annual health examinations for employees and provides subsequent follow-up and health management recommendations based on the results, aiming to reduce the risk of occupational diseases.</li> <li>2. Contracted medical and nursing professionals are regularly stationed on-site to provide health consultation services, assisting employees with health assessments and lifestyle improvement recommendations.</li> <li>3. Established diverse clubs to encourage employees to participate in sports and recreational activities.</li> <li>4. Promoted health enhancement activities to raise employee health awareness and foster a positive workplace culture. In 2025, the Company organized two health promotion events, with a total participation of 106 people and an accumulated duration of 159 hours.</li> </ol>	
			<p>Prohibition of Forced Labor</p> <ol style="list-style-type: none"> <li>1. Ensure adherence to labor laws and regulations, and clearly stipulate in the work rules and related personnel regulations</li> <li>2. Adjust the workload of</li> </ol>	

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>employees in a timely manner, assist in improving work efficiency, and reduce overtime</p> <p>Ending Discrimination and Sexual Harassment</p> <ol style="list-style-type: none"> <li>1. The work regulations and personnel management measures explicitly prohibit any form of discrimination and sexual harassment, striving to provide an equal, safe, and respectful workplace environment. To implement relevant policies, the Company arranges a 2-hour orientation training for new employees upon their onboarding, which includes a 1-hour course on the prevention of unlawful infringements. In 2025, a total of 28 new employees completed training, with cumulative sexual harassment prevention training hours reaching 28 hours.</li> <li>2. Provide a grievance channel for our employees to express themselves in a timely manner, and special personnel to handle the relevant cases. No cases of complaints were received in 2025.</li> <li>3. The Company's Human Resources Division is responsible for the promotion and implementation of the human rights policy, regularly reviewing the effectiveness of related measures and reporting to senior management when necessary.</li> </ol>	

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	Yes	No	Description	
(II) Has the Company formulated and implemented reasonable employee welfare measures (including remuneration, rest and annual leave, and other benefits), and appropriately reflected the operating performance or achievements in the employee remuneration?	✓		(II) The Company has established relevant human rights protections and employee rights regulations within its personnel management policies. It has also formed an Employee Welfare Committee responsible for promoting various employee welfare measures and care activities. These include planning parking spaces for cars and scooters, providing a coffee lounge, conducting employee health check-ups, and offering specific care measures for pregnant employees. Additionally, the Company provides childbirth and marriage allowances to assist employees in celebrating important life milestones. The Company also offers remote work applications to support employees in balancing work and family responsibilities. In 2025, a total of 15 employees applied for family care leave, utilizing 277 hours in total. Furthermore, as employees accumulate years of service, the Company provides long-service bonuses and seniority leave to recognize their long-term contributions, thereby supporting a healthy work-life balance through tangible rewards. The Company also provides benefits such as funeral allowances, hospitalization consolation, and birthday gifts, offering timely care and support to employees	No significant differences.

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	Yes	No	Description	
			<p>facing family emergencies or health needs.</p> <p>Adhering to the principles of diversity and equality and committed to fostering an inclusive workplace environment, the Company's female employees accounted for 45.38% of the workforce at the end of 2025, with female senior executives representing 18.18%.</p> <p>Additionally, to respect cultural diversity, the Company provides eligible employees with two days of paid festival leave in observance of important Indigenous peoples' ceremonies.</p> <p>In accordance with the Labor Pension Act, the Company contributes 6% of each employee's insured salary level monthly. For employees who voluntarily make additional pension contributions, the corresponding amount is withheld from their monthly salary based on the voluntary contribution rate and remitted together to the Labor Insurance Bureau's individual pension accounts. In 2025, the Company contributed a total of NT\$9,314,000 to employees' individual labor pension accounts.</p> <p>Regarding the remuneration policy, the Company, in accordance with the provisions of the Articles of Incorporation, shall allocate 2% to 15% of annual profits as employee compensation.</p>	

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	Yes	No	Description	
			Of the total amount allocated, no less than 20% shall be distributed as compensation to frontline employees. The distribution of employee compensation will be based on individual ability and contribution to the Company, with appropriate consideration given to overall performance in determining employee remuneration.	
(III) Does the Company provide a healthy and safe work environment and organize health and safety training for its employees on a regular basis?	✓		(III) The Company has obtained ISO 45001 Occupational Health and Safety Management System certification, which has been verified by a third party. The certificate is valid from October 28, 2025, to October 27, 2028. During the year, the Company conducted at least 20 training sessions and health seminars on occupational safety and health, fire safety, and emergency response, with a total participation of 1,126.5 person-hours. Physicians and nurses provided 120 consultations and 194 health services, including disease education and health care. Hazard identification and risk assessments were regularly performed, with control measures and follow-ups implemented upon approval by the General Manager. Chemical management, fire facility inspections, and major disaster risk identifications were completed according to procedures, establishing corresponding control measures.	No significant differences.

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			Based on a self-assessment, the facility was classified as a low-risk factory in terms of management. Through continuous automatic inspections of operations and equipment, abnormalities were promptly corrected to enhance employee safety awareness and response capabilities. In the event of an emergency, supervisors and safety personnel were immediately notified, and disaster relief and evacuation procedures were activated accordingly. Carbon dioxide concentration, noise, and illumination measurements were conducted semiannually, with all data below the statutory limits. Building-related inspections were also completed in accordance with procedures to ensure a safe and healthy working environment. Every year, the Company complies with fire safety regulations and conducts inspections and declarations of fire safety equipment to ensure their proper functioning and implement safety management. In 2025, the Company did not experience any fire incidents.	
(IV) Does the Company establish effective career development and training plans for its employees?	✓		(IV) To enhance employees' job skills, enable employees to quickly adapt to the work environment, improve the quality of products and services, and enhance the overall competitiveness of the	No significant differences.

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	Yes	No	Description	
			<p>organization, the Company has launched the education and training program through a systematic training blueprint so that employees can grow together with the Company.</p> <p>The Company's training target for 2025 was 20 hours per person annually. The total course hours for 2025 amounted to 9,360 hours. The training program covered the following areas and scope: New employee training: 28 participants, totaling 56 hours; General education training: 486 participants, totaling 479.5 hours; Environmental, Safety, and Health training: 737 participants, totaling 1,082.5 hours; Supervisory and management training: 1,334 participants, totaling 2,686.5 hours; ESG sustainability training: 301 participants, totaling 862 hours; ISO management system training: 221 participants, totaling 381 hours; Legal and professional competency enhancement: 22 participants, totaling 127.5 hours; and Personal job-related skill enhancement: 3,080 participants, totaling 3,685 hours.</p>	
(V) Does the Company's product and service comply with related regulations and international rules	✓		(V) The products of the Company comply with the laws and regulations of the government, and the suppliers are required to provide regular reports in compliance with EU RoHS and REACH specifications while	No significant differences.

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
regarding to issues such as customers' health and safety, privacy, sales, labeling and set polices to protect consumer or client's rights and complaint procedures?			<p>XRH equipment is used to detect the incoming materials to ensure that the purchased materials are free of any hazardous substances. There is a communication channel set up on the Company's website to directly face the rights and interests of customers, and the customer service satisfaction survey is conducted every year to strengthen the cooperative relationship between the two parties.</p> <p>Stakeholder Communication website:  <a href="https://www.cas-well.com/about/esg/sustainability/stakeholder/identification/">https://www.cas-well.com/about/esg/sustainability/stakeholder/identification/</a></p>	
(VI) Does the Company formulate and implement supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor human rights?	✓		<p>(VI) The Company requires the suppliers to fulfill their corporate social responsibilities and to refrain from incidents that have a negative impact on the environment and society.</p> <ol style="list-style-type: none"> <li>1. All supplier evaluations are conducted in accordance with the regulations of the Company's "Supplier Management Procedures".</li> <li>2. Every year regularly evaluates supplier quality, and since 2024, the content of supplier evaluation has added environmental and social issues.</li> <li>3. The Company regularly tracks whether suppliers have obtained the certification of environmental protection and health, safety and environment and complied</li> </ol>	No significant differences.

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>with the labor rights issues.</p> <p>The Company's performance for the year 2025 is as follows:  CASwell's supplier policy was sent to 329 qualified suppliers, along with an explanation of the sustainable risk management evaluation criteria.</p> <p>A written sustainability risk management questionnaire was conducted with 30 key suppliers, with 22 responses received, achieving a completion rate of 73.33%.</p> <p>A written sustainability risk management questionnaire was conducted with 62 major suppliers, with 45 responses received, resulting in a response rate of 72.58%.</p> <p>Periodically, through the Green Product Management System, suppliers are informed of the latest environmental regulations and encouraged to review product compliance. The response status of suppliers regarding the Green Product Management System and conflict minerals investigation for the year 2025 is as follows:  REACH and SVHC247/250 response rate: 74.88%/68.19%  RoHS High-Risk Materials ICP Report (third-party testing report) response rate: 74.87%  Conflict Mineral-Related Suppliers CMRT/EMRT survey response rates: 72.50%/76.25%</p>	

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	Yes	No	Description	
V. Does the Company refer to internationally-used standards or guidelines for the preparation of reports such as sustainability reports to disclose non-financial information? Are the reports certified or assured by a third-party accreditation Board of Directors?	✓		The Company's 2025 Sustainability Report has been prepared in accordance with the Sustainability Reporting Guidelines (GRI Guidelines) of the Global Sustainability Standards Board (GSB), taking into account climate change and investor disclosure requirements. The report includes disclosures on Task Force on Climate-Related Financial Disclosures (TCFD) and Sustainability Accounting Standards (SASB) and has been independently verified. Please refer to the Appendix of the 2025 Sustainability Report for more details.	No significant differences.
VI. If the Company has established its own sustainable development corporate management principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe the implementation and any deviations from the Principles: the Company has formulated the “Sustainable Development Best Practice Principles”, which were approved by the Board of Directors in March 2023 to enhance implementation of the corporate sustainable development social responsibility. The Company also complies with the content of the principles in actual operation, and there is no material variance.				
VII. Other Important Information to Facilitate a Better Understanding of Implementation Status on Promoting Sustainable Development:				
1. The international certification obtained				
International Certification	Certificate Number	Issued by	Date of Certification	Expiration (valid) date
ISO 9001	Q-31473/0	qualityaustria	2024/7/5	2027/7/4
TL 9000	K-00025/0	qualityaustria	2024/7/5	2027/7/4
ISO 14001	44 104 22 82 0128	TUV NORD	2023/5/30	2026/5/29
ISO 28000	10634548	LRQA	2024/9/13	2027/4/16
ISO 45001	44 126 19 82 0147	TUV NORD	2025/10/28	2028/10/27
ISO 27001	IAS-ISMS-25-011	GREAT	2025/6/16	2026/7/9
ISO 14064-1	Great-GHGER-25-0306	GREAT	2025/03/05 2025/03/24	2026/4/14

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ESG Report (AA1000)	2504002	GREAT	2025/4/7	2026/4/14
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2. Material issues and risk management policies of the Company

Material Issues	Item of Risk Assessment	Risk Management Policies
Environment	Greenhouse gas emissions	The Company has completed 2025 greenhouse gas inventory and plans to obtain third-party verification in 2026.
	Supply Chain Sustainability	<ol style="list-style-type: none"> <li>1. Conduct regular environmental and social audits on existing suppliers.</li> <li>2. Implement supplier evaluation forms for new suppliers.</li> </ol>
Society	Employee-Employer Relations	<ol style="list-style-type: none"> <li>1. Providing competitive compensation and welfare system</li> <li>2. Zero obstacles for labor/management communication</li> </ol>
	Product Safety and Responsibility	<ol style="list-style-type: none"> <li>1. Committed to ensuring that the Company's products comply with international environmental regulations and customer requirements, avoiding environmental pollution and risks to human health.</li> <li>2. The Company has established a cross-departmental hazardous substances management team to control relevant processes such as product design, procurement, production, and packaging labeling. It also requires suppliers and outsourced manufacturers to incorporate raw materials and process additives into green management practices.</li> <li>3. Implement QC 080000 hazardous substance process management.</li> <li>4. Committed to not accepting or using metals sourced from conflict-affected areas.</li> </ol>
Corporate Governance	Legal Compliance	<ol style="list-style-type: none"> <li>1. Pay attention to domestic and foreign policies and laws that may affect the Company's finances, business, and environmental safety and health.</li> <li>2. Formulate corresponding risk management and operating procedures.</li> <li>3. Propose to formulate environmental safety measures and conduct drills.</li> <li>4. Strengthen the legal concept and quality of</li> </ol>

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			employees.	
			Innovation and R&D 1. Network information communication security Technology and System Integration Technology. 2. Network efficiency optimization technology and system diagnosis software. 3. Solutions in vertical domain. 4. Improving technologies-continuing to maintain the leading position. 5. Real-time customization-meeting customers' expectation of Time to Market.	
			Information Security 1. Formulate information security policies and implementation procedures. 2. Establish an internal information security organization. 3. Strengthen the software and hardware architecture, such as: Fully deploy endpoint detection and response software (EDR), adopt multi-factor authentication (MFA), import encryption software, etc. 4. Conduct asset risk inventory, vulnerability scanning and recovery plan drills regularly 5. Continue to implement the system backup mechanism. 6. Conduct employee education and training to improve information security risk awareness. 7. Network security/authority controls are reviewed regularly.	

### 3. Other Implementation Status on Sustainable Development:

#### (1) Industry-University Cooperation:

To cultivate talent with research and development potential and create a win-win situation through industry-academia collaboration, the Company has jointly researched and developed product technologies with Ming Chih University of Science and Technology, while also providing off-campus internship programs for students. In the 2025 academic year, two students participated in the Company's cooperative education program. Additionally, the Group participated in university-industry cooperation and talent training programs with Yang Ming Chiao Tung University and St. John's University of

Items to Promote	Implementation Status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>Science and Technology. In 2025, the Group donated approximately NT\$1.4 million to the ESG Innovation Research Center and provided scholarships for talent development. The Company participated in the National Science Council's industry-academia collaboration program to implement the concept of immediate employment upon enrollment and entrepreneurship upon graduation. It also promotes collaborative internship teaching and practical training exchanges to advance subsequent academic research and industry practice, aiming to reduce the gap between education and employment.</p> <p>(2) Social Welfare:  The Company regularly collaborates with social welfare organizations, aiming to contribute to sustainable development and demonstrate corporate social responsibility through social care initiatives. In 2025, the Company presented employees with charitable gift boxes in collaboration with the Eden Social Welfare Foundation during the Mid-Autumn Festival. Additionally, the Company purchased charitable gift boxes from the Children Are Us Foundation and the Genesis Social Welfare Foundation to present to clients. The total annual expenditure amounted to NT\$41,960. Four CSR employees volunteered with Step30 International Ministries, assisting with the sorting, organizing, and packing of materials, contributing a total of 16 service hours. The company collaborates with the Taipei Blood Center, with the Company President personally leading the blood donation initiative and calling on colleagues to participate. A total of 85 bags were donated, providing essential resources to the healthcare system. The Company collaborated with a local secondhand bookstore in Xinzhuang, where 10 employees donated a total of 275 books. All proceeds were donated to the Taiwan Foundation for the Blind, and unsold books were also donated to schools and institutions, continuing to expand the impact of our public welfare efforts.</p>	

(VII) Climate-Related Information

1. Implementation Status of Climate-related Information

Item	Implementation Status			
1. The oversight and governance of climate-related risks and opportunities by the Board of Directors and management.	Climate change is integrated into risk management activities, with the sustainability committee discussing and evaluating risky projects. Relevant decisions are approved by the Board of Directors. The committee has established a working group, coordinated by the sustainability committee, to integrate various working groups. The climate risk management situation for 2025 was reported to the Board of Directors in November for decision-making.			
2. Clarify how identified climate risks and opportunities affect the business, strategies, and financials of the Company in the short, medium, and long term. Short-, medium-, and long-term	Number	Climate Change Risk Issues	Level	Time Frame
	R2	Enhanced emissions-reporting obligations	Medium	Short-term
	R8	Increased severity of extreme weather events such as cyclones and floods	Medium	Short/medium/long term
	R10	Rising Mean Temperatures	Medium	Medium/long term
	Number	Climate change opportunities	Level	Time Frame
	O4	Developing low-carbon products and services	High	Short/medium/long term
	O7	Move to more efficient buildings	Medium	Short/medium/long term
3. The impact of extreme weather events and transition actions on finance.	<p>Transition Risk:</p> <p>Enhanced Emissions Reporting Obligations: In response to the 2050 net-zero transition, the carbon emissions disclosure requirements mandate that all parent and subsidiary companies included in the consolidated financial statements conduct inventories and public reporting. This has increased third-party verification and data system costs by approximately NT\$1 million per year, resulting in a moderate short-term financial impact.</p> <p>Physical Risk:</p> <p>Increased Severity of Extreme Weather Events Such as Typhoons and Floods: Due to the rise in extreme climate events, the frequency of typhoons and heavy rainfall has increased, potentially causing widespread transportation disruptions that affect the supply chain and customer interests. After evaluation, these events may result in financial losses. The Company has developed multiple sources of supply and established contingency mechanisms for typhoons and heavy rains to reduce immediate risks. These risks are effectively managed through timely responses on the procurement side, minimizing their impact on overall operations. Based on the impact of typhoons and heavy rains over the past three years, it is estimated that there will be a short-term increase in financial costs of approximately 1 million, with a moderate impact.</p> <p>Rising Average Temperatures: Health risks are increasing for employees, along with air conditioning electricity consumption, driving annual energy costs up by 6%. However, the Company has purchased natural disaster insurance and strengthened plant resilience to mitigate the impact, resulting in a moderate financial impact.</p> <p>Opportunities:</p> <p>Developing Low-Carbon New Products and Services: In response to the potential demand for low-carbon products from customers, the Company will focus on energy conservation as the main axis of research and development design. Through equipment automation and low-carbon product design implementation, it is estimated that the short-term impact will increase finance costs by 4 million.</p>			

Item	Implementation Status
	Transition to More Efficient Buildings: The Company adopted green building standards for its operational sites, resulting in an estimated short-term energy cost reduction of 15%, with a moderate financial impact.
4. The integration of the process for identifying, assessing, and managing climate risks into the overall risk management system.	<p>The Company has implemented a risk management policy and procedures, including climate risk management processes, which are currently operational. The outcomes of risk implementation for the year 2025 will be presented to the Board of Directors in November.</p> <ol style="list-style-type: none"> <li>(1) The collection of climate and environmental background information, the climate risk assessment and the operational scope assessment were completed by the members of the Sustainability Committee.</li> <li>(2) Establish a list of climate risks and opportunities, and create an internal operational impact survey.</li> <li>(3) The Sustainable Committee implements climate risk opportunity and operational impact analysis to determine material risk items.</li> <li>(4) Establish execution strategies and goal setting.</li> <li>(5) The effectiveness of the implementation strategies and goals is reviewed annually through the Sustainability Committee meetings.</li> </ol>
5. If using scenario analysis to assess resilience to climate change risks, the context, parameters, assumptions, analysis factors, and major financial impacts should be explained.	<ol style="list-style-type: none"> <li>1. Analyze and identify the short, medium, and long-term climate risks and opportunities for the Company's operations and assets throughout their lifecycle, based on the benchmark scenario and the 1.5°C scenario. For the transition risk, the reference scenarios are based on the Intergovernmental Panel on Climate Change (IPCC) climate scenarios RCP 8.5 and RCP 2.6 and assess the immediate physical risks and the long-term physical risks.</li> <li>2. In the physical context, the average temperature continues to rise, leading to an increase in energy consumption and operating costs. In response to a 1-degree increase in the average temperature across Taiwan, there is a 6% increase in electricity consumption. If the price of electricity remains stable, it is estimated that a 1.5 degree increase in temperature will result in at least a 30% increase in electricity consumption and related electricity costs in the short term of three years.</li> <li>3. From a regulatory perspective, in response to government carbon emission disclosure requirements, the Company incurs an additional annual expense of approximately NT\$1 million for verification and audit system maintenance. Over the short term, within five years, this will result in an increased expenditure of NT\$5 million, representing a low financial impact.</li> </ol>
6. If there is a transformation plan to address climate-related risks, please explain the content of the plan and the indicators and targets used to identify and manage physical and transformation risks.	<p>Carbon Fee Collection and Average Temperature Increase:</p> <ol style="list-style-type: none"> <li>1. Implemented annual greenhouse gas inventory and third-party verification.</li> <li>2. Promote the replacement of lighting fixtures with high-efficiency LED fixtures.</li> <li>3. Implemented maintenance and servicing of air conditioning equipment to ensure optimal performance.</li> </ol> <p>Low Carbon Products: The R&amp;D center focuses on the issue of industrial carbon emissions and also aims to achieve energy efficiency and low-carbon raw material selection in product design to meet the demand for energy-saving products.</p> <p>Move to more efficient buildings: In 2025, the Company fully relocated its operations headquarters to a building certified as a green building. Subsequently, the Company ensures its energy efficiency through regular maintenance.</p>

Item	Implementation Status
	<p>Key Performance Indicators:</p> <ol style="list-style-type: none"> <li>1. ISO 14064 has been implemented in 2025 and undergone third-party verification.</li> <li>2. Implement green design and increase the proportion of key raw materials certified for high energy efficiency.</li> <li>3. Continually optimize processes and improve efficiency, reduce production energy consumption, and increase product gross margin.</li> </ol>
<p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.</p>	<p>The Company adopts a shadow pricing method to set its internal carbon price. The internal carbon price is determined based on a weighted average that comprehensively references external market mechanisms—including Taiwan’s Ministry of Environment carbon fees and carbon trading prices—as well as the Company’s internal carbon reduction costs, such as historical carbon reduction project expenses. The carbon price is set at NT\$1,500 per ton and is applied in the capital expenditure and major investment evaluation processes to assess the potential financial impacts of different investment options under climate-related risk scenarios, thereby supporting the Company’s progress toward its medium- to long-term carbon reduction goals. The Company’s internal carbon pricing applies to Scope 1 and Scope 2 greenhouse gas emissions. An internal carbon pricing list for energy-consuming equipment has been established, incorporating carbon costs into equipment procurement and replacement decisions. Through regular reviews, the Company links senior management compensation to ESG performance to ensure that investment decisions align with climate strategies and effectively implement carbon reduction actions.</p>
<p>8. Should climate-related targets have been set the activities covered, the scope of GHG emissions, and progress achieved each year should be stated; if carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or REC’s to be offset should be specified.</p>	<p>Emission Reduction Target                      Head Office Compared to the base year of 2022                      In 2030, reduce greenhouse gas emissions by 25% in Scope 1+ Scope 2                      In 2040, reduce greenhouse gas emissions by 40% in Scope 1+Scope 2.                      The Company plans to purchase Renewable Energy Certificates (RECs) starting in 2030, with a purchase quota corresponding to the amount of electricity consumed outside of Category 2.</p>
<p>9. Inventory and Confirmation of Greenhouse Gas Emissions, Reduction Targets, Strategies, and Action Plans.</p>	<p>Fill in the following sections 1-1 and 1-2 as well.</p>

1.1 The Greenhouse Gas Inventory and Verification Status of the Company in the Past Two Years

1.1.1 Greenhouse Gas Inventory Information

1. Greenhouse gas emissions in the past two years in metric tons (CO<sub>2</sub>e) and intensity (metric tons CO<sub>2</sub>e/NT\$million)

Carbon dioxide equivalent	2024	2025
Category 1 (metric ton CO <sub>2</sub> e)	131.2722	83.1001
Category 2 (metric ton CO <sub>2</sub> e)	489.7228	497.4617
Total Emissions (metric tons CO <sub>2</sub> e)	620.9950	580.5618
Intensity - Scope 1+2 (metric tons CO <sub>2</sub> e /NT\$million) (Note)	0.1844	0.1594

(Note) The greenhouse gas intensity in 2025 is calculated based on a revenue of NT\$3,642 million.

The greenhouse gas intensity in 2024 is calculated based on a revenue of NT\$3,368 million.

The total emissions for Scope One and Scope Two for the base year 2022 amounted to 749.4351 metric tons CO<sub>2</sub>e.

2. Scope of Information: Operational sites in Taiwan.

1.1.2 Greenhouse Gas Assurance Information

Explanation of the confirmed situation for the two most recent fiscal years as of the date of printing of the annual report, including the scope of confirmation, confirming institutions, confirmation criteria, and confirmation opinions.

The Company implements its greenhouse gas inventory in accordance with ISO 14064-1:2018. Pursuant to the Financial Supervisory Commission's "Sustainable Development Roadmap for TWSE/TPEX Listed Companies" issued in March 2022, the Company, with a paid-in capital of less than NT\$5 billion, as an individual entity (i.e., the parent company), is subject to Phase 3 requirements (inventory completion by 2026 and verification completion by 2028). Subsidiaries included in the consolidated financial statements are subject to Phase 4 requirements (inventory completion by 2027 and verification completion by 2029). The greenhouse gas inventories for the years 2024 and 2025 were both verified by the external third-party organization, Green International Verification Agency, in accordance with ISO 14064-3, covering the Company's Taiwan operational sites (parent company), and a statement of verification was issued.

## 1.2 Greenhouse Gas Emission Reduction Targets, Strategies, and Action Plans.

Explanation of the base year and data, reduction targets, strategies, specific action plans and achievement of greenhouse gas emission reduction targets.		
Emission Reduction Target	Strategic Actions	Project Schedule
Compared to the base year of 2022 2030 greenhouse gas emissions Scope 1 + Scope 2 emissions reduced by 25% 2040 greenhouse gas emissions Scope 1+ Scope 2 emissions reduced by 40% Achieving net zero emissions by 2050.	<ol style="list-style-type: none"> <li>1. Through the implementation of green procurement, the infrastructure equipment was purchased with environmental labels and the refrigeration and air conditioning system was completely replaced with energy efficient level 1</li> <li>2. Transition to green building practices to comprehensively enhance energy efficiency.</li> <li>3. Implementation of Facility and Equipment Energy Saving Project</li> <li>4. Solar Power Installation for Self-use and Green Energy Certificate Purchase</li> </ol>	<ol style="list-style-type: none"> <li>1. Fiscal Years 2023 to 2030</li> <li>2. Fiscal Years 2023 to 2030</li> <li>3. Fiscal Years 2023 to 2040</li> <li>4. Fiscal Years 2030 to 2050</li> </ol>
Achievement Status	The Company's total Scope 1 and Scope 2 emissions in 2025 decreased by 31.37% compared to the base year 2022, thereby achieving the target in stages.	

(VIII) Implementation of ethical corporate management and difference between the implementation and the “Ethical Corporate Management Best Practice Principles for TWSE & TPEX Listed Companies” and reasons thereof.

Evaluation Item	Implementation Status		Description	Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No		
I. Establishment of ethical corporate management policies and programs				No significant differences.
(I) Has the Company established the ethical corporate management policies approved by the Board of Directors and specified in its rules and external documents the ethical corporate management policies and practices and the commitment of the Board of Directors and senior management to rigorous and thorough implementation of such policies?	✓		(I) The Company has established the “Ethical Corporate Management Best Practice Principles,” which have been approved by the Board of Directors. Members of the Board and management place great importance on ethical and honest professional conduct, adhering to principles of integrity, transparency, and responsibility. The Company implements these policies in good faith to create a sustainable business environment. For detailed measures, please refer to page 85-89	
(II) Does the Company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which should at least include those specified in Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?	✓		(II) The Company's “Guidelines for Operating Procedures and Conducts of Ethical Corporate Management” stipulates that the Company’s personnel should not, directly or indirectly, provide, promise, demand, or accept any improper benefits or conduct any conduct that violates integrity, legality, or fiduciary duty during the course of business behavior.	
(III) Has the Company provided any solutions to prevent the unethical conducts, stipulate the definite procedures, conduct guidelines, punishment for	✓		(III) The Company has formulated the “Guidelines for Operating Procedures and Conduits of Ethical Corporate Management”, and set up a special area for interested parties to provide channels	

Evaluation Item	Implementation Status		Description	Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No		
violation as well as appeals system and put into practice, and review and revise on a regular basis the aforesaid solutions?			for complaints against dishonest behaviors. In 2025, there were no complaints related to dishonest behavior.	
<p>II. Fulfillment of ethical corporate management</p> <p>(I) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p> <p>(II) Has the Company set up a dedicated unit under the Board of Directors to promote ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?</p> <p>(III) Has the Company established policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly?</p> <p>(IV) Has the Company established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the results</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>		<p>(I) For potential suppliers, the Company will evaluate their legality and ethical management policies and ascertain whether they have a record of involvement in unethical conduct to ensure that they conduct business in a fair and transparent manner and do not request, offer, or take bribes.</p> <p>(II) The Company's General Administration Center serves as the unit responsible for promoting corporate integrity management. For details on its operations and implementation, please refer to page 85-89. On November 12, 2025, a summary report on the anti-unethical conduct program and related matters was presented to the Board of Directors.</p> <p>(III) When any Director of the Company has any interest or there is an interest of a juridical Director's entity pending before a Board meeting, the said Director should uphold a high degree of self-discipline and abstain from any discussion or voting on a matter that may prejudice the Company's interests.</p> <p>(IV) The Company has established effective accounting and internal control systems. Besides, the Company constantly reviews and revises these systems according to regulatory changes and actual needs. These systems are regularly examined by</p>	No significant differences.

Evaluation Item	Implementation Status		Description	Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No		
<p>of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?</p> <p>(V) Does the Company regularly hold internal and external educational training on operational integrity?</p>	✓		<p>internal auditors to ensure the continuous effectiveness of system design and implementation, thereby realizing corporate governance and risk control, and eventually implementing ethical corporate management.</p> <p>(V) 1. The Company regularly promotes the concept of integrity in business during new employee training. As of the end of December 2025, a total of 28 new employee training sessions had been completed</p> <p>2. The Company regularly promotes its policy on integrity management, prevention programs, and the consequences of violations of integrity through departmental meetings, management meetings, and training sessions. In 2025, a total of 301 employees completed 301 hours of training related to ethics and integrity.</p>	
<p>III. Operation of the whistle-blowing system</p> <p>(I) Does the Company establish both a reward/whistle-blowing system and convenient whistle-blowing channels? Are appropriate personnel assigned to the accused party?</p> <p>(II) Has the Company established standard operating procedures and confidentiality measures for the investigation of reported incidents?</p>	✓	✓	<p>(I) The Company provides a report mailbox on its website and, upon receiving a report, informs the President, and sets up a project committee for joint deliberation. After verification, disciplinary actions will be taken in accordance with the personnel regulations of the Company, and the identity and contents of the report will be kept confidential to prevent retaliation.</p> <p>(II) When the Company discovers or receives a report regarding an employee's involvement in unethical conduct, the Company will immediately request the employee to stop the relevant conduct if</p>	No significant differences.

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(III) Does the Company provide protection for whistle-blowers against receiving improper treatment?	✓		it is confirmed that the employee has violated the relevant laws and regulations or the Company's ethical corporate management policies and regulations, and will appropriately deal with the case. If necessary, the Company seek compensation for damages through legal proceedings to maintain the reputation and interests of the Company. (III) The Company is fully responsible for keeping confidential and protecting the accuser from being improperly treated due to the accusation	
IV. Enhanced disclosure of ethical corporate management information Does the Company disclose the ethical corporate management policies and the results of its implementation on the Company website and MOPS?	✓		The Company discloses ethical corporate management-related information via website, annual report and MOPS, and media in a timely manner.	No significant differences.
V. If the Company has established its own ethical corporate management principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe the implementation and any deviations from the Principles: None				
VI. Is there any other important information to facilitate a better understanding of the company's ethical corporate management practices? 1. When new employees report for duty, the Human Resources Division will explain the Company's rules and regulations, as well as the Employee Code of Conduct, which includes integrity and ethics. In the year 2025, 25 new employees completed a total of 25 hours of orientation training. 2. Employees continued to participate in ongoing education and training. This year, the New Taipei City Investigation Office of the Investigation Bureau conducted a training course titled "Corporate Fraud Prevention and Anti-Scam with information security." A total of 40 employees completed 80 hours of training. 3. Annual promotional courses held by Taiwan Stock Exchange, including the "Insider Trading Prevention Seminar" and the "Legal Compliance Seminar for Insider Stock Transactions," are communicated to the Company's Directors, managers, and relevant personnel through online methods. This year, a total of 15 individuals participated, accumulating a total of 45 hours of educational instruction. 4. All 19 Directors and managers of the Company have signed the "Statement of Compliance with Ethical Corporate Management Policies," achieving a signing rate of 100%. The statement specifies				

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>that Directors and managers are to fully adhere to the ethical corporate management policies and regulations established by CASwell, including the Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, Codes of Ethical Conduct, and Procedures for the Prevention of Insider Trading. These efforts are rooted in the principles of integrity, transparency, and accountability, aimed at fostering robust corporate governance and risk management mechanisms to create a sustainable business environment.</p> <p>5. The Company distributes an informational handbook to all seven directors, including independent directors, at each board election. The handbook covers securities market regulations applicable to listed companies, their directors, and major shareholders, as well as regulatory guidance manuals for directors of listed companies and for independent directors.</p> <p>6. During Board meetings, Directors with conflicts of interest related to the agenda items shall adhere to the relevant avoidance regulations by recusing themselves and abstaining from discussions.</p> <p>7. The Company conducts monthly internal operations to promote the prevention of insider trading. The content includes:</p> <p>A. According to Article 157-1, Paragraph 1 of the Securities and Exchange Act, individuals subject to insider trading regulations who are aware of information that significantly affects the stock price of the Company are prohibited from buying or selling the Company's listed stocks or other equity-type securities at a securities firm, either on their own behalf or on behalf of others, within eighteen hours after the information has been made public or is clearly defined but not yet disclosed.</p> <p>B. Internal personnel of the Company, upon becoming aware of the Company's financial reports or related performance information, are subject to stock trading control measures. Directors are prohibited from trading their stocks during the closed periods, defined as the thirty days prior to the announcement of the annual financial report and the fifteen days prior to the announcement of each quarterly financial report. Violations of the aforementioned regulations constitute insider trading. Furthermore, it is imperative that Board members are reminded that they are prohibited from buying or selling stocks within a six-month period to avoid any potential conflicts of interest.</p> <p>8. Periodically, the Company informs its internal personnel about the "Common Patterns of Violations of Securities Trading Regulations Related to Changes in Insider Shareholding Reporting" to ensure diligent compliance.</p> <p>Intellectual Property Management Plan: The Company is dedicated to the network information and communication products market, emphasizing research and innovation in product technology. It continuously strengthens its software capabilities to enhance the differentiation and flexibility of its products and services. By integrating operational and research and development strategies, the Company establishes policies and management systems for intellectual property. These systems are progressively refined each year to improve intellectual property management, thereby strengthening competitive advantages, increasing corporate value, and achieving sustainable business operations.</p>	

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
<p>I. Intellectual Property Management Policy Maintain the Company's market position in network information and communication products and protect all intellectual property rights related to research and development and business achievements.</p> <p>II. Intellectual Property Management System: The Company's intellectual property encompasses patents, trademarks, copyrights, and trade secrets. This scope includes all intellectual property created or acquired by the Company's employees as well as external parties involved in the Company's research projects. The Company has established the "Intellectual Property Incentive Policy" to encourage employees to actively engage in invention and creation. In addition, the employment contracts, employee confidentiality agreements, and information system usage undertakings signed with employees stipulate that any research and development results and intellectual property rights obtained in the course of or related to their duties belong to the Company. This ensures the Company's legal ownership of intellectual property rights. When commissioning, accepting commissions, or collaborating with others on technology development, the ownership of intellectual property shall be determined according to the terms of the respective contracts. The Company values its own intellectual property rights and respects the intellectual property rights of others, thereby avoiding any infringement. The Company also conducts periodic intellectual property training for employees to implement the intellectual property management policy and to promote the responsibility of protecting intellectual property rights among all staff, thereby striving to reduce the risk of infringement.</p> <p>(I) Patent Rights: The Company's patent strategy primarily aims to encourage employees to actively innovate and engage in research and development, thereby enhancing the Company's competitiveness and value. The management measures are as follows:</p> <ol style="list-style-type: none"> <li>1. In accordance with the Company's "Intellectual Property Incentive Policy," bonuses are awarded in two stages: upon proposal approval and upon patent acquisition.</li> <li>2. Regularly review the utilization of granted patents and their application and relevance to the Company's products to confirm the necessity of continued maintenance.</li> </ol> <p>(II) Trademark Rights: The Company's trademark rights management strategy is to effectively manage and utilize its trademarks to maximize their value. The management measures are as follows:</p> <ol style="list-style-type: none"> <li>1. In line with the Company's future strategic development, the registration application for the new trademark was submitted in advance.</li> <li>2. Regularly review the registered usage status to confirm the necessity of continued maintenance.</li> </ol> <p>(III) Copyright: The Company's copyright management strategy primarily encourages its information technology, software, and other internal teams to independently develop systems, application software, or other related works tailored to the Company's needs. This approach aims to enhance management and production efficiency, thereby increasing the value of the Company's products and services. The management measures are as follows:</p>				

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof												
	Yes	No	Description													
			<ol style="list-style-type: none"> <li>Regularly review the usage and future application plans of all internally developed system application software and other related works, and update them as necessary.</li> <li>Regularly review whether users have been authorized.</li> </ol>													
			<p>(IV) Trade Secrets:</p> <p>The Company's trade secret management strategy is designed to protect research and development achievements, intellectual property, and operationally related confidential information. The management measures are as follows:</p> <ol style="list-style-type: none"> <li>Access Control and Security Management: The Company issues access cards to employees and controls entry permissions based on their departmental roles and job responsibilities. Visitors who are not employees of the Company are required to register upon visiting the Company.</li> <li>Information Security Management: New employees are required to sign the "Employee Confidentiality Agreement" and the "Information System Usage Commitment." The Company's employee computer equipment must be accessed using individual employee accounts and passwords.</li> <li>Contract Management: The Company's external contracts and legal documents are maintained by a dedicated unit. When business operations require access to these materials, a request stating the reason must be submitted and approved before review is permitted.</li> </ol>													
			<p>III. Implementation Status</p> <ol style="list-style-type: none"> <li>The Company's intellectual property rights achievements are as follows:            Patents: As of the end of December 2025, the Company has obtained 5 patents, with 1 application currently pending.</li> </ol>													
			<table border="1"> <thead> <tr> <th>Region</th> <th>Approved</th> <th>Pending</th> </tr> </thead> <tbody> <tr> <td>Taiwan</td> <td>One invention patent granted Four new models xx design(s)</td> <td>One invention patent granted xx new model(s) xx design(s)</td> </tr> <tr> <td>Abroad</td> <td>xx invention patent(s) granted xx new model(s) xx design(s)</td> <td>xx invention patent(s) granted xx new model(s) xx design(s)</td> </tr> <tr> <td>Total</td> <td>One invention patent granted Four new models xx design(s)</td> <td>One invention patent granted xx new model(s) xx design(s)</td> </tr> </tbody> </table>	Region	Approved	Pending	Taiwan	One invention patent granted Four new models xx design(s)	One invention patent granted xx new model(s) xx design(s)	Abroad	xx invention patent(s) granted xx new model(s) xx design(s)	xx invention patent(s) granted xx new model(s) xx design(s)	Total	One invention patent granted Four new models xx design(s)	One invention patent granted xx new model(s) xx design(s)	
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			<p>Trademarks: As of December 31, 2025, the Company has registered 6 trademarks.</p> <table border="1"> <thead> <tr> <th>Region</th> <th>Registered</th> </tr> </thead> <tbody> <tr> <td>Taiwan</td> <td>4</td> </tr> <tr> <td>Abroad</td> <td>2</td> </tr> <tr> <td>Total</td> <td>6</td> </tr> </tbody> </table>	Region	Registered	Taiwan	4	Abroad	2	Total	6					
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Evaluation Item	Implementation Status		Description	Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No		
2.			<p>The Company provides the following intellectual property training to its employees: A monthly email campaign is regularly issued to promote the prohibition of illegal software use, in order to respect intellectual property rights and protect the Company’s information security.</p> <p>During the onboarding training program conducted for new employees upon their commencement of employment, the Company</p> <ol style="list-style-type: none"> <li>1. The Company conducted intellectual property protection and regulatory awareness training, completing sessions for 25 participants totaling 25 hours in the fiscal year.</li> <li>2. Information security and personal data protection training was conducted, with 26 participants completing a total of 26 hours this year.</li> </ol> <p>Employees have continued to participate in ongoing education and training. As of December 31, 2024, the education and training completed during the year amounted to</p> <ol style="list-style-type: none"> <li>1. The “Information Security Awareness” program, including personal data protection courses, was completed by 211 participants, totaling 211 hours of training.</li> </ol> <p>The Company reports on intellectual property matters to the Board of Directors at least once annually, with the most recent report presented at the Board meeting on November 12, 2025.</p>	

(IX) Other Information Provides a Better Understanding of the Company's Corporate Governance Status: None.

(X) Status of Internal Control System

1. Internal Control Statement: Please refer to the Market Observation Post System (MOPS) under Single Company → Corporate Governance → Company Rules/Internal Control → Announcement of Internal Control Statement.

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

2. Independent Auditor's Report: Please refer to the Market Observation Post System (MOPS) under Single Company → Electronic Document Download → Financial Reports.

[https://mopsplus.twse.com.tw/mops/#/web/t57sb01\\_q1](https://mopsplus.twse.com.tw/mops/#/web/t57sb01_q1)

(XI) Major Resolutions of Shareholders' Meeting and Board Meetings:

1. Major Resolutions of the Board Meetings:

Date	Major Resolutions	Implementation Status
2025.05.22	Ratified 2024 Business Report and Financial Statements	The relevant reports and statements have been filed with the competent authority for future reference and declaration
	Ratified 2024 Earnings Distribution Plan	The shareholders' meeting authorized the Chairman to handle related matters. The Chairman set the ex-dividend date as August 5, 2025, and the cash dividend payment date as August 28, 2025. Cash dividends totaling NT\$212,710,534 will be distributed based on the shareholders' holdings recorded in the shareholder register as of the ex-dividend date, at NT\$2.9 per share.
	Amendments to the Articles of Incorporation	Proceeding in accordance with the revised procedures.
	Proposal to release the Directors of the Company from non-competition restrictions	Effective after resolution of shareholders' meeting

## 2. Major Resolutions of the Board Meetings:

Item	Date	Major Resolutions
8th Meeting of the 9th Board of Directors	2025.03.05	<ol style="list-style-type: none"> <li>1. 2024 Annual Operating Report</li> <li>2. 2024 Annual Financial Statement</li> <li>3. 2024 Employee Remuneration Plan</li> <li>4. 2024 Directors Remuneration Plan</li> <li>5. 2024 Earnings Distribution Plan</li> <li>6. 2024 Statement of Internal Control System</li> <li>7. Amendment to the Company's managerial remuneration policy and system</li> <li>8. Proposal to assess and establish compensations and remuneration for Directors and managers for 2025</li> <li>9. 2025 Business Plan</li> <li>10. Change of the Company's CPAs</li> <li>11. Independence &amp; Competency Assessment and Appointment &amp; Remuneration of the CPAs for 2025</li> <li>12. Renewal of the short-term credit line with banks and financial products borrowing facilities</li> <li>13. Establishment of the Company's definition for "grassroot employee"</li> <li>14. Amendments to the Articles of Incorporation</li> <li>15. Proposal to release the Directors of the Company from non-competition restrictions</li> <li>16. Passed the convention of the 2025 shareholders' meeting.</li> </ol>
9th Meeting of the 9th Board of Directors	2025.05.07	<ol style="list-style-type: none"> <li>1. Financial statements for the first quarter of 2025</li> <li>2. Application for renewal of the credit line with bank.</li> </ol>
10th Meeting of the 9th Board of Directors	2025.08.06	<ol style="list-style-type: none"> <li>1. Consolidated financial statements for the second quarter of 2025.</li> <li>2. The Company intends to apply to Taishin Commercial Bank and the Export-Import Bank of the Republic of China for the renewal of its short-term bank credit and financial product transaction limits.</li> <li>3. Proposal for lending of new funds to subsidiary Apligo GmbH</li> <li>4. 2024 ESG Report Plan</li> <li>5. Directors Individual Remuneration Distribution for 2024</li> <li>6. 2024 Manager Remuneration Plan</li> </ol>

Item	Date	Major Resolutions
11th Meeting of the 9th Board of Directors	2025.11.12	<ol style="list-style-type: none"> <li>1. Consolidated financial statements for the third quarter of 2025.</li> <li>2. The Company intends to apply to Taiwan Land Bank, Cathay United Bank, and Bank of Taiwan for short-term bank credit and financial product transaction limits.</li> <li>3. Proposal for lending of new funds to subsidiary Apligo GmbH</li> <li>4. Proposed amendments to the “Regulations for Pre-approval of Non-assurance Services Provided by the Company's Auditors”</li> <li>5. Proposed Amendments to the Company's “Internal Control System – Payroll Cycle” and “Internal Audit Implementation Rules – Payroll Cycle”</li> <li>6. 2026 Audit Plan</li> </ol>
12th Meeting of the 9th Board of Directors	2026.03.04	<ol style="list-style-type: none"> <li>1. 2025 Business Operations Report</li> <li>2. 2025 Financial Statements</li> <li>3. 2025 Employee Remuneration Plan</li> <li>4. 2025 Directors Remuneration Plan</li> <li>5. 2025 Earnings Appropriation</li> <li>6. 2025 Statement of Internal Control System.</li> <li>7. Proposal for the policy and structure of remuneration for Directors and managers of the Company in 2026</li> <li>8. The Company intends to acquire a 70% stake in Network Box Holdings Ltd.</li> <li>9. 2026 Business Plan</li> <li>10. Independence &amp; Competency Assessment and Appointment &amp; Remuneration of the CPAs for 2026</li> <li>11. The Company intends to apply to KGI Bank for a short-term credit facility and financial product transaction limit.</li> <li>12. Proposed Amendments to the Company’s “Regulations Governing the Acquisition and Disposal of Assets”</li> <li>13. Proposed Amendments to the Company’s “Guidelines for Sustainable Development Practices”</li> <li>14. Proposed Amendment to the Company’s “Sustainability Report Preparation and Assurance Procedures”</li> <li>15. Overall re-election of the Company's directors</li> <li>16. The nomination and review of director (including independent director) candidate list proposal</li> <li>17. Proposal to release the newly elected directors from non-competition restrictions</li> <li>18. Passed the convention of the 2026 shareholders' meeting.</li> </ol>

- (XII) Recorded or written statements made by any director or supervisor which specified dissent to important resolutions passed by the Board of Directors during the most recent year and up to the date of publication of this annual report: None.

### III. Information About CPA Professional Fee

- (I) Accounting Fees:

Currency Unit: NT\$ thousand

Name of CPA Firm	Name of CPA	CPA's Audit Period	Audit Fees	Non-audit Fees	Total	Remarks
KPMG	Kuo Hsin-I	Financial Reports and Profit-Seeking Enterprise Income Tax Settlement Reports for the First to Third Quarters and the Full Year of 2025	2,080	220	2,300	Non-audit Fees: Tax Compliance Audit
	Chang Chao-wen	Financial Reports for the First to Third Quarters and the Full Year of 2025				

- (II) Change of CPA firm and the audit fees for the year of the change less than of the previous year, and the amount of audit fees before and after the change, and reasons for the change: None.
- (III) Audit fees were 10% (or above) less than that of the previous year: None.

IV. Information About Replacement of CPA:

(I) About former CPA:

Date of Replacement	Approved by the Board of Directors on March 5, 2025.		
Reasons for Replacement and Explanation	Adjustment to the Internal Rotation Mechanism of the Accounting Firm		
Explanation Regarding the Principal's or Auditor's Termination or Refusal to Accept Appointment	Status	Related Party	Appointing Party
	Proactive Termination of Appointment		CPA
	No Longer Accepting (Continuing) Appointments.		None
Audit Reports Issued Within the Past Two Years Other than Those with Unqualified Opinions Notice of Opinions and Reasons	None		
Any Dissenting Opinions with the Issuer	Yes		Accounting Principles or Practices
			Financial Report Disclosure
			Scope or Steps of the Audit
			Others
	None	V	
	Description		
Other Disclosures (Disclosures Required under Article 10, Paragraph 6, Subparagraphs 4 through 7 of These Regulations)	None		

## (II) About successor CPA

Name of CPA Firm	KPMG
Name of CPA	Kuo Hsin-I Chang Chao-wen
Date of Appointment	Approved by the Board of Directors on March 5, 2025.
Consultations and outcomes regarding the accounting treatment or principles for specific transactions prior to appointment, as well as opinions that may be issued on the financial reports	None
Written opinion of the successor CPA on matters of disagreement with the predecessor	None

(III) The predecessor auditor's response regarding the matters specified in Article 10, Paragraph 6, Subparagraphs 1 and 2-3 of the Standards: None.

V. The Company's Chairman, President, or manager in charge of financial or accounting affairs having worked in the CPA's firm or affiliated enterprise in the last year: None.

VI. Net Change in shareholdings and in shares pledged by directors, managers, and shareholders holding more than a 10% share in the Company:

(I) Net change in shareholdings and in shares pledged by directors, managers, and shareholders holding more than a 10% share in the Company:

Please refer to the Market Observation Post System: Single Company → Shareholding Changes / Securities Issuance → Share Transfer Data Inquiry → Insider Shareholding Change Post-Report Form at [https://mopsplus.twse.com.tw/mops/#/web/query6\\_1](https://mopsplus.twse.com.tw/mops/#/web/query6_1)

Please refer to the Market Observation Post System: Single Company → Shareholding Changes / Securities Issuance → Insider Pledge and Release Announcements  
[https://mopsov.twse.com.tw/mops/web/STAMAK03\\_1](https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

(II) Circumstances in which the counterparties involved in the transfer of equity held by directors, managers, or shareholders with more than 10% ownership are related parties: None.

(III) Circumstances in which directors, managers, or shareholders holding more than a 10% in the Company have pledged their shares to related parties: None

## VII. Information About the Relationship Among the Company's 10 Largest Shareholders

March 30, 2026

Name	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Name and relationship among top ten shareholders with anyone who is a related party or the spouse, or a relative within the second degree of kinship		Remarks
	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding	Name	Nature of Relationships	
Ennoconn Corporation	20,000,000	27.27%	—	—	—	—	Ennoconn International Investment Co., Ltd.	Parent and subsidiary	—
Ennoconn Corporation Representative: Steve Chu	50,000	0.07%	—	—	—	—	—	—	—
Ennoconn International Investment Co., Ltd.	3,839,000	5.23%	—	—	—	—	Ennoconn Corporation	Parent and subsidiary	—
Ennoconn International Investment Co., Ltd. Representative: Steve Chu	50,000	0.07%	—	—	—	—	—	—	—
Zhang Jin-Wei	1,977,000	2.70%							
Bentech Systems Corporation	1,000,000	1.36%	—	—	—	—	—	—	—
Bentech Systems Corporation Representative: Chen Xue-Li	—	—	—	—	—	—	—	—	—
Lin Kun-Min	755,000	1.03%							
Li Yan-Yan	581,000	0.79%							
Chen Chiu-Liang	546,000	0.74%							
Citigroup Trustee Berkeley Capital SBL/PB Investment Account	536,000	0.73%							
Kang Ching-tsai	516,000	0.70%							
HSBC (Taiwan) Commercial Bank Co., Ltd. is the custodian of the investment account managed by Morgan Stanley International Limited	480,795	0.66%							

VIII. The number of shares held by the Company, its directors, supervisors, managers and enterprises directly or indirectly controlled by the Company in the same reinvested enterprise, and the comprehensive shareholding ratio should be calculated together:

December 31, 2025; Unit: Shares

Investee business	Investment by the Company		Investments on businesses controlled directly or indirectly by the Company and its Directors, Supervisors and managers		Total Ownership	
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio
CASwell International Investment Co., Ltd.	3,205,760	100%	—	—	3,205,760	100%
CASO, Inc.	1,881	99%	—	—	1,881	99%
Beijing Caswell Ltd.	—	—	3.116 million USD (Note 1)	82%	USD 3.116 million (Note 1)	82%
Caswell Americas, Inc.	3,000,000	100%	—	—	3,000,000	100%
APLIGO GmbH	24,000	66.67%	—	—	24,000	66.67%
Hawkeye Tech, Co., Ltd.	9,096,667	60.64%	—	—	9,096,667	60.64%

Note 1: Paid-in capital.

## Chapter 3. Capital Overview

### I. Capital Stock and Shares

#### (I) Source of Capital

##### 1. Historical Information of Capitalization

March 31, 2026

Year/Month	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares (Thousand shares)	Amount NT\$ (thousand)	Number of Shares (Thousand shares)	Amount NT\$ (thousand)	Source of Capital	Capital Increase by Assets Other than Cash	Others
2007/04	10	3,000	30,000	1,000	10,000	Capital stock for incorporation of NT\$10,000 thousand	None	Note 1
2008/02	10	30,000	300,000	12,500	125,000	Capital increase by cash NT\$ 115,000 thousand	None	Note 2
2009/05	10	30,000	300,000	24,820	248,200	Capital increase by merger NT\$ 123,200 thousand	Issuance of new shares by accepting shares of other companies	Note 3
2009/09	10.41	30,000	300,000	24,886	248,860	Capital increase by employee bonus NT\$660 thousand.	None	Note 4
2009/11	12	30,000	300,000	26,000	260,000	Capital increase by cash NT\$11,140 thousand	None	Note 5
2010/08	10 12.19	60,000	600,000	30,335	303,350	Capital increase by retained earnings NT\$ 39,000 thousand. Capital increase by employee bonus NT\$ 4,350 thousand.	None	Note 6
2010/12	12.3	60,000	600,000	44,234	442,336	Capital increase by merger NT\$ 138,986 thousand	Issuance of new shares by accepting shares of other companies	Note 7 Note 8
2011/07	10 10 13.88	100,000	1,000,000	60,031	600,307	Capital increase by retained earnings NT\$ 119,431 thousand. Capital increase by capital reserve NT\$ 26,540 thousand Capital increase by employee bonus NT\$ 12,000 thousand	None	Note 9

Year/Month	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares (Thousand shares)	Amount NT\$ (thousand)	Number of Shares (Thousand shares)	Amount NT\$ (thousand)	Source of Capital	Capital Increase by Assets Other than Cash	Others
2018/03	101	100,000	1,000,000	68,036	680,357	Capital increase by cash NT\$ 80,050 thousand	None	Note 10
2020/09	10	100,000	1,000,000	71,295	712,950	Corporate bonds converted into common shares: NT\$ 32,593 thousand	None	Note 11
2020/12	10	100,000	1,000,000	73,068	730,678	Corporate bonds converted into common shares: NT\$ 17,728 thousand	None	Note 12
2021/05	10	100,000	1,000,000	73,127	731,273	Corporate bond conversion into ordinary shares: NT\$ 595 thousand	None	Note 13
2021/08	10	100,000	1,000,000	73,189	731,889	Corporate bond conversion into ordinary shares: NT\$ 616 thousand	None	Note 14
2023/03	10	100,000	1,000,000	73,348	733,485	Corporate bond conversion into ordinary shares: NT\$ 1,596 thousand	None	Note 15

- Note 1: Approved date and document No.: April 19, 2007, FJSZ No. 09683745500.  
 Note 2: Approval date and document No.: February 19, 2008, FCYSZ No. 09781283300.  
 Note 3: Approval date and document No.: May 19, 2009, JSZZ No. 09832244750.  
 Note 4: Approval date and document No.: September 22, 2009, JSZZ No. 09833070830.  
 Note 5: Approval date and document No.: November 23, 2009, JSZZ No. 09833483000.  
 Note 6: Approval date and document No.: August 3, 2010, BFJDZ No. 0993144823.  
 Note 7: Approval date and document No.: November 1, 2010, BFJDZ No. 0993166111.  
 Note 8: Approval date and document No.: December 2, 2010, BFJDZ No. 0993173235.  
 Note 9: Approval date and document No.: July 7, 2011, JSSZ No. 10001141890.  
 Note 10: Approval date and document No.: March 14, 2018, TZSYZ No. 1071801057.  
 Note 11: Approval date and document No.: September 7, 2020, JSSZ No. 10901168140.  
 Note 12: Approval date and document No.: December 8, 2020, JSSZ No. 10901221100.  
 Note 13: Approval date and document No.: May 27, 2021, JSSZ No. 11001093110.  
 Note 14: Approval date and document No.: August 26, 2021, JSSZ No. 11001129840.  
 Note 15: Approval date and document No.: March 21, 2023, JSSZ No. 11230047770.

## 2. Share Type

March 31, 2026; Unit: Shares

Share Type	Authorized Capital			Remarks
	Issued Shares	Unissued Shares	Total	
Common Stock	73,348,460	26,651,540	100,000,000	Listed stocks

## (II) Major Shareholders

March 30, 2026

Name of Major Shareholder	Shares	Number of Shares Held	Percentage of Ownership %
Ennoconn Corporation		20,000,000	27.27
Ennoconn International Investment Co., Ltd.		3,839,000	5.23
Zhang Jin-Wei		1,977,000	2.70
Bentech Systems Corporation		1,000,000	1.36
Lin Kun-Min		755,000	1.03
Li Yan-Yan		581,000	0.79
Chen Chiu-Liang		546,000	0.74
Citigroup Trustee Berkeley Capital SBL/PB Investment Account		536,000	0.73
Kang Ching-tsai		516,000	0.70
HSBC (Taiwan) Commercial Bank Co., Ltd. is the custodian of the investment account managed by Morgan Stanley International Limited		480,795	0.66

## (III) Dividends policy and Implementation Status:

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

In case there are profits after tax in the final settlement of the current year, the Company should first offset the accumulated loss and retain 10% as legal surplus reserve in accordance with the law; however, when the legal surplus reserve exceeds the paid-in capital of the Company, it is not subject to this limitation. Certain amount should be further allocated as special reserve or the special reserve should be reversed in accordance with applicable laws and regulations or as requested by the competent authority. The balance (if any) together with accumulated unappropriated retained earnings can be distributed

after the distribution plan is proposed by the Board of Directors and approved by the shareholders' meeting.

The dividend distribution of the shareholders of the Company can be in cash or shares, in which the proportion of shareholders' cash dividend distribution is not less than 10% of the total dividends of the shareholders and the proportion of shareholders' cash dividend distribution is not less than 10% of the total dividends of shareholders. The Company is in a growing industry. The type and proportion of this retained earnings distribution is based on the Company's future capital demand and long-term operating plan. The Board of Directors may draw up a distribution proposal according to the current operating conditions and taking into account shareholders' equity, balanced dividend policy and capital demand plan, and submit it to the shareholders' meeting for resolution and adjustment.

If there is no loss and the Company has no earnings to be distributed or has financial, business or operational considerations, part or all of the reserve may be distributed according to the law or the competent authority's requirements.

2. Distribution of dividends proposed in the shareholders' meeting

The Company's profit distribution plan for the year 2025 was approved by the Board of Directors on March 4, 2026. A cash dividend of NT\$2.80 per share will be distributed, representing a payout ratio of 65.08%. This plan will be submitted for approval at the 2026 Annual Shareholders' Meeting.

(IV) Effect of allocation of Free-Gratis Dividends proposed at the shareholders' meeting on the operational performance of the Company and the Earnings Per Share:

The Company did not issue any free stock dividends in 2025; therefore, this item is not applicable.

(V) Remuneration of Employees and Directors:

1. The percentages or ranges with respect to employee and director remuneration, as set forth in the Company's Articles of Incorporation: If the Company makes profits (i.e., net profits before tax after

deduction of the portion set aside for employee remuneration) within a fiscal year, 2-15% of the profits shall be reserved as the employee remuneration with at least 20% of the allocated amount reserved as entry-level employee remuneration; no more than 2% shall be reserved as director remuneration. When there are accumulated losses, the Company shall offset the appropriate amounts before remuneration.

The above remuneration to the employees may be allotted in cash or stock. Eligible personnel includes employees at subsidiaries that meet the requirement. The Board of Directors is authorized to formulate the relevant requirement. The above remuneration to the directors shall be in cash.

The preceding two paragraphs shall be determined by the resolution of the Board of Directors and reported to the shareholders' meeting.

2. The basis for estimating the remuneration of employees and directors in current period, the basis for calculating the number of shares of employee remuneration distributed by stocks, and the accounting treatment when differences occur between estimated and actual distributed amount.
  - (1) The basis for estimating the remuneration of employees and directors in current period: Please refer to (5).1 above.
  - (2) The basis for calculating the number of shares to be distributed to employees as the bonus for the current period: None
  - (3) Accounting treatment for difference between the actual number distributed and the estimated figures: It is considered as a change in accounting estimates and is included in profit or loss in the actual year for distribution.
3. Approval of remuneration distribution by the Board of Directors  
The proposal for employee remuneration in 2025 was passed by the resolution of the Board of Directors on March 4, 2026. The distribution approved by the Board of Directors is as follows:
  - (1) Employee and director compensation distributed in cash or stock: The Company approved the distribution of NT\$12,500,000 in cash compensation to employees and NT\$4,800,000 in director compensation. These amounts are consistent with the estimated annual expense recognized.

- (2) Employee bonus distributed in shares and the ratio of the share bonus on the net income after tax and the total amount of employee bonus: Since the Company only distributed employee bonuses in cash in 2025, it is not applicable.
4. Actual distribution of employee and director compensation for the prior fiscal year (including the number of shares distributed, amounts, and share prices), and any differences from the recognized employee and director compensation amounts, with explanations of the differences, reasons, and resolutions: For the year 2025, the Company approved the distribution of cash compensation for employees of NT\$13,800,000 and director compensation of NT\$5,280,000 for the year 2024. There were no differences from the estimated amounts recognized as expenses for the fiscal year.
- (VI) Share repurchases: None.
- II. Handling of Corporate Bonds: None.
- III. Issuance of preferred stocks, overseas depository receipts, employee stock option certificates, new restricted employee shares, mergers and acquisitions, or issuance of new shares for the acquisition of other companies: None.
- IV. Implementation of capital utilization plan: None.

## Chapter 4. Operational Overview

### I. Business Activities

#### (I) Scope of Business

1. The scope of major business items
  - CC01080 Electronic Parts and Components Manufacturing
  - CC01110 Computers and Computing Peripheral Equipment Manufacturing
  - CC01120 Data Storage Media Manufacturing and Duplicating.
  - E605010 Computing Equipment Installation Construction
  - F113050 Wholesale of Computing and Business Machinery Equipment
  - F118010 Information Software Wholesale Industry
  - F119010 Electronic Materials Wholesale Industry
  - F401010 International trade
  - I501010 Product Design Services
  - I301010 Software Design Services
  - I301020 Data Processing Services
  - I301030 Digital Information Supply Services
  - IG02010 Research Development Service
  - ZZ99999 All business not prohibited or restricted by law, except for those subject to special approval
2. Revenue Proportion

Unit: NT\$ thousand

Item	2024		2025	
	Net sales	%	Net sales	%
Network appliances	3,158,869	74.26%	3,235,657	75.09%
Others	1,094,800	25.74%	1,073,615	24.91%
Total	4,253,669	100.00%	4,309,272	100.00%

#### 3. Current products and services

In the age of the Internet of Everything, the popularity of Cloud Computing and Edge Computing has led to products and applications needed by the information and communication technology (ICT) industry being divided into the deployment mode of shared computing resource pool (network, computing, storage, application and service). According to the market and application development needs, the Company's online product development is divided as follows:

- (1) Network security and management (NSM)

With the continuous increase in ICT network devices, the volume of data has grown exponentially, leading to a sustained rise in the demand for information security protection and management. The scope of application includes firewalls, virtual private networks (VPNs), antivirus application servers, integrated threat management servers, intrusion detection and prevention systems, and wireless gateway servers. The Company focuses on designing hardware platforms required for network security, offering end-to-end services ranging from software and hardware product engineering consulting, development and design, quality planning, to production logistics and warehouse management. Additionally, it enhances product competitiveness through value-added services such as the Hub Management Service Center and customized value-added software services.

(2) Software-defined network (SDN)

The global network architecture is rapidly transforming from traditional models to SDN architectures, driving swift changes in enterprise and telecommunications network environments. With the maturation of network virtualization and 5G technology, the demand for WAN solutions has expanded from traditional MPLS dedicated connections to include internet and hybrid connections (combining wired and wireless). The Company integrates secure connectivity and application acceleration services, actively advancing emerging market products such as uCPE, vCPE, SD-WAN, MEC, and vRAN, while providing the corresponding hardware platforms. Through strategic alliances with system solution and software vendors, the SD-WAN software solution has been implemented and validated, with further promotion extended to telecommunications companies, operators, and the industrial sector.

(3) Industrial control and automation (ICA)

With the rise of Industry 4.0, new concepts of intelligent management and services have been widely integrated into the industrial and commercial value chains. The industrial transformation and smart manufacturing trends across various vertical sectors have become mainstream. As more devices connect to the Industrial Internet of Things (IIoT), the complex network threats originally targeting IT environments are beginning to infiltrate operational technology (OT) environments, such as industrial control systems. Furthermore, the world is accelerating the energy transition, focusing on energy conservation, energy creation, energy storage, and the integration of smart systems. The Company addresses information security issues in the

industrial sector and trends in green energy development by offering related products and services. These include solutions for industrial information security and management equipment, industrial control equipment, and the Smart Grid sector.

(4) Cloud computing server and switch

With the advancement of internet and virtualization technologies, the demand for cloud computing applications continues to grow. In addition to traditional cloud data centers, the rise of 5G networking applications has also driven the demand for edge computing and data center infrastructure products. Responding to this trend, the Company offers product solutions for servers and switches, meeting the evolving market demands.

In terms of services, the Company not only provides self-developed standard equipment but also specializes in the design and manufacturing of network security equipment, tailoring exclusive products to meet customer needs. In addition to OEM contract manufacturing services, the company also offers original design manufacturing (ODM) and joint design manufacturing (JDM) services, which encompass motherboard and system specification design, software development, manufacturing, validation, and after-sales service. The Company boasts a robust engineering research and development team capable of providing highly customized R&D services based on solutions and specifications proposed by clients. This ensures the fulfillment of client expectations and meets the needs of various application fields.

Additionally, the company offers a diverse range of software value-added services, including network performance optimization drivers, system self-diagnostic testing programs, remote management LOM (IPMI/BMC) modules with customized features, BIOS development, maintenance, and management software, among other integrated solutions.

4. Products development

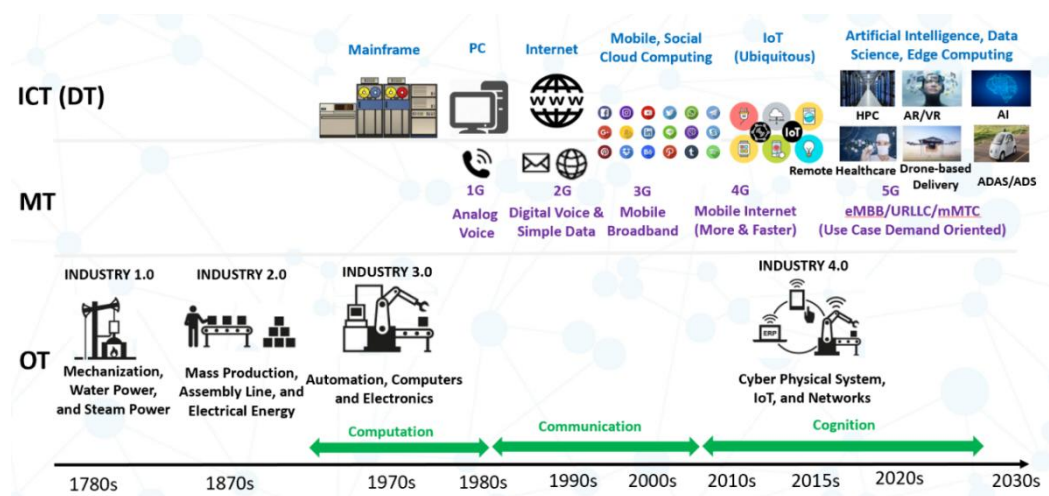
The Company is committed to the market of Network appliances. With the application and business expansion in emerging markets, we are constantly pursuing R&D and innovation. Developing from pure information communication security and management products, we expand the product lines in emerging markets, including high-end network cards, Network security architecture platform, cloud application network server platform and telecom communication products. We also strengthens the cultivation of software strength in specific vertical fields (such as industrial network storage and smart grid), so as to enhance product differentiation and flexibility and increase added value.

## (II) Industry overview

### 1. Current status and development

The network communication industry is booming with the continuous development of broadband networks. As a result, the global network population is increasing rapidly, owing to the increasingly mature cloud computing and edge computing, the economic take-off of emerging countries and the continuous improvement of network infrastructure. At the same time, the proliferation of hardware devices such as smartphones and tablet computers has led to a more widespread use of network services. Global businesses and consumers are increasingly reliant on computer networks and communication services. The emergence of convenience, security, and new business network models has also profoundly transformed daily life. In addition, the method of connectivity has transitioned from the previously passive wired model to a dynamic and proactive wireless and mobile networking approach. Furthermore, the global liberalization of telecommunications has also facilitated the overall development of the network communication industry.

According to market reports, the global cybersecurity market size in 2024 is estimated to be USD 78.2 billion and is projected to reach USD 111 billion by 2029, with a compound annual growth rate (CAGR) of 7.2%. With the widespread adoption of digitalization and cloud services by enterprises, the frequency and complexity of cyberattacks have increased. These include Distributed Denial of Service (DDoS) attacks, Man-in-the-Middle (MitM) attacks, and DNS spoofing, which have expanded the attack surface and exposed businesses to greater risks.



*Development trend of information technology, mobile technology and operation technology.*

*(Source: sorted by CASwell)*

Furthermore, the explosive growth of Artificial Intelligence (AI) technology has had a profound impact on the fields of internet communication and security. The application of AI in big data analysis, threat detection, automated protection, and predictive maintenance has significantly enhanced the efficiency and accuracy of cybersecurity solutions. Companies utilizing AI technology can promptly detect potential threats and automate response processes, thereby reducing the risk of human operational errors. At the same time, the AI-driven intelligent network management system can dynamically adjust resource allocation, optimize network performance, and further enhance the Company's competitive advantage in digital transformation.

With the development of communication equipment and the influence of network popularization, the application of network communication products has become more diversified. As shown in the following figure, with the popularization of network security management, the vigorous development of cloud computing and edge computing, the demand of the capital communication market in which we are engaged has also gradually increased.

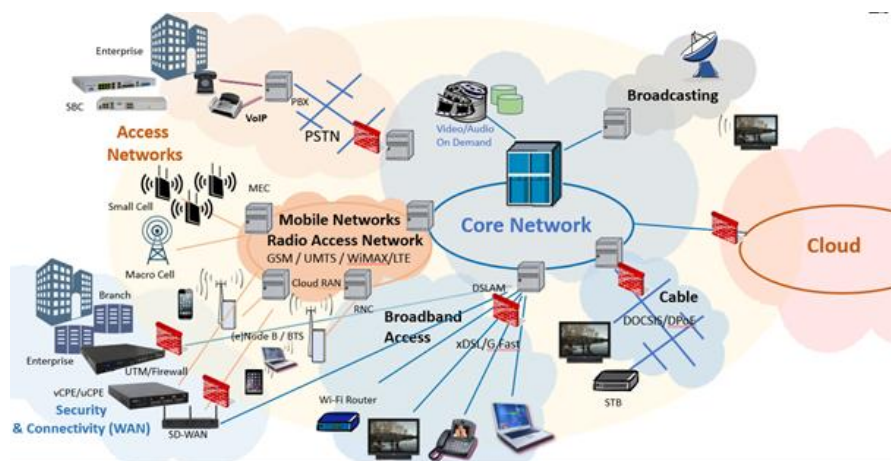


Photo: CASwell's target market of information communication network

The application market of the Company's main products is as follows:

- (1) Network Security and Management and Software Defined Application Market
  - A. Network security and management
    - (A) Information security has always been a major issue that can't be ignored in the network communication industry. No matter

enterprises, governments, academic institutions or individuals, as long as they use network information systems, they must guard against network threats or hacker attacks. The main purpose of network security equipment is to ensure smooth network connection. According to different functions, it can be divided into unified threat management platform (UTM), Firewall, intrusion detection/protection system (IDS/IPS) and virtual private network (VPN). Among them, UTM is an integrated network threat management platform, which can perform complex functions such as Firewall, IDS/IPS and ramp antivirus. It is also the main product of the Company's network security control platform.

#### Network security features

Category	Description
Unified Threat Management (UTM)	To effectively prevent internal and external attacks and any unauthorized access of enterprises, the platform combined with various security schemes not only provides the main functions of high-speed firewall and IDS/IPS, but also integrates various protection functions such as anti-worm function, anti-virus function, anti-spam function, Web address classification filtering and anti-malware function.
Firewall	Setting up a monitoring and management buffer interface (Gateway) between Intranet and Internet to control the ingress and egress of all network packets, and allow or prohibit specific data access behavior on the network. The main task of Firewall is to check all passing IP packets, and control the propagation of network information packets according to IP address, Port and packet transmission direction.
Intrusion Detection System/ Intrusion Protection System (IDS/IPS)	The main function of Intrusion Detection System (IDS) is to monitor the network packets as well as the running status of the network and system according to the preset security policy. It will automatically send an alarm to inform the network management personnel when an abnormality is found, and record various attack attempts, behaviors or results. Intrusion Prevention System (IPS) turns passive into active. When abnormal network packets or behaviors are found, the system not only sends an alarm to inform the network management personnel, but also takes necessary measures immediately, such as blocking the source IP. IDS and IPS are collectively called IDP.
Virtual Private Network (VPN)	It is a point-to-point connection across private or public networks, using encrypted channel protocol to achieve private message security effects such as confidentiality, sender authentication and message accuracy. It can transmit reliable and secure messages over insecure networks.

Data source: Summarized by the Company.

In recent years, the development trend of global information security is mainly divided into two industrial types: traditional

information technology security (IT Security) and operational technology security (OT Security). In response to the protection needs of new attack modes, new information security solutions are provided. With automation and intelligence capabilities, they can reduce human intervention as response and judgment, thus improving accuracy and defense efficiency. The overall development continues to move towards three major trends: protection oriented integration (including integration of end, network and cloud and integration of IT and OT), fine evolution of defense function (adaptive active response mechanism and continuous detection and monitoring) and intelligent threat response (visual interface and replacing manual analysis with machine learning).

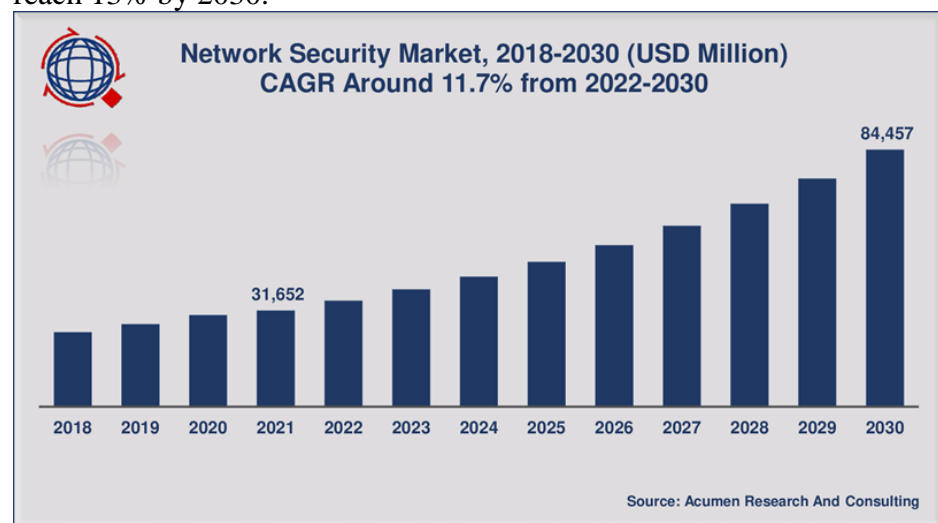
#### B. Software-defined applications

(A) Software-defined network is a rapidly emerging network architecture in recent years. It is designed to separate the Control Layer and the Data Layer of the network and make the control layer centrally control and manage the network, so as to realize programmable network and greatly improve the control flexibility and use efficiency of network resources to cope with the rapid growth and diversification of the network in the future. With the paradigm shift of software-defined network architecture, WAN infrastructure has been hardware to solve the networking mode for decades. For example, ISDN, T1/E1, Frame Repeater and MPLS service determine the specific hardware interface. Customer premises equipment (CPE), such as routers, firewalls and accelerators, deploy WAN services through these hardware interfaces. Usually, these facilities have their own physical blocks. As a result, traditional WAN services are complex and slow to develop, and are limited by expensive dedicated lines and a large number of Proprietary Box. By means of software definition, the WAN architecture of WAN becomes software and is spiritualized. Therefore, all the traditional technologies can be swept away and replaced by the virtual network function (VNF) run by software services running on general hardware. By using low-cost, high-speed Internet services and combining these services with

intelligent and cloud service infrastructure, corporate headquarters and branches can be linked together more effectively.

### C. Market scale

According to Acumen Research And Consulting and related survey statistics, the hardware output value of the global network security market will reach US\$84.45 billion by 2030, with a growth rate of about 11.7%, of which the North American market accounts for the global network security market share nearly 36%. But the Asia-Pacific market scale cannot be ignored, and the compound growth rate is estimated to reach 13% by 2030.



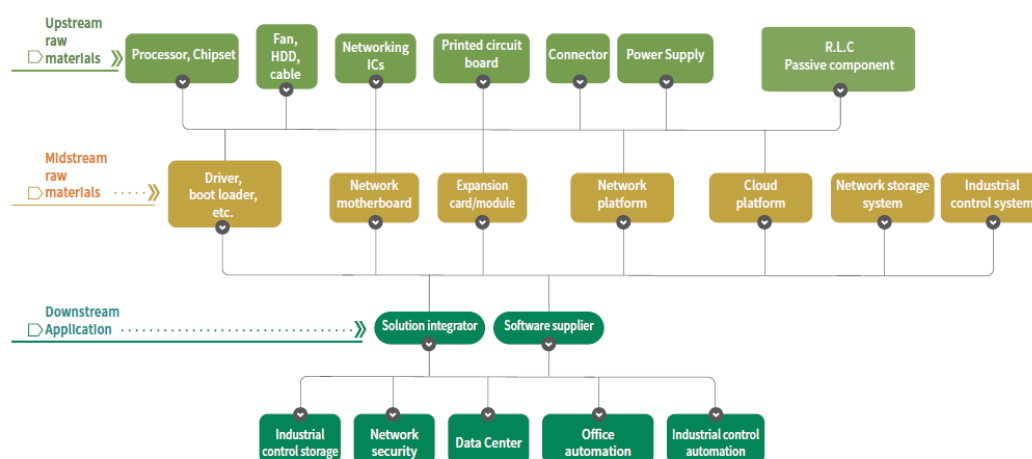
(Source by: <https://www.globenewswire.com/news-release/2022/10/11/2532423/0/en/Network-Security-Market-Size-is-expected-to-reach-at-USD-84-457-Million-by-2030-registering-a-CAGR-of-11-7-Owing-to-Increasing-Level-of-Cybercrime-over-the-Globe.html> )

### (2) Cloud application market

Cloud applications include storage and computing markets. Cloud storage generally refers to all services that store data in remote storage devices and provide users with access through the network; cloud computing is a highly flexible and extensible computing center, which can provide the applications that users need. With the development of cloud applications and the significant improvement of performance and networking speed of communication equipment, the concept of virtual management of computing resources is promoted, integrating storage, computing and internet into ready-to-use resources and resulting in a sharp increase in global data transmission and data volume. In addition, most of the systems that are still in use in the market are no longer able to meet the high computing power demands of virtual technology and cloud computing. Relevant technologies of the

network security application platform can provide relevant hardware support. Therefore, the vigorous development of cloud services not only heats up the market of storage equipment, but also generates high demand for network security equipment.

- Relationship amongst up-stream, mid-stream, and down-stream of the industry  
The up-stream of this industry is similar to general industrial or industrial computers, including key chips, industrial IC, connectors and related peripheral components, among which the most important key component is network IC. As a mid-stream business, the Company focuses on system platforms and proprietary drivers for customer applications that facilitate the rapid development of integrated all-inclusive solutions by our customers. Down-stream applications focus on network security, data center, and office automation. They are mainly sold by software suppliers to end enterprise users either alone or through solution integrators.



- Product Development Trends

As cloud technology advances, enterprises are increasingly reliant on cloud services and virtualization. Initially, companies were only willing to move non-critical systems, such as email and websites, to the cloud. However, they have now begun migrating some critical systems to the cloud and even adopting a "cloud-first" IT strategy. The cloud has become the foundation of enterprise IT infrastructure.

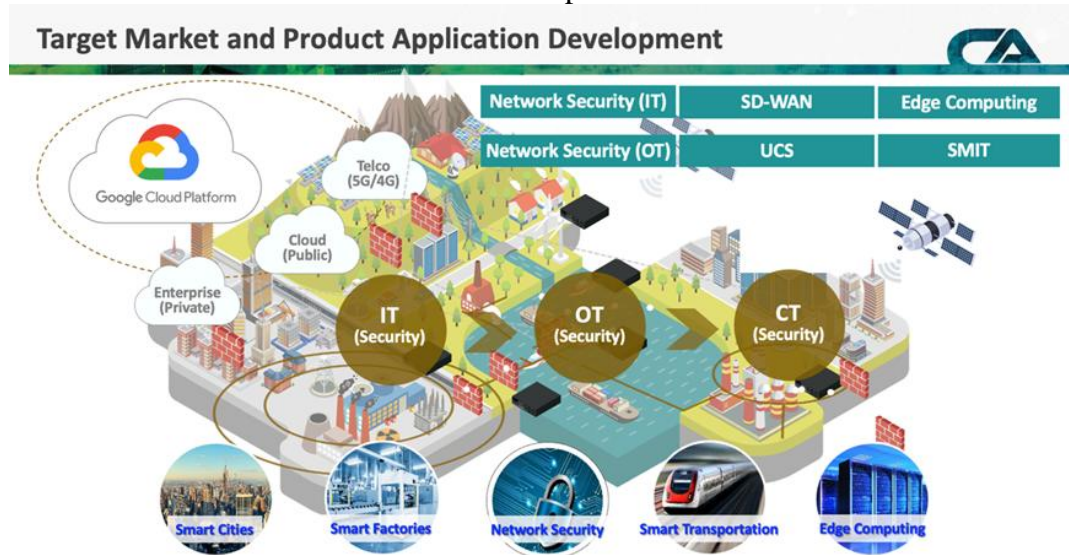
Secure Access Service Edge (SASE) has become one of the most popular topics in the IT industry in recent years. With the significant increase in cloud services, traditional network architectures have become a clear bottleneck in large cloud data centers. To enhance data transmission efficiency, simplify management, and reduce energy consumption, the new generation of network architecture—

Software-defined networking (SDN) and Zero Trust security solutions—has been integrated into cloud platforms. These provide secure connections between user endpoints and remote networks, ensuring the safety of data and application service access.

Major international companies are all fully committed to the development of their platforms. Based on the network security architecture for cloud applications, the Company collaborates with clients to integrate high-performance network bandwidth interfaces into servers that traditionally focus on performance and storage. This not only ensures the essential computing and storage functions required by cloud devices, but also enhances data security management and filtering through high-speed network bandwidth.

Additionally, with the rapid development of AI and the rise of applications related to the IIoT, cybersecurity software vendors have successively introduced products that utilize AI technology to enhance protection capabilities and convenience. This has led to a gradual increase in the demand for related products such as AI edge computing.

Overall, the target market and product application development of the Company will base on the market demand and development trend as follows.



*Classification of Market Development Trends and the Company Layout*

*(Source: drawn by the Company)*

4. Competition

At present, although the industrial (industrial) computer type belongs to a niche industry, compared with the general industry, industrial computers and general electronic information and communication products have relatively different

design methods, and there are many design considerations for customized services and product application environment. In addition, the production is small in amount and diversified in types, and the mass production modes of consumer information hardware are quite different. Therefore, other new entrants may not pose a threat to the existing industrial computer industry in a short period of time, but they may still affect the price of some products of industrial computers, causing certain impact.

Faced with the network transformation, many information providers are gradually stepping into the computer market in the industry, resulting in fierce competition in the market. Facing the fierce competition in the Network industry, the Company not only cooperates with the Group in the adjustment and optimization of procurement and production strategies to strengthen the flexibility of demand development for client products, but also strengthens and deepens the market for targeted vertical applications, and focuses on the provision of system products for solutions (such as network storage, smart grid, software-defined wide area network and other applications), so as to enhance the added value of products and strengthen core competitiveness, develop emerging markets and adjust the product mix through merger and acquisition and alliance programs, enhance the overall competitive advantage and widen the gap with other competitors.

### (III) Technology and Research and Development

#### 1. Technical level and research development of the operated business

The Company focuses on the research and development of network communication and information security systems and master relevant key technologies. The research and development of relevant technologies are as follows:

##### (1) Network information communication security Technology and System Integration Technology

With the rapid development of Internet and digital content, network communication security has become one of the most important system specifications for cloud computing and digital information transmission. Since its establishment, the Company has adhered to the spirit of independent research and development, striving for excellence and deeply cultivating technologies such as CPU computing power, communication bandwidth, information storage, and system integration. Substantial resources have been invested in areas such as integrated application design for CISC/RISC CPU/NPU architectures, research on high-speed interface communication

protocols, information packet encryption and decryption technologies, and data content compression and access, leading to remarkable results. These accomplishments have positioned the Company as a domestic leader in network communication security and remote monitoring management technologies.

To address the increasing demand for bandwidth and diversified networking technologies, in addition to existing Ethernet (including optical communication) and wireless networking technologies (Wi-Fi & LTE), the Company continues to expand its presence in telecommunications, broadband connections, and cable television network infrastructure. In the area of network communication security servers, industrial design has been integrated with system cooling, as well as energy-saving technologies, to provide a comprehensive system communication platform. This platform assists clients in rapidly integrating hardware and software, creating a more convenient and secure information security system for users. Network efficiency optimization technology and system diagnosis software.

(2) Network efficiency optimization technology and system diagnosis software

The Company is dedicated to research on optimizing network transmission performance and the development of system diagnostic software. Through these efforts, it aims to establish core competitiveness for CASwell products and generate greater customer value.

Network system diagnostic software is a key element for performance optimization, enabling real-time monitoring of network conditions, identification of fault points, and performance bottlenecks. By monitoring network connections, traffic, and device statuses, the system assists administrators in performing diagnostics and maintenance, ensuring optimal network performance. These technologies are essential for the stable operation and continuous development of modern networks.

(3) Solutions in vertical domain

To enhance customer service value, the Company provides comprehensive hardware and software solutions for network storage and smart grid products. In the software-defined product line, ecosystem collaboration is utilized to validate client-side network functions, and the solutions are promoted to telecommunications operators and system integrators.

Software-defined network vertical domain solutions provides customized network design and technical solutions according to specific application scenarios and requirements, ensuring efficient, stable, safe, and reliable network operations. Through strategic alliances with market system solution

and software vendors, SDN client solutions are validated and promoted for applications across various vertical sectors.

(4) Improving technologies-continuing to maintain the leading position in technology

Through the R&D team's dedicated efforts, the Company has earned strong customer trust in product development and quality control. In the product-oriented market for industrial and network security equipment, strengthening technological leadership through robust research and development capabilities remains a key focus of current development efforts.

(5) Real-time customization-meeting customers' expectation of Time to Market

In response to the advent of the low-margin era, the application of information technology has expanded from traditional computers to the communication and consumer sectors. The Company plans to establish a presence in key global regions to penetrate local markets, understand business dynamics and customer needs, and simultaneously strengthen partnerships with distributors in various locations.

2. Research and development expenses invested in the most recent year and the technologies or products successfully developed;

(1) Research and development expenses invested in the most recent year

Unit: NT\$ thousand

Year	R&D expense	Sales revenue	R&D Expenses/Operating Income (%)
2024	270,608	4,253,669	6.36%
2025	280,170	4,309,272	6.50%

## (2) Technology and products successfully developed

## A. New Product Development

Year	Main research and development achievements	Product innovation
2021	Network security and management product line	Chassis (CAR-2085 & CAR-5060 & CAR-6028) series products, adopting Intel's high-level Ice Lake-SP, Snow Ridge NS, and AMD's high-level EPYC 7000 series processors
	Software defined network product line	Industrial desktop and fanless (CAF-0110, CAF-026D) series, adopting Intel's Elkhart Lake & Intel Denverton Refresh series processors
	Industrial control and automation product line	Robust chassis products utilizing the MediaTek series platform Electronic Label Gateway (CAG-0100)
	Cloud computing product line	Chassis (CAR-5056 MX) telecom switch products adopt Intel high-order Cascadelake-SP processors, Barefoot Switch, and FPGA.
	Network module product line	Trusted platform module (TPM-9672-000), adopting Infineon SLI9672 wafer
2022	Network security and management product line	Chassis (CAR-2090/CAR-4070/CAR-4080) series products, adopting Intel Comet Lake, Raptor Lake, and AMD Ryzen 7000-AM5 series processors.
	Software defined network product line	Industrial desktop and fanless (CAF-0110, CAF-026D) series, adopting Intel's Elkhart Lake & Intel Denverton Refresh series processors.
	Industrial control and automation product line	Robust chassis products utilizing the MediaTek series platform Electronic Label Gateway (CAG-0100) High-density 2U chassis 96GbE independent network port product, (COS-2501) High-density industrial-grade wide-temperature fanless network server product (COS-2504)
	Cloud computing product line	Chassis (CAR-5056 MX) telecom switch products adopt Intel high-order Cascadelake-SP processors, Barefoot Switch, and FPGA.
	Network module product line	Trusted platform module (TPM-9672-000), adopting Infineon SLI9672 wafer Intelligent Platform Management Interface LOM-2600, adopting Aspeed AST2600 chip
2023	Network security and management product line	Chassis (CAR-5070/CAR-6040/CAR-4071/CAR-2100, COS-G510) series products adopt Intel Eagle Stream and Raptor Lake series processors
	Software defined network product line	The fanless (CAF-0120, CAF-0121, COS-V700) series adopts Intel Alder Lake-N/Amston Lake series processors.

Year	Main research and development achievements	Product innovation
		The fanless entry-level router product (CAX-0100) adopts the MediaTek platform
	Industrial control and automation product line	High-density industrial-grade standalone port server products (COS-2509/COS-2511/COS-2514/COS-2517) Lite version high-density 2U-height chassis with 96 GbE standalone port product (COS-2515)
	Cloud computing product line	COB-T504 ASM module card
	Network module product line	NIN-83080 & NIN-87040 & NIN-84040 and other Intel Columbiaville and Fortville Ethernet Adapters
2024	Network security and management product line	Edge Server series (CAR-5071/CAR-6041/CAR-4071/CAR-2102/COS-G512) utilizes the Intel Eagle Stream platform and Raptor Lake processors
	Software defined network product line	Desktop high-density independent network port server series (CAD-0122, CAF-0120, CAF-0121, COS-V700) utilizes Intel Alder Lake-N and Amston Lake processors The fanless entry-level router product (CAX-0100) adopts the MediaTek platform
	Industrial control and automation product line	Lightweight industrial standalone network port server products (CAW-0123/CAW-0300) EV Charging station field-specific standalone network port server (COS-Y100) High-density industrial-grade standalone port server products (COS-2511/COS-2514/COS-2517)
	Network module product line	NIC-53021/ NIN-84120 (Intel Linkville)及NIN-88022/ NIN-A8020 2x 100GbE(Intel Connorsville) Ethernet Adapter
2025	Network security and management product line	CAR-6060 / CAR-4080 Series: The edge network computing servers utilize the next-generation Intel® Birch Stream enterprise computing platform and AMD Ryzen 7000 series processors, delivering outstanding edge data processing performance. This series features a highly flexible “multi-NIC expansion module” design, allowing for customized configurations according to different network architecture requirements. Designed specifically for demanding network communications and information security environments, it effectively handles high-speed network traffic while enabling rapid deployment and real-time response of information security protection strategies.
	Software defined network product line	The CAD-026J desktop high-density independent network port server is equipped with energy-efficient Intel® Alder Lake-N and Amston Lake series processors. This series is specifically designed for network communication and information security applications, offering a high density of

Year	Main research and development achievements	Product innovation
		<p>independent LAN ports within a compact desktop form factor. Combining stable computing performance with low power consumption, it is an ideal hardware platform for enterprises to build micro network communication gateways, firewalls, and SD-WAN nodes.</p> <p>COS-H503: Desktop 2-Bay Network Attached Storage (NAS) device equipped with an Intel® Amston Lake series processor, designed for micro-enterprises and edge computing environments. Offering flexible storage with dual hard drive bays (2-Bay), the Company ensures secure local data access and efficient management, easily meeting modern enterprises' fundamental needs for data backup, file sharing, and edge data collection.</p>
	Industrial control and automation product line	<p>The COS-P211 multimodal wireless SD-WAN router is equipped with the next-generation Intel® Amston Lake processor, offering outstanding network integration capabilities. The device integrates four Wi-Fi interfaces and dual 5G mobile network modules, providing enterprises with a highly flexible, seamless hybrid wide-area network solution that ensures uninterrupted transmission of critical business operations.</p> <p>The COS-Z500 tower-edge AI inference server is built on the high-performance Intel® Eagle Stream enterprise computing platform. It features excellent hardware scalability and supports the installation of 2 to 3 high-end GPU graphics cards. Specifically designed for edge computing environments, it addresses the high-intensity, low-latency AI inference demands in scenarios such as smart manufacturing and smart cities.</p>
	Network module product line	<p>NIC-78020: NetSec Smart NIC is a dedicated NetSec Acceleration Card built on the next-generation Intel® Grand Ridge architecture. This product focuses on advanced Smart NIC solutions, integrating Intel® QAT (QuickAssist Technology) hardware acceleration, Intel proprietary encryption libraries, and the AVX-512/AVX2 advanced instruction sets into a single network interface card. By offloading intensive encryption, decryption, and network packet processing to the network interface card, the Company can significantly free up the host CPU's computing resources, delivering exceptional throughput and ultra-low latency for high-density network environments and edge information security protection.</p>

## B. Technology development aspects

Patent Name	Category	Application place	Period of validity
Smart automatic starting device	Development	Taiwan	2015.10.21~2033.08.01
The tray structure installed in the cabinet.	New type	Taiwan	2023.04.11~2033.01.09
Removable panel and frame for active interface card module extraction slot	New type	Taiwan	2024.01.11~2033.10.02
Network interface card device with high-density mesh networking	New type	Taiwan	2025.05.01~2035.01.01
Switching device for PCIe signal sources from different processors on a circuit board's PCIe slots	New type	Taiwan	2025.03.11~2034.11.17

### (IV) Long-term and short-term business development plan:

#### 1. Short-term Business Plan

In the short term, the Company focuses on the mass production and commercial launch of its target markets and core products.

Key projects include: the next-generation high-performance ADC (Application Delivery Controller) will enter mass production; the multifunctional SASE (based on x86 architecture) new product will drive continued growth and bring the next generation of expansion; in the telecommunications sector, the high-end infrastructure product based on x86 architecture has completed development certification and is expected to become a primary revenue driver in 2026. In addition, the Company's multi-wireless connectivity products for low Earth orbit satellites are scheduled for release in the second quarter of 2026, with confirmed orders to be received progressively throughout the same year. These developments demonstrate clear growth drivers for the Company's performance within the coming year.

#### 2. Long-term Business Plan

From a long-term perspective, due to the continuous evolution of hacking and ransomware methods targeting high-capital investment precision factories worldwide, as well as the ongoing advancements in factory automation, ESG sustainability issues, ICT, IoT cloud infrastructure, big data applications, artificial intelligence, various

platform services, wireless mobile communications, and the rapid digitalization of rural areas in developing countries, the Company is committed to developing next-generation products and providing fast, professional local production services. Through the Company's technology and services, we aim to enrich and fulfill our customers' needs in alignment with our corporate vision.

In addition, the Company is committed to global market expansion and the integration of AI ecosystems. The Company's strategic focus is on deepening cooperation with Japan, India, and Southeast Asia, while leveraging synergies with the Advantech Group in the Asia-Pacific region. In terms of technical architecture, the Company plans to build a comprehensive enterprise-level AI management platform and collaborate with Independent Software Vendors (ISVs) and System Integrators (SIs) to promote dedicated edge AI computing devices, AI data center DPU products, and localized support. By collaborating directly with mainstream distribution channels, government agencies, and corporate institutions, the Company aims to establish integrated hardware and software solutions to ensure sustainable growth in the medium to long term.

## II. Analysis of market and production and marketing situation

### (I) Market analysis

#### 1. Sales and service regions of main products and services

Unit: NT\$ thousand

Sales territory		2024		2025	
		Amount	%	Amount	%
Foreign sales	Asia	1,973,159	46.39%	2,403,660	55.78%
	America	1,137,216	26.73%	1,047,615	24.31%
	Europe	635,471	14.94%	439,295	10.19%
	Others	9,901	0.23%	5,106	0.12%
Domestic Sales		497,922	11.71%	413,596	9.60%
Total		4,253,669	100.00%	4,309,272	100.00%

#### 2. Future market supply, demand, and growth potential

Cloud applications provide users with more convenient computing and storage services. In addition, the popularity of mobile broadband and

handheld devices have driven not only the demand for high-speed broadband infrastructure development, but also the continuous upgrading of network technology and information security. With the increasing threats posed by computers and the growing awareness of information security among users, the information security market is experiencing rapid growth. Global institutions are continuously increasing their budgets for security solutions, prompting vendors of network communication security products to develop more diversified applications and solutions to meet diverse needs.

As information security issues continue to evolve, telecommunications network operators are investing more resources in the research of emerging information security technologies and technical standards. This includes mastering key technologies such as cloud, virtual, and mobile information security protection, enhancing the capability for integrated analysis of information security threats, and applying these technologies to network security system platforms and related software to establish a comprehensive information security environment.

In recent years, driven by the transformation of network architecture and the development of the Internet, coupled with the promotion of network virtualization and software-defined technologies, various emerging applications have sprung up like mushrooms after the rain, including general communication devices such as Software-Defined Wide Area Networks (SD-WAN). The Industrial Personal Computer (IPC) industry maintains a relatively high outsourcing ratio due to the effects of industrial clustering and possesses continuous growth potential. Compared to general commercial computers, IPCs are characterized by high customization and a low-volume, diverse production. Furthermore, system vendors, value-added resellers, and related multinational corporations are increasingly outsourcing production to reduce overall costs. This trend is driving the growth of the IPC sector, resulting in a promising market outlook characterized by strong demand and growth potential.

### 3. Competitive advantages

In addition to the foundation of central processing technology, the Company has accumulated more than 13 years of experiences in Ethernet processing performance and bandwidth integration

technology. Therefore, in recent years, the Company has continuously strengthened the core of self-competition, continuously cooperated with international manufacturers, and actively developed and matched the new generation of network equipment needs such as big data and cloud.

(1) Excellent product quality

The stability and reliability of product quality are the most fundamental and important requirements of customers. The Company possesses extensive experience in the R&D and improvement of product technologies in the field of network security equipment, with a clientele that includes major corporations from Europe, the U.S., and Japan. To earn the trust of customers, principles of maintaining stable quality are consistently upheld and practiced. The Company continues to lead in hardware technologies such as by-pass functionality, 200G QSFP56 networking, and both x86 and non-x86 chipsets. Furthermore, CASWell is the first among domestic peers to invest substantial human resources in software technologies, specifically in IPMI remote management and PQUA automated testing. Compared to competitors, the Company is able to comprehensively meet customer needs in product design, development, and quality, establishing a solid competitive advantage.

(2) Complete product mix

The Company offers a wide range of product categories, including network security, cloud applications, and on-premises platforms. Options at high, medium, and low tiers are also offered to meet diverse customer need. Furthermore, the Company continue to enhance the diversity of its networking technologies, including Ethernet (1GE-200GE), xDSL, GPON, wireless Wi-Fi, 4G LTE, and 5G data modules, to fully meet market demands.

(3) Strong R&D strength and technical level

The Company has been deeply committed to product research and development over the long term. In particular, the R&D department is comprised of highly experienced professionals specializing in electronics, software, mechanics, and systems, and

has successfully secured multiple patents. Through years of collaborative R&D with clients, the Company has also accumulated extensive industry knowledge and continuously enhanced R&D capabilities to create more competitive products.

(4) Excellent management team

The Company's management possesses extensive operational experience in the industry. Key executives bring expertise in research and development, sales, and management, working together with exceptional synergy. Furthermore, executives' management philosophies are aligned, allowing for the effective guidance of the Company towards stable development.

4. Positive and negative factors relating to future development

(1) Advantages

A. The vigorous development of network applications and the importance of information security

The vigorous development of Internet application has been widely accepted by consumers, and has influenced the lifestyle and style of human beings. Consumers can obtain rich and real-time information on the Internet to bring convenience to life. With scientific and technological progress and complete system construction of the Internet, new applications and opportunities have obvious spillover effects with the increase of users. As a result, users pay more attention to information security, which will drive the growth of network security equipment market.

B. Good relationship with downstream customers

The Company is committed to the R&D and sales of network communication and information security systems. Its marketing and R&D teams have invested in Netcom for a long time, and accumulated rich experiences in network security application platform. With a deep understanding of the industrial interpersonal network and customer product project development needs, it has established close cooperation with customers for a long time. With strict quality control and timely delivery, the Company has become the best partner of

major international manufacturers. Moreover, the Company not only maintains the relationship with its original customers, but also wins the favor of new manufacturers with its excellent service quality. Therefore, the strong and stable customer relationship has become the foundation for the stable revenue source of the Company.

C. Netcom in Taiwan has mature industry and complete supply chain

The upstream, middle and downstream supply chains of Netcom industry in Taiwan are complete. Besides, combined with the previous mature technology of integrating with local equipment of major telecom companies in Europe and America, the Netcom industry in Taiwan has high output elasticity, strict cost control and rapid response capability, with considerable competitive advantages in the international Netcom industry market. In addition, the network security platform industry in Taiwan is mainly composed of small and medium-sized enterprises. Compared with other international companies, whose production and sales are carried out by independent departments, it has the advantages including concentrated resources and focusing on development, which accelerates the growth of network security platform industry in Taiwan.

(2) Negative factors

A. Due to the damage to price caused by new manufacturers, the gross profit of products is affected

Response:

Since network security equipment emphasizes the requirement for reliability and quality stability, price is not the only factor considered by customers, and only low-cost and entry-level models have price pressure. Therefore, the Company provides customers with diverse product combinations, actively participates in the design and provision of concept platforms, and uses value-added services such as technology leadership and collaborative development to improve the industry entry threshold, so as to maintain the

competitiveness and overall gross profit of the Company.

Through the integration and accretion of software and hardware systems, as well as the collaborative verification of software partner schemes, the Company builds an ecosystem to enhance the overall competitiveness.

B. Inventory pressure on customer logistics services

Response:

The Company controls the inventory of distribution service logistics center through information platform, so as to achieve automatic inventory deduction while customer picking up goods. In addition, it properly manages the purchase schedule according to forecast orders, leaving raw materials and semi-finished products in the hands of suppliers, and then purchasing goods when assembly is needed. In this way, the Company reduces the backlog of the Company funds caused by the inventory of distribution service logistics center. Moreover, the Company also holds regular production and sales meetings to strictly control the inventory, thus effectively shortening the cash flow cycle.

C. Exchange rate risks

The sales of the Company are mainly quoted in USD, and the collection is affected by the fluctuation of international exchange rate, which in turn affects the sales and gross profit of our products.

Response:

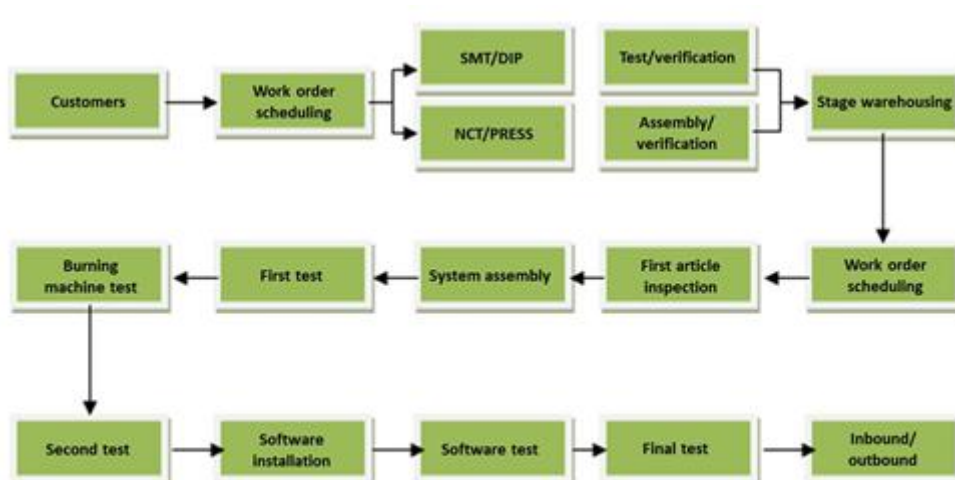
The Company fully grasps the trend of exchange rate changes, sells products at an appropriate time to reduce exchange risk, takes account of the impact of exchange rate fluctuations on the selling price in quotation, pays in USD for domestic manufacturers making quotation in USD to reduce the exchange risk of conversion into Taiwan dollars, and conducts relevant foreign exchange hedging operations when necessary, depending on the position of foreign currency.

## (II) Usage and manufacturing processes for main products

## 1. Key applications of the primary products

Major products	Important applications
Network security and management (NSM)	<ul style="list-style-type: none"> <li>• Netcom security: integrated threat system, virtual private network, antivirus system, firewall, intrusion prevention detection system, distributed attack protection, and content filtering.</li> <li>• Network management: network load balancing, reliability, availability and serviceability, bandwidth management, wireless gateway, etc.</li> </ul>
Software defined network industrial servers (SDN)	<ul style="list-style-type: none"> <li>• Client communication equipment (SD-WAN/uCPE/vCPE): networking communication equipment with transmission independence, intelligent path control, security, automatic configuration and increased traffic.</li> <li>• Telecommunications communication equipment (SDN/NFV/MEC/vRAN): providing software-defined communication equipment and network function virtualization server required by the telecommunications field, as well as communication equipment required by edge computing.</li> </ul>
Industrial control and automation products (ICA)	<ul style="list-style-type: none"> <li>• Netcom security products for large-scale industrial environments such as the industrial sector.</li> <li>• Software and hardware solutions related to smart grid.</li> </ul>
Cloud computing	<ul style="list-style-type: none"> <li>• High-level storage computing server system, router and SDN switch.</li> <li>• High-level server system with converged architecture.</li> </ul>
Other	<ul style="list-style-type: none"> <li>• Services related to components, raw materials trading and processing.</li> </ul>

## 2. Production process of the primary products



### (III) Supply for the major raw materials

Major materials	Source of supply	Supply situation
CPU	Taiwan	Stable
PSU	Taiwan	Stable
Chassis	Taiwan	Stable
PCB	Taiwan	Stable
Memory	Taiwan	Stable
Storage	Taiwan	Stable

### (IV) Major vendors

- Name of the supplier accounting for more than 10% of the net purchase in any one of the most recent two years, and the amount and ratio of the purchase, and the reasons for the increase or decrease

Unit: NT\$ thousand

Item	2024				2025			
	Name	Amount	Proportion of total annual net purchases	Relationship with the issuer	Name	Amount	Proportion of total annual net purchases	Relationship with the issuer
1	Company A	690,160	20.80%	—	Company A	668,004	19.93%	—
2	Company B	308,408	9.30%		Company B	352,288	10.51%	
3	Company C	379,722	11.45%	—	Company C	351,092	10.48%	—
4	Others	1,939,033	58.45%	—	Others	1,979,679	59.08%	—
	Net purchase	3,317,323	100.00%	—	Net purchase	3,351,063	100.00%	—

Description of changes in increase and decrease:

This adjustment was made in response to changes in customer supply and demand, in alignment with the Company's operational and procurement strategies, resulting in an increase in purchase amounts compared to the same period last year.

- Name of the supplier accounting for more than 10% of the net sales in any one of the most recent two years, and the amount and ratio of the sales, and the reasons for the increase or decrease

Unit: NT\$ thousand

Item	2023				2024			
	Name	Amount	Proportion of total annual net sales	Relationship with the issuer	Name	Amount	Proportion of total annual net sales	Relationship with the issuer
1	Company A	1,153,119	27.11%	—	Company A	1,556,105	36.11%	—
2	Others	3,100,550	72.89%	—	Others	2,753,167	63.89%	—
	Net sales	4,253,669	100.00%	—	Net sales	4,309,272	100.00%	—

Description of changes in increase and decrease:

Changes in sales amount and ratio between this year and the previous year are mainly caused by increases in customer product demand.

### III. Employees information

March 31, 2026

Year		2024	2025	2026 (as of 3/31)
Number of Employees	Employees	406	344	340
	Machine Operators	44	36	36
	Total	450	380	376
Average Age		40.8	41.91	42.14
Average Service Year		6.15	7.11	7.35
Education Distribution	Doctoral Degree	0.44%	0.53%	0.54%
	Master's Degree	15.11%	13.42%	13.44%
	Junior College (including work-study students)	70.22%	72.37%	73.12%
	Senior High School	11.11%	11.84%	11.56%
	Below Senior High School	3.11%	1.84%	1.34%

#### IV. Environmental protection expenditure

- (I) For the most recent year and up to the date of publication of the annual report, losses incurred from environmental pollution (including compensation and violations of environmental laws and regulations as a result of environmental protection inspection, the date of punishment, punishment number, provisions of laws and regulations violated, contents of laws and regulations violated, and contents of punishment should be specified), and the estimated amount and corresponding measures that may occur now and in the future should be disclosed. If it is not possible to make a reasonable estimate, the fact that it cannot be reasonably estimated should be stated: None
- (II) Environmental protection policy

The Company is primarily engaged in the research and development, manufacturing, sales, and service of network communication-related computers and peripheral products. The manufacturing process mainly involves component assembly and is a pollution-free industry. The Company is committed to continuously improving environmental performance by promoting green management through three key areas: green design, green procurement, and green manufacturing. It actively develops environmentally friendly products, protects the ecological environment, conserves energy, and strengthens resource recycling and reuse, thereby fulfilling its corporate social responsibility.

**Green Design:** Products are designed for ease of Reuse, Recycling, and Recovery, and comply with WEEE standards to reduce environmental waste impact.

**Green Procurement:** The Company prioritizes suppliers who can provide environmental testing reports and self-declaration documents to ensure that raw materials comply with green product standards and RoHS regulations.

**Green Manufacturing:** The Company adopts environmentally friendly processes such as lead-free and mercury-free production to reduce the environmental impact of manufacturing.

The Company has imported ISO14001 environmental management system in 2010, and has passed the certification continuously since 2011. It strictly implements the following environmental safety and health policies to pursue the goal of sustainable operation.

Promote green projects and educate on energy saving and carbon reduction

Implementing risk controls to reduce occupational hazards

Provide a friendly environment and promote physical and mental health

Follow laws and regulations and advocate continuous improvement

Fulfill social responsibility and strive for full participation

## V. Labor relations

### (I) Employee benefit plans, continuing education, training, and retirement systems and the status of their Implementation, and the Status of Labor-management Agreements and Measures for Preserving Employees' Rights and Interests

#### 1. Employee Benefits.

The Company has established employee welfare committees according to law, selected members of the welfare committee to handle various welfare measures, and worked out annual budgets and plans every year, so as to make reasonable and effective use of employee benefits.

In addition to the basic labor insurance and health insurance for each employee, the Company also insures all-round group insurance for each employee, such as injury insurance, medical insurance, cancer insurance, and business trip and travel insurance.

The Company has set up nursing (collection) room for female employees in the factory. In terms of parenting, it has signed nursery service contracts with well-known chain cultural and educational institutions, so that employees have no family considerations at work.

The Company arranges nurse practitioners and doctors to provide health management planning and personal health consultation services for employees every month.

Each employee is entitled to a birthday bonus, marriage bonus, childbirth bonus, funeral condolence bonus, and talent referral bonus for the current month's birthday. As years of service increase and skills

improve, the Company provides incentives such as patent creation bonuses, long-service bonuses and honorary leave to encourage employees to grow with the Company over the long term.

The Company provides a variety of welfare measures to help employees relieve stress and ease tension outside of work. The factory premises are also decorated in accordance with festive holidays, and regular events such as year-end banquets and spring parties are organized.

The Company specially invites manufacturers to offer the preferential related to the goods purchased by the employees from time to time. Employees can enjoy special discounts at special stores with employee identification cards.

The Company provides freshly ground coffee, cookies and snacks free of charge for employees; massage chairs are also offered for employees' enjoyment.

If an employee requires an extended leave of absence due to reasons such as childcare, serious illness, or major incidents, they may apply for unpaid leave of absence based on their actual needs. After the leave period expires, they may then apply for resumption of duty, in order to balance personal and family caregiving needs.

Organize an annual Family Day to allow employees and their families to participate in the Company-wide activities, taking care of each colleague and fostering stronger bonds within each happy family.

Provide departmental meal subsidies to improve morale and encourage teamwork and cooperation.

## 2. Continuing education, training and implementation status

The Company sends its staff for training from time to time or participates in study in relevant academic institutions, and regularly organizes internal education training and technology sharing to upgrade the skills of employees, thus creating the overall benefits of the Company and employees.

## 3. Retirement system and implementation status

In accordance with the provisions of the Labor Pension Act, the Company contributes 6% of the employee's insured salary level each month. Additionally, for those who voluntarily contribute to their

pension, the contributions are deducted from the employee's monthly salary based on the voluntary contribution rate and are remitted to the employee's individual pension account at the Bureau of Labor Insurance.

For the year 2025, the Company allocated NT\$9,314 thousand to employees' individual labor retirement accounts.

4. Agreement on labor and management and various measures for safeguarding employees' rights and interests

There are neither labor disputes nor losses incurred since established so far. In the future, the Company will continue to strengthen the communication between labor and management and welfare measures to eliminate possible disputes.

- (II) Losses suffered by labor disputes in the most recent year and up to the publication date of the annual report (including the violation of the Labor Standards Law by the labor inspection results, the date, name, contents and contents of punishment shall be specified), and the estimated amount and countermeasures that may occur at present and in the future should be disclosed. If it is impossible to estimate reasonably, the fact that it cannot be estimated reasonably should be stated: None

VI. Information Security Management

(I) Information Security Risk Management Framework



(II) Information Security Policy

1. Purpose

To safeguard the Company's overall information security environment and strengthen the security management of all information assets, a convenient and secure electronic operational environment has been established. This ensures the safety of data, systems, equipment, and networks, preventing unauthorized access, leakage, alteration, or damage to information assets that could adversely affect the Company's operations.

## 2. Scope

The Company's information security management scope covers all information assets, including software, hardware, network equipment, and data, as well as all full-time employees, contracted personnel, temporary staff, external vendors, and other authorized users of the Company's information assets.

## 3. Information Security Goals

The Company comprehensively considers the importance and value of its information assets, as well as risks such as human error, malicious acts, or natural disasters, and implements management, operational, and technical security measures that are proportionate to the asset value and cost-effective to reduce the likelihood of information security incidents.

When an information security incident occurs, the Company can promptly activate its response mechanism to minimize economic losses and operational disruptions.

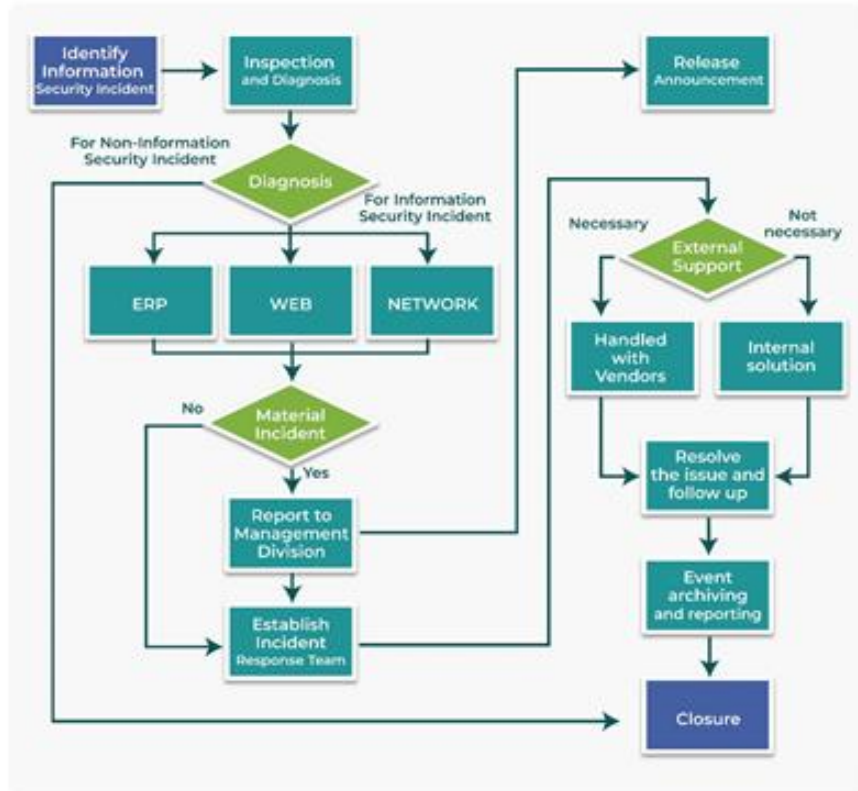
## 4. Information Security Management Measures

- (1) In accordance with the Personal Data Protection Act and related regulations, the Company handles and protects personal data with due diligence.
- (2) All personal computers and servers must have user accounts and passwords set up, with antivirus software installed and virus definitions regularly updated.
- (3) In compliance with intellectual property regulations, the Company ensures that all software used is properly licensed.
- (4) A backup system for critical data has been established, with regular verification of the completeness and recoverability of the backup data.
- (5) The Company plans and maintains a disaster recovery plan to facilitate the rapid restoration of system operations in the event of information security incidents or disasters.
- (6) Regularly conduct information security education and awareness campaigns to enhance employees' information security awareness and compliance with regulations.

(III) Specific Management Plan

Category	Description	Description
ISO27001	Introduction	The Company completed the ISO 27001 certification in 2023. The certification is valid from June 16, 2025, to July 9, 2026.
Network Information Security	Participation	The Company joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) and, in 2024, became a member of the National Institute of Cyber Security. This has enabled the Company to continuously monitor information security trends and attack methods.
Organization	Establishment	Set up two dedicated information security personnel in 2023
Internet Information Security Control	External intrusion prevention	Firewall set up
		Virus scans regularly performed on computer systems and data storage medium.
		Regularly reviews of various network service items and abnormal situations tracking.
Data Access Control	Data breach prevention	Computer equipment should be kept by special personnel with user accounts and passwords created which can give different access rights according to the job functions.
		The original authority of the relocated employees is cancelled.
		Confidential, sensitive information and copyrighted software should be removed or overwritten before the equipment is scrapped.
		Remote access management information systems should be properly approved.
Strain Recovery Mechanism	Data backup and related inspections	System recovery drills are conducted on an annual basis.
		The system backup mechanism is established, and the off-site backup is implemented.
		Computer network security controls are reviewed regularly.
		Information security information is publicized at any time, and employees' awareness of information security is enhanced.
		Cyber safety inspections are carried out periodically every year.
Emergency response plans are reviewed regularly.		

## (IV) Information Security Incident Reporting Procedures



## (V) Information Security Management Resource Investment

The Company continues to invest resources in information security and personal data protection related matters, and the matters of the resource investment include the following:

1. Information security conferences and educational training:
  - (1) At least one departmental information security meeting was held each quarter, with a total of four meetings convened in 2025.
  - (2) All new employees are required to complete information security training upon joining the Company. This year, a total of 28 sessions were conducted.
  - (3) The Company regularly promotes information security awareness through internal meetings, announcements, and the internal website to enhance employees' vigilance against social engineering attacks.
  - (4) At least one social engineering phishing email drill is conducted annually. In December 2025, the Company completed a drill involving 216 employees. The target catch rate was set at less than 2%, but the actual

catch rate was 0%.

2. Enhancements in Governance and Technical information security:

- (1) The Company continues to participate in the membership programs of TWCERT/CC and the National Institute of Cyber Security, staying informed of the latest information security alerts and recommended measures.
- (2) The Company's dedicated information security officers and personnel continuously participate in professional training courses on information and communication security to enhance information security management and incident response capabilities.
- (3) The Company continuously conducts internal and external audits to maintain the validity of the ISO/IEC 27001 certification.

3. Investment in information security Protection Equipment:

In 2025, the Company invested a total of NT\$640,000 in firewall, bandwidth load balancer, antivirus software, and IPS/IDS protection equipment.

- (1) Regularly update and maintain information security protection equipment to ensure its effectiveness.
- (2) All information systems undergo regular security updates, with vulnerability scanning and patching performed annually on critical systems.

(VI) During the most recent fiscal year and up to the date of this annual report, there have been no significant losses, potential impacts, or actions taken as a result of major information security incidents that cannot be reasonably estimated.

## VII. Major agreements

In addition to the ordinary course of business, the following significant contracts are still in effect at the date of this annual report

Nature of the Contract	Contract Party	Contract Period	Main Contents of the Contract	Restrictions
Long-term Loan Agreement	Taiwan Land Bank	From March 20, 2023 to March 20, 2043	Mortgage Loan Agreement	As Agreed, Upon in the Contract



## Chapter 5. Review and Analysis of Financial Status and Financial Performance and Risk Matters

### I. Financial Status

Unit: NT\$ thousand

Item \ Year-end	2024	2025	Difference	
			Amount	%
Current assets	3,676,894	4,011,358	334,464	9.10
Property, plant and equipment	784,767	766,150	(18,617)	(2.37)
Intangible assets	338,026	339,552	1,526	0.45
Other Assets	866,412	813,702	(52,710)	(6.08)
Total Assets	5,666,099	5,930,762	264,663	4.67
Current liabilities	1,171,751	1,482,189	310,438	26.49
Non-current liabilities	818,364	725,372	(92,992)	(11.36)
Total Liabilities	1,990,115	2,207,561	217,446	10.93
Share capital	733,485	733,485	—	—
Capital surplus	1,445,196	1,445,196	—	—
Retained earnings	1,398,798	1,499,802	101,004	7.22
Other Equity	98,505	44,718	(53,787)	(54.60)
Total Equity	3,675,984	3,723,201	47,217	1.28
<p>Explanations for significant changes (greater than 20% and reaching NT\$10 million between the two periods):</p> <ol style="list-style-type: none"> <li>1. Current liabilities: The increase in accounts payable was primarily due to rising prices of key raw materials and increased inventory stocking requirements.</li> <li>2. Other equity items: The decrease in non-controlling interests is due to the poor performance of the invested business.</li> </ol>				

## II. Financial Performance

### (I) Comparative analysis of operating results

Unit: NT\$ thousand

Item \ Year	2024	2025	Difference	
			Amount	%
Sales revenue	4,253,669	4,309,272	55,603	1.31
Operating Costs	3,239,943	3,315,192	75,249	2.32
Gross Profit	1,013,726	994,080	(19,646)	(1.94)
Operating Expenses	679,404	634,056	(45,348)	(6.67)
Operating Profit	334,322	360,024	25,702	7.69
Non-operating income and expenses	83,250	37,990	(45,260)	(54.37)
Profit before income tax	417,572	398,014	(19,558)	(4.68)
Income Tax	86,607	88,456	1,849	2.13
Net Profit	330,965	309,558	(21,407)	(6.47)
Other comprehensive income (loss) for the year	(19,589)	(34,872)	(15,283)	78.02
Total comprehensive income for the year	311,376	274,686	(36,690)	(11.78)
Analysis of changes (greater than 20% and reaching NT\$10 million between the two periods):				
1. Non-operating revenues and expenses: Primarily attributable to exchange losses recognized from fluctuations in the US dollar exchange rate and the conclusion of government subsidy projects.				
2. Other comprehensive income: primarily due to exchange differences from the translation of financial statements of foreign operations affected by exchange rate fluctuations of foreign subsidiaries.				

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

Based on industry trends, the future development of new markets and the Company's M&A policy, and taking into account the operating targets established by the operating profiles over the years, we expect sales volume to maintain a growth trend in the coming year.



### III. Analysis cash flows

#### (I) Cash flow analysis for the most recent year

Unit: NT\$ thousand

Item \ Year	2024	2025	Change, by Amount
Operating activities	50,479	276,088	225,609
Investing activities	(54,127)	(7,315)	46,812
Financing activities	(195,815)	(290,222)	(94,407)
Notes to increase/decrease in cash flow:			
1. Operating Activities: The net cash inflow from operating activities increased compared to the previous period, primarily due to increased purchases in response to higher order demand in the second half of the year.			
2. Investing Activities: In 2024, net cash outflow from investing activities increased due to the renovation of the production base. There were no similar capital expenditures during the current period.			
3. Financing Activities: In 2025, the Company's short-term borrowing needs decreased.			

#### (II) Improvement plans for liquidity shortage

There was no shortage of cash in the Company.

#### (III) Liquidity analysis for the coming year

The Company expects that the revenue to grow steadily in the coming years and the receivables will be collected in good condition, so there should be no shortage of cash flow.

### III. Major capital expenditure for the most recent year and its effect on financial position and operation of the Company: None.

### IV. The Company reinvestment policy for the most recent fiscal year, main reasons for profits/losses generated thereby, plan for improving reinvestment profitability, and investment plans for coming year

#### (I) Reinvestment policy for the most recent year

In accordance with the "Guidelines for the Processing of Acquisition or Disposal of Assets by Public Issuing Companies" stipulated by the competent authorities, the

Company has formulated the “Procedures for Acquisition or Disposal of Assets”, which serves as the basis for the Company's reinvestment undertakings to grasp the relevant business and financial conditions. To enhance the supervision and management of the reinvestment companies, the Company has also formulated “Measures for Subsidiary Monitoring and Management” in its internal control system to stipulate relevant norms for information disclosure, finance, business, inventory and financial management. The Company also regularly carries out audit operations and establishes relevant operational risk mechanisms to maximize the effectiveness of the Company's reinvestment undertakings.

(II) Major reasons for profit or loss of reinvestments and improvement plan:

Explanation	Recognized Investment Gain or Loss in 2025 (Unit: NT\$ thousand)	Main reasons for profit or loss	Improvement plan	Other future investment plans
CASO, Inc.	New Taiwan Dollar: 24,859	Operational status is good	—	Subject to operational status
CASwell International Investment Co., Ltd.	New Taiwan Dollar: (44,229)	Due to the impact of the overall economic environment, Beijing CASwell, a subsidiary investment the Company, incurred operating losses	Adjust material preparation mode to improve cost structure and allocate product development resources to pursue revenue growth opportunities	Subject to operational status
Beijing Caswell Ltd.	New Taiwan Dollar: (44,188)	Affected by the overall economic environment, market demand has declined.	Adjust material preparation mode to improve cost structure and allocate product development resources to pursue revenue growth opportunities	Subject to operational status
Caswell Americas, Inc.	New Taiwan Dollar: (2,977)	Affected by the overall economic environment, market demand has declined.	Planning and development of other value-added services	Subject to operational status

## Review and Analysis of Financial Status and Financial Performance and Risk Matters



Explanation	Recognized Investment Gain or Loss in 2025 (Unit: NT\$ thousand)	Main reasons for profit or loss	Improvement plan	Other future investment plans
APLIGO GmbH	New Taiwan Dollar: (29,404)	Affected by the overall economic environment, market demand has declined.	Planning and development of other value-added services	Subject to operational status
HAWKEYE TECH, CO., LTD	New Taiwan Dollar: 28,456	Operational status is good	—	Subject to operational status

### (III) Investment plans for the next 12 months:

The Company will carefully evaluate the investment plans in a long-term strategic way to respond to future market demand and strengthen its competitiveness.

## V. Risk management and evaluation

### (I) Effect on the Profit (Loss) of Interest and Exchange Rate Fluctuations and Changes in the Inflation Rate, and Response Measures to Be Taken in the Future

#### 1. Interest rate change

(Unit: NT\$ thousand)

Year	2024	2025
Item		
Net interest revenue	(9,844)	(9,668)
Profit before income tax	417,572	398,014
Ratio to net profit before income tax	(2.36) %	(2.43) %

The Company's interest expenses primarily arise from bank loans for operational working capital and interest on lease liabilities. The net interest income (expense) for the years 2024 and 2025 amounted to NT\$(9,844) thousand and NT\$(9,668) thousand, respectively, representing (2.36) % and (2.43) % of the pre-tax net income for each year, indicating a minimal impact. In addition, to avoid the impact of interest rate fluctuations on the Company's capital cost, the Company maintains a good relationship with banks to obtain a more favorable financing interest rate,

and keeps an eye on the impact of interest rate changes in financial markets on the Company's capital allocation, so interest rate changes should not have a significant impact on the Company.

2. Exchange rate

(Unit: NT\$ thousand)

Item	Year	2024	2025
	Net exchange gain (loss)		26,505
Profit before income tax		417,572	398,014
Ratio to net profit before income tax		6.35%	(0.77) %

The Company's net exchange gains (losses) for the years 2024 and 2025 were NT\$26,505 thousand and (NT\$3,067) thousand, respectively, representing 6.35% and (0.77) % of the pre-tax net income for each respective year. Due to the high proportion of the Company's export, the exchange rate changes have a certain impact on the Company's revenue and profit. Therefore, the management of the Company pays close attention to the exchange rate trends and strengthens the management of exchange rate fluctuation risks. The relevant measures taken are as follows:

- (1) The Company opens a foreign currency deposit account to manage the foreign exchange position. The special staff of the Finance Department keeps in touch with financial institutions according to the daily foreign currency balance and the weekly capital forecast table, and according to the international political and economic situation, so as to collect real-time exchange rate information and fully grasp the exchange rate fluctuation trend. In addition to keeping certain foreign currency according to the foreign currency capital demand, the rest will be sold at an appropriate time to reduce the exchange risk.
- (2) The Company's Business Department has considered the influence of exchange rate fluctuations on the sales price when making quotation, and adjusted the product price by measuring the changes in the exchange rate, ensuring the reasonable profits of the Company's products.
- (3) As the Company mainly sells goods for export, it directly repays the purchase price of raw materials or commodities in foreign currency generated from sales, so as to reduce the impact of exchange rate changes (although the Company mainly gives priority to domestic purchases, some of them are denominated and paid in foreign currency) and achieve the effect of natural hedging.



- (4) Depending on the position of foreign currency, the Company will engage in relevant foreign exchange hedging operations in accordance with the “Procedures for Disposal or Acquisition of Assets” when necessary.

To sum up, the Company should take appropriate measures to control the exchange rate risk, which could effectively reduce the impact caused by exchange rate changes.

3. Inflation

In order to prevent international raw material prices from rising in the future, which will lead to an increase in product costs, the Company keeps abreast of global political and economic changes and the pulse of market prices, establishes long-term good relationships with suppliers, actively implements cost control plans, and adjusts purchasing strategies in a timely manner so as to reduce the impact of inflation on the Company's operations and strengthen the competitiveness of its products.

- (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 Response Measures to Be Taken in the Future:

The Company and its subsidiaries have not engaged in any high risk, highly leveraged investment as of the publication date of this report. In addition, with regards to the loan of funds to others, endorsement guarantee and derivative commodity transactions, the Company has separately formulated operational measures such as “Administrative Measures for Loan of Funds to Others”, “Administrative Measures for Endorsement Guarantee” and “Processing Procedures for Obtaining or Disposing Assets”, which serve as the basis for the Company to comply with relevant behaviors.

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

1. Future R&D plans

The Company is committed to the market of Netcom products, and constantly pursues R&D and innovation. Its products cover network security and management solutions, high-end network cards, software-defined networking products, and telecom/cloud storage computing servers. In recent years, the Company has strengthened the development of software capabilities to enhance product differentiation, flexibility, and added value. Future R&D plans are as follows:

Type of Product	Future Development
Network security and management	<p>With the development of cloud high-speed computing demand, the Company researched and developed new generation of Intel/AMD platforms to provide Cloud Computing applications and high-end network security appliances in data centers with high performance and high availability requirements.</p> <p>Platform</p> <ol style="list-style-type: none"> <li>1. Intel 5th Gen Xeon-SP Birch Stream Platform</li> <li>2. Intel 4<sup>th</sup> Gen Xeon-SP Eagle Stream Platform</li> <li>3. Intel 3<sup>rd</sup> Gen Xeon-SP Whitley Platform</li> <li>4. Intel Xeon-D Ice Lake-D and P5000 Snow ridge-NS Platform</li> <li>5. Intel 12<sup>th</sup> Gen Core Alder Lake Series Platform</li> <li>6. AMD Turin Series Platform</li> </ol>
Network module products	<p>Developed 10/25/40/100/200Gbps Ethernet network cards to enable faster data transmission in data centers or enterprises. Continued to develop various network card modules to support the needs of all customers, including time packet synchronization, PoE powered by network port, side recording network card and packet bypass network card, and support of LTE/Wifi network module.</p>
Software defined network industrial servers	<p>In response to the effective use and security control of broadband network information flow by enterprises, a series of software-defined wide area network (SD-WAN) systems are developed to make the data access and management of enterprises on the Internet more flexible, faster and more secure.</p> <p>Adopted Intel's new generation integrated SOC (Xeon-D/P5000, Denverton), and developed the micro server or endpoint processing equipment with endpoint computing capability and data encryption acceleration processing.</p> <p>In response to the vigorous development of IoT and wireless network applications, a series of micro endpoint computing and security control devices were developed.</p> <p>To improve wireless transmission performance and cost-effectiveness, incorporate the design of a built-in wireless</p>

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## Review and Analysis of Financial Status and Financial Performance and Risk Matters

Type of Product	Future Development
	<p>network antenna into the SD-WAN system. It also integrates 5G Cellular Modem compatibility and is in line with 5G AIOT industrial applications.</p> <p>The main design platforms are</p> <ol style="list-style-type: none"> <li>1. Intel Denverton Platform</li> <li>2. Intel Rangeley Platform</li> <li>3. Intel Broadwell-DE Platform</li> <li>4. Intel Xeon-D Platform</li> <li>5. Intel Apollo Lake Platform</li> <li>6. Intel Elkhart Lake Platform</li> <li>7. Intel Snow Ridge-NS Platform</li> </ol> <p>A series of Universal Customer Premise Equipment (uCPE) are developed by using Network Function Virtualization (NFV) technology and open software architecture, so that service providers can provide various economical software services based on cloud computing completely and quickly.</p>
Telecommunications / Cloud Storage Computing Servers	<p>Using Intel's new and fast memory architecture and fast storage management software, the cloud storage server is developed, which makes the access and calculation of cloud data faster and more effective.</p> <p>With Intel Tofino Switch and FPGA, deploy high-speed computing and software-defined networking for cloud computing and edge computing applications.</p>
Industrial standard wide temperature network security product	<p>Wide-temperature DIN-RAIL products for industrial information security management are developed.</p> <p>In response to the development of wireless network and the trend of Industry 4.0, the network security gateway related to the hardware requirements of products is developed for safe operation and management</p> <p>The fanless industrial firewall system reduces maintenance cost, supports normal operation in a wide temperature range from -40°C to a temperature as high as 75°C, and ensures safety and reliability in severe and harsh environment.</p>

2. Estimated investment in R&D

The amounts of R&D expenses estimated by the Company are budgeted step by step according to the development progress of each new product and technology as well as the operating conditions to maintain a certain growth rate to ensure the Group's competitive advantages. In previous years, R&D expenditure accounted for 4%~5% of operating income

(IV) Impact of Important Policies and Laws Changes at Home and Abroad on the Company's Financial Business and Its Countermeasures:

The management and operation of the Company comply with relevant laws and regulations at home and abroad, and keep an eye on the development trend of important policies and changes in laws and regulations at home and abroad, so as to fully grasp relevant information to cope with possible impacts and ensure smooth operation of the Company. The Company's finances and businesses have not been affected by major changes in policies and laws of domestic or foreign governments in the most recent year and up to the publication date of the annual report.

(V) Effect on the Financial Operations of Developments in Science and Technology (Including Information Security) and Industrial Change, and Measures to Be Taken in Response

The Company keeps an eye on the technological changes and technological development and evolution of the industry in which it is engaged, grasps the market pulsation and peer information, and starts to develop products to meet the market demand and maintain the competitiveness of the Company and its subsidiaries. Besides, to implement information security policies, event report and countermeasures, the Company conducts regular risk assessment against information security, providing relevant education and training with rigid information security risk management. In the recent year and up to the publication date of the annual report, there has been no significant impact on the financial business of the Company due to technological changes and industrial changes.

(VI) Effect on the Crisis Management of Changes in the Corporate Image, and Measures to Be Taken in Response

Since its establishment, the Company has adhered to professional, honest and down-to-earth business principles, complied with relevant laws and regulations at home and abroad, maintained harmonious labor-capital and external relations, and



built a good corporate image. It also plans to enter the capital market to attract more outstanding talents to take posts in the Company, reinforce the strength of the management team, and feedback the operating results to shareholders and fulfill the corporate social responsibility. Therefore, in recent years, there has been no incident affecting the corporate image of the Company.

(VII) Expected Benefits and Possible Risks Associated with Any Mergers and Acquisitions, and Measures to Be Taken in Response

The Company, a member of the Ennoconn Corporation group, has approved and entered into a share purchase agreement to acquire a 70% equity interest in Network Box to strengthen the Group's presence in Southeast Asia and Japan. The transaction will integrate the Group's product platforms with Network Box's localized service network, enhancing regional project delivery and optimizing the recurring service revenue mix.

The Company has long focused on enterprise network appliances and is advancing its integrated "Products–Applications–Services" strategy in response to supply chain localization and regional operating demands.

The acquisition delivers three key benefits:

- (i) regional complementarity through Network Box's Asia-Pacific and Japan footprint;
- (ii) enhanced project integration by combining hardware platforms with local operational support; and
- (iii) strengthened regional synergies, including collaboration with Nera Telecommunications.

This investment represents a strategic extension of the Group's roadmap and is expected to reinforce regional integration, service capabilities, and long-term growth stability.

(VIII) Expected Benefits and Possible Risks Associated with Any Plant Expansion, and Measures to Be Taken in Response

In the most recent year and up to the publication date of the prospectus, the Company has no plan to expand its plant. However, if there is any plan to expand its factory in the future, it will take a prudent assessment attitude and handle it in accordance with the relevant internal control regulations.

(IX) Risks Associated with Any Consolidation of Sales or Purchasing Operations, and Measures to Be Taken in Response:

1. Risk assessment and countermeasures for centralized purchase

The Company maintains more than two suppliers for the purchase of main raw materials, pays attention to the market trends at any time, actively develops other suppliers, and maintains good cooperative relations with all suppliers to ensure stable supply sources. In the most recent year and up to the publication date of the prospectus, the proportion of purchases from a single manufacturer by the Company did not exceed 30%, indicating no risk of centralized purchases.

2. Sales concentration risk assessment and countermeasures

The Company's main sales targets are distributed in Europe, America and Asia and other global regions. The Company has close transactions and good relations with customers; in addition to continuing to stabilize existing customers, the Company also actively develops other international customers. In the most recent fiscal year and as of the date of this Annual Report's publication, the Company's sales to any single customer exceeded 30% only in 2025. This was primarily due to one-time project revenue recognized from that customer. In all other years and as of the date of this report, sales to any single customer did not exceed 30%, and therefore, there is no risk of excessive sales concentration.

(X) The impact of directors, supervisors or major shareholders holding more than 10% of shares on the Company, risks and countermeasures:

In the most recent year and up to the publication date of the annual report, the directors or major shareholders holding more than 10% shares of the Company did not have any substantial transfer or replacement of their shares.

(XI) The Impact, Risks and Countermeasures of the Change of Management Right on the Company:

As of the publication date of the annual report, there is no change in the management right of the Company.

(XII) Disclosure of issues in dispute, monetary amount of claims, filing date, parties involved, and status of any litigation or other legal proceedings within the latest fiscal year and as of the date of the annual report where the Company and/or any of its directors, supervisors, president, person in charge, shareholders with 10% or more share ownership, or affiliates are involved in a pending litigation, legal proceedings or administrative proceedings, or a final judgment or ruling which may have a material adverse effect on the Company's shareholder equity or price of securities: None

(XIII) Other Significant Risks: None.

VI. Other Important Matters: None.

## Chapter 6. Special Disclosure

- I. **Information on affiliates:** Announced and reported on the MOPS. The inquiry path is as follows: Company → Electronic Document Download → Three Documents on Affiliates.

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

- II. **Handling of private placement of securities:** no such situation occurred in the most recent year and up to the publication date of the annual report.
- III. **Other Necessary Additional Notes:** 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:** None