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FineTek Co., Ltd.

2025

Annual Report

Published on April 30, 2026

I. Names, titles, telephone number, and email addresses of the Company's spokesperson and acting spokesperson

| | Spokesperson | Acting Spokesperson |
|---------------|------------------------------------|------------------------------------|
| Name | Hsu, Pi-Yun | Lin, Feng-Chang |
| Designation | Special Assistant to the President | Special Assistant to the President |
| Tel | (02)2269-6789 | (02)2269-6789 |
| Email Address | ir@fine-tek.com | ir@fine-tek.com |

II. Address and telephone number of the headquarters, branch offices, and factories

(I) The Headquarters and Tucheng Plant No. 1

Address: No. 16, Ziqiang Street, Tucheng District, New Taipei City

Tel: (02)2269-6789

(II) Tucheng Plant No. 2

Address: No. 31-2, Ziqiang Street, Tucheng District, New Taipei City

Tel: (02)2269-6789

(III) Yilan Plant

Address: No. 26, Ding'an Road, Neighborhood 1, Dingliao Village, Su'ao Township, Yilan County

Tel: (03)990-9669

III. Name, address, website and telephone number of the agency handling shares transfer

Name: Yuanta Securities Co., Ltd., Share Transfer Agency Department

Address: B1F, No. 67, Section 2, Dunhua South Road, Da'an District, Taipei City

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

Tel: (02)2586-5859

IV. Names of the certified public accountants who audited the most recent annual financial report, the name, address, website, and telephone number of the accounting firm

CPAs: Chen Chung-Cheng and Liang Sheng-Tai

Name of Firm: Deloitte & Touche

Address: No. 100, Songren Road, Xinyi District, Taipei City

<http://www.deloitte.com.tw>

Tel: (02)2725-9988

V. The name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities: N/A.

VI. Company website: <http://www.fine-tek.com>

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One. A Report to the Shareholders

I. 2025 business results

(I) Business plan implementation results

The Company's operating revenue for 2025 was NT\$855,333 thousand, a decrease of 4% compared to NT\$893,982 thousand in 2024. Consolidated operating revenue for the Group was NT\$1,235,729 thousand, a decrease of 3% compared to NT\$1,280,299 thousand in 2024. The Company's net profit after tax for 2025 was NT\$189,119 thousand, a decrease of 28% compared to NT\$263,745 thousand in 2024, with earnings per share of NT\$3.32. Operating revenue in 2025 decreased compared to 2024, mainly due to reduced revenue contributions from China and the United States. Profit in 2025 decreased, mainly due to a decline in revenue, as well as the impact of tariffs and exchange rates, and the increase in one-time acquisition costs resulting from the acquisition of DYNA Company. Looking forward to 2026, the Group's growth momentum will come from AI products, smart buildings, water treatment, and ESG zero-carbon monitoring opportunities, etc. The Company's sales performance is expected to reach a new record again.

(II) Financial revenue and expenditure, and profitability

| Item | | 2025 | 2024 | |
|---------------------------|---|-----------------------|--------|-------|
| Financial structure (%) | Liability to asset ratio | 27.51 | 27.31 | |
| | Ratio of long-term capital to property, plant and equipment | 342.03 | 340.76 | |
| Solvency (%) | Current ratio | 880.66 | 836.89 | |
| | Quick ratio | 742.58 | 722.43 | |
| Profitability | Return on assets (ROA) (%) | 7.47 | 10.88 | |
| | Return on equity (ROE) (%) | 9.74 | 14.11 | |
| | Net profit margin (%) | 15.30 | 20.60 | |
| | Percentage to paid-in capital (%) | Operating profit | 31.52 | 48.43 |
| | | Net income before tax | 40.14 | 59.24 |
| Earnings per share (NT\$) | | 3.32 | 4.63 | |

Note: The earnings per share for 2024 have been adjusted retrospectively.

(III) Research and development

The Company invested NT\$78,633 thousand in R&D in 2025, which were mainly used for the development and design of new products and technologies, and the upgrade and improvement of production processes.

II. Business policy and future development strategies

(I) Effect of external competition, legal environment, and overall business environment

Looking ahead to 2026, the global economy and business environment will continue to face various challenges. Under the Trump administration, there are many uncertainties regarding tariffs, as well as controls on the import and export of key raw materials. In the face of these ongoing challenges, management must exercise greater patience in planning future positioning and development strategies.

In recent years, the Company has gradually transformed toward ESG management, adjusting its business philosophy to “learning from nature, working alongside the community, and sharing benefits.” In terms of development strategy planning, the Company emphasizes prudent operations, with all departments continuing to pursue innovation and growth. Over the past year, through exchanges with the industry, the Company has accumulated a substantial amount of information on AI industry applications and future demand, and hopes to achieve meaningful results in the coming year. Last year, the Company successfully acquired DYNA in Germany, further enhancing its capabilities in powder measurement technologies and enabling it to provide more diversified solutions to the industry. Therefore, the Company will continue to pursue an acquisition strategy in order to expand its operational scale.

Currently, the Company’s product lines are divided into five major categories:

1. Dedicated sensor for AI server
2. Municipal affairs and smart city industry
3. Flow meter
4. Powder particle flow meter and material level meter
5. ESG zero carbon emission measurement management product

In the era of digital transformation and ESG net-zero emissions, smart manufacturing and automated production monitoring have become important issues, and the future presents unlimited development opportunities.

(II) Business policy and future development strategies

1. R&D strategy

- (1) Continue to collaborate on the development of AI server cooling systems to address customer pain points, reduce costs, and shorten delivery times.
 - (2) Adopt modular design in products and integrate them into ASICs for self-sufficiency, reducing material costs and shortening delivery times.
 - (3) R&D of ultra-sonar flow meter to meet the needs of municipal resources and the electronics industry for the non-contact, high-precision and small-size requirements.
 - (4) Place greater emphasis on the quality stability of new product development, improve yield rates, and continuously enhance the output value of new products to generate profits.
2. Business strategy
- (1) Integrate and expand business units to enhance professional sales capabilities and aggressively target high-margin industry markets.
 - (2) Bundle DYNA products with existing powder products as a sales strategy to provide customers with more comprehensive solutions.
 - (3) Reduce the number of exhibitions and instead establish stronger cooperation networks through direct visits to distributors, strengthening distributor capabilities.
 - (4) Continue to collect lists of global AI server manufacturers and arrange visits for market development.
3. Production strategy
- (1) Plan to transfer the technology of Müttec and DYNA products to Taiwan for production, in order to accelerate delivery times and improve profitability.
 - (2) Continue to implement lean production management, aiming to improve yield rates and increase profitability.
 - (3) Having obtained ISO 14001 Environmental Management System certification, the Company will be committed to green production, enhancing environmental performance and meeting more customers' ESG requirements.

It is hoped that through the above operational strategy planning, revenue can be increased, profits can be generated, and returns can be shared with all shareholders. The Company would like to sincerely thank all shareholders for their long-term support and trust, and wish everyone good health and all the best.

Chairman: Wu Ting-Kuo

Manager: Wu Ting-Kuo

Accounting Manager: Wang Hsiao-Chun

Two. Corporate Governance Report

I. Information on directors, general manager, assistant general managers, deputy assistant general managers, and the chiefs of all the company's divisions and branch units

(I) Information on Directors

1. Basic Information on Directors

April 10, 2026
Unit: shares; %

| Job title | Nationality or place of registration | Name | Gender Age | Date of election/appointment to current term | Term of office | Commencement date of first term | No. of shares held at time of election | | No. of shares currently held | | Shares currently held by spouse and minor children | | Shares held through nominees | | Principal work experience and academic qualifications | Positions held concurrently in the Company and/or in any other company | Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree | | | Remarks |
|-----------|--------------------------------------|-------------|-------------------------|--|----------------|---------------------------------|--|---------------------|------------------------------|---------------------|--|---------------------|------------------------------|---------------------|---|---|---|--------------|-------------------------|---------|
| | | | | | | | Number of shares | Share holding ratio | Number of shares | Share holding ratio | Number of shares | Share holding ratio | Number of shares | Share holding ratio | | | Designation | Name | Relationship | |
| Chairman | Republic of China | Wu Ting-Kuo | Male 71-80 years old | June 13, 2025 | 3 | April 26, 2001 | 4,358,947 | 7.80 | 3,446,125 | 6.05 | 4,332,225 | 7.60 | — | — | Master of Science in Technology Management, Fu Jen Catholic University | President, FineTek Co., Ltd. Director, Powerline Corp. Director, FACO International Co., Ltd. Director, FineTek Pte. Ltd. Supervisor, Yong Yi Investment Co., Ltd. Chairman, Shanghai Fine Automation Technology Co., Ltd. Director, Youngda Technology Co., Ltd. | Director | Wu Kuei-Yung | First degree of kinship | Note 1 |
| Director | Republic of China | Gao Lun-Mao | Male 61-70 years old | June 13, 2025 | 3 | June 28, 2013 (Note 2) | 150,357 | 0.27 | 153,364 | 0.27 | 94,372 | 0.17 | — | — | MBA, University of South Australia Chairman of the Board, Shihwei Health Technology Co., Ltd. Director of Operation Division, SYNMOsa BIOPHARMA CORPORATION | — | — | — | — | |

| Job title | Nationality or place of registration | Name | Gender Age | Date of election/appointment to current term | Term of office | Comment date of first term | No. of shares held at time of election | | No. of shares currently held | | Shares currently held by spouse and minor children | | Shares held through nominees | | Principal work experience and academic qualifications | Positions held concurrently in the Company and/or in any other company | Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree | | | Remarks |
|----------------------|--------------------------------------|---------------|----------------------|--|----------------|----------------------------|--|---------------------|------------------------------|---------------------|--|---------------------|------------------------------|---------------------|--|---|---|-------------|-------------------------|---------|
| | | | | | | | Number of shares | Share holding ratio | Number of shares | Share holding ratio | Number of shares | Share holding ratio | Number of shares | Share holding ratio | | | Designation | Name | Relationship | |
| Director | Republic of China | Wu Kuei-Yung | Male 41-50 years old | June 13, 2025 | 3 | June 10, 2019 | 5,349,999 | 9.57 | 5,556,998 | 9.75 | - | - | - | - | University of La Verne – Supply Chain Management | Vice President, Marketing Division, FineTek Co., Ltd. Director, FineTek GmbH Director, Golden Land International Corp. Director, APLUS FINETEK SENSOR INC. Director, Gain Access Investment Ltd. Director, Muetec Instruments GmbH Director, PT. Finetek Automation Indonesia Chairman, Youngda Technology Co., Ltd. | Chairman | Wu Ting-Kuo | First degree of kinship | - |
| Independent Director | Republic of China | Wu Chin-Kuang | Male 61-70 years old | June 13, 2025 | 3 | January 24, 2014 (Note 3) | - | - | - | - | - | - | - | - | PhD in Economics, the Institute of Economics, Russia Academy of Sciences Director, MS Program in Technology Management, Fu Jen Catholic University Associate Vice President for General Affairs and Director of Dormitory Service Center, Fu Jen Catholic University Special Correspondent in Russia, Chinese Department, BBC | Professor, Department of Finance and International Business, Fu Jen Catholic University Director of Technology Management Master Program, Fu Jen Catholic University Independent Director, PARA LIGHT ELECTRONICS CO., LTD. Independent Director, TAIWAN CHELIC CO., LTD. | - | - | - | - |
| Independent Director | Republic of China | Wu Hsi-Her | Male 61-70 years old | June 13, 2025 | 3 | June 28, 2013 (Note 4) | - | - | - | - | - | - | - | - | Master's Degree, Institute of Mechanical Engineering, National Taiwan University of Science and Technology Lecturer, Department of Mechanical Engineering, Nan Kai University of Technology Associate Vice President for General Affairs/Director of the Continuing Education Center, Nan Kai University of Technology | Adjunct Lecturer, Department of Mechanical Engineering, Nan Kai University of Technology | - | - | - | - |

| Job title | Nationality or place of registration | Name | Gender Age | Date of election/appointment to current term | Term of office | Commencement date of first term | No. of shares held at time of election | | No. of shares currently held | | Shares currently held by spouse and minor children | | Shares held through nominees | | Principal work experience and academic qualifications | Positions held concurrently in the Company and/or in any other company | Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree | | | Remarks |
|----------------------|--------------------------------------|----------------|------------------------|--|----------------|---------------------------------|--|---------------------|------------------------------|---------------------|--|---------------------|------------------------------|---|---|--|---|------|--------------|---------|
| | | | | | | | Number of shares | Share holding ratio | Number of shares | Share holding ratio | Number of shares | Share holding ratio | Number of shares | Share holding ratio | | | Designation | Name | Relationship | |
| Independent Director | Republic of China | Tsai Li-Ju | Female 61-70 years old | June 13, 2025 | 3 | June 13, 2025 | - | - | - | - | - | - | - | Ph.D. in Economics, National Chengchi University Associate Vice President for Academic Affairs, Office of Academic Affairs, Fu Jen Catholic University Associate Dean, College of Management, Fu Jen Catholic University Director and Professor, Master's Program in Finance, Fu Jen Catholic University | Professor, Department of Finance and International Business, Fu Jen Catholic University | - | - | - | - | |
| Independent Director | Republic of China | Cheng Yung-Yun | Female 51-60 years old | June 13, 2025 | 3 | June 13, 2025 | - | - | - | - | - | - | - | Ph.D. in Environmental Engineering, National Taiwan University Case Handler, Water Resource Department of New Taipei City Government | General Manager, Fenri Co., Ltd. Director, National Association of Small & Medium Enterprises, R.O.C. Supervisor, Water Industry Development & Promotion Association (WIDPA) Director, CEITA | - | - | - | - | |

Note 1: The Chairman and President of the Company are the same person, primarily due to their extensive experience in the industry, which improves management efficiency and decision-making. To address this, the company is increasing the number of independent directors to four.

Note 2: Director Gao Lun-Mao was initially elected on June 28, 2013, serving on the 5th and 6th boards. He was re-elected to the 8th board on June 10, 2022, and subsequently re-elected to the 9th board.

Note 3: Independent Director Wu Chin-Kuang was initially elected on January 24, 2014, serving on the 5th and 6th boards. He was re-elected to the 8th board on June 10, 2022, and subsequently re-elected to the 9th board.

Note 4: Independent Director Wu Hsi-Her was initially elected on June 28, 2013, serving as a supervisor for the 5th and 6th terms. He was re-elected as an Independent Director for the 8th term on June 10, 2022, and subsequently for the 9th term.

2. Major shareholders of corporate shareholders: None.

3. Where a corporate shareholder's major shareholder is also a corporate entity, its major shareholders: None.

4. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors:

| Qualification Name | Professional qualifications and experience | Independence analysis (Note) | No. of other public companies at which the person concurrently serves as an independent director |
|-----------------------|---|------------------------------|--|
| Wu Ting-Kuo | <ul style="list-style-type: none"> ● Has more than five years of work experience relevant to the Company's business. Currently serves as the Company's Chairman and President, with many years of experience in manufacturing, R&D technology, and the industry. ● None of the circumstances set forth in Article 30 of the Company Act apply. | Not applicable. | 0 |
| Gao Lun-Mao | <ul style="list-style-type: none"> ● Has more than five years of work experience relevant to the Company's business, and previously served as Chairman of Shihwei Health Technology Co., Ltd. ● None of the circumstances set forth in Article 30 of the Company Act apply. | Not applicable. | 0 |
| Wu Kuei-Yung | <ul style="list-style-type: none"> ● Has more than five years of work experience relevant to the Company's business, and currently serves as Vice President of the Company's Marketing Division. ● None of the circumstances set forth in Article 30 of the Company Act apply. | Not applicable. | 0 |
| Wu Chin-Kuang | <ul style="list-style-type: none"> ● Serves as a member of the Audit Committee, possesses lecturer qualifications in relevant academic fields required for the Company's business at public or private universities, and has more than five years of financial experience; currently serves as a professor in the Department of Finance and International Business at Fu Jen Catholic University. ● None of the circumstances set forth in Article 30 of the Company Act apply. | Complies with (1)–(12) | 2 |
| Wu Hsi-Her | <ul style="list-style-type: none"> ● Serves as a member of the Audit Committee and holds lecturer qualifications in academic fields relevant to the Company's business at public or private universities; currently serves as an adjunct lecturer in the Department of Mechanical Engineering at Nan Kai University of Technology. ● None of the circumstances set forth in Article 30 of the Company Act apply. | Complies with (1)–(12) | 0 |
| Tsai Li-Ju | <ul style="list-style-type: none"> ● Serves as a member of the Audit Committee, possesses lecturer qualifications in relevant academic fields required for the Company's business at public or private universities, and has more than five years of financial experience; currently serves as a professor in the Department of Finance and International Business at Fu Jen Catholic University. ● None of the circumstances set forth in Article 30 of the Company Act apply. | Complies with (1)–(12) | 0 |

| Qualification Name | Professional qualifications and experience | Independence analysis (Note) | No. of other public companies at which the person concurrently serves as an independent director |
|-----------------------|--|------------------------------|--|
| Cheng Yung-Yun | <ul style="list-style-type: none"> ● Serves as a member of the Audit Committee, has more than five years of work experience relevant to the Company's business, and currently serves as General Manager of Fenri Co., Ltd., Supervisor of the Water Industry Development & Promotion Association (WIDPA), and Director of the Taiwan Circular Economy and Innovation Transformation Association (CEITA). ● None of the circumstances set forth in Article 30 of the Company Act apply. | Complies with (1)–(12) | 0 |

Note: The criteria for independence are as follows:

- (1) Not an employee of the Company or its affiliated enterprises.
- (2) Not a director or supervisor of the Company or its affiliated enterprises (however, this does not apply where an independent director concurrently serves, in accordance with this Act or the laws and regulations of the relevant jurisdiction, in the Company and its parent company, subsidiary, or a subsidiary of the same parent company).
- (3) Not a natural person shareholder who, either personally or through a spouse, minor children, or by holding shares in another's name, holds more than 1% of the total issued shares of the Company or is among the top ten shareholders.
- (4) Not the spouse, a relative within the second degree of kinship, or a lineal blood relative within the third degree of kinship of a manager listed in (1) or of the persons listed in (2) and (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds more than 5% of the Company's issued shares, is among the top five shareholders, or appoints a representative to serve as a director or supervisor of the Company in accordance with Article 27, Paragraph 1 or Paragraph 2 of the Company Act (however, this does not apply where an independent director concurrently serves, in accordance with this Act or the laws and regulations of the relevant jurisdiction, in the Company and its parent company, subsidiary, or a subsidiary of the same parent company).
- (6) Not a director, supervisor, or employee of another company in which more than half of the director seats or voting shares are controlled by the same person as those of the Company (however, this does not apply where an independent director concurrently serves, in accordance with this Act or the laws and regulations of the relevant jurisdiction, in the Company or its parent company, subsidiary, or a subsidiary of the same parent company).
- (7) Not a director (or board member), supervisor (or supervisor board member), or employee of another company or institution in which the chairman, president, or an equivalent position is held by the same person as, or is the spouse of, the Company's chairman or president (however, this does not apply where an independent director concurrently serves, in accordance with this Act or the laws and regulations of the relevant jurisdiction, in the Company and its parent company, subsidiary, or a subsidiary of the same parent company).
- (8) Not a director (or board member), supervisor (or supervisor board member), manager, or shareholder holding more than 5% of a specified company or institution that has financial or business dealings with the Company (however, this does not apply where the specified company or institution holds more than 20% but not more than 50% of the Company's issued shares, and where an independent director concurrently serves, in accordance with this Act or the laws and regulations of the relevant jurisdiction, in the Company and its parent company, subsidiary, or a subsidiary of the same parent company).

- (9) Not a professional, sole proprietor, partner, company, or institution providing audit services or other business, legal, financial, or accounting services to the Company or its affiliated enterprises, and has not received remuneration exceeding NT\$500 thousand in aggregate in the past two years, including their owners, partners, directors (or board members), supervisors (or supervisor board members), managers, and their spouses. However, members of remuneration committees, tender offer review committees, or special committees for mergers and acquisitions who perform their duties in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction.
- (10) Has no spousal or kinship relationship within the second degree of kinship with other directors.
- (11) None of the circumstances set forth in Article 30 of the Company Act apply.
- (12) No election pursuant to Article 27 of the Company Act as a representative of the government, a juristic person, or its representative.

5. Diversity and Independence of the Board of Directors:

(1) Diversity of the board of directors:

The Company, in accordance with the “Procedures for Election of Directors” and the “Corporate Governance Best Practice Principles,” has formulated an appropriate diversity policy based on its own operations, business model, and development needs. The Company has a total of seven directors, all of whom are nationals. Among them, four are independent directors, representing 57% of the board. There are two directors with employee status, accounting for 29%. The Company’s diversity objectives include gender equality on the Board, with a target of 15% female directors. The current Board consists of five male directors and two female directors, with female directors accounting for 29%, achieving the Company’s target for this term. Among independent directors, two have a tenure of less than 3 years, and two have a tenure of more than 4 to 6 years. In terms of age distribution, one director is over 71 years old, four are between 61 and 70 years old, one is between 51 and 60 years old, and one is under 50 years old.

Reasons why the proportion of either gender does not reach one-third of board seats and measures to enhance gender diversity on the Board: The current Board consists of 71% male directors and 29% female directors. There are two female directors in the current term, an increase of one compared to the previous term, and the Company’s target has been achieved. Going forward, the Company will continue to increase the proportion of female directors to further promote gender diversity on the Board and support sustainable corporate governance.

The Board’s management objectives and the status of achievement are as follows:

| Management objectives | Status of achievement |
|---|-----------------------|
| Target female director ratio of 15% | Achieved |
| The number of directors concurrently serving as Company managers should not exceed one-third of the total board seats | Achieved |
| The number of independent directors shall not be less than one-third | Achieved |

The Company's diversity objective is to establish a Board with members of diverse backgrounds and perspectives. At present, the Board members' professional backgrounds cover business management, operational judgment, accounting and financial analysis capabilities, industry knowledge, crisis management, international market perspective, leadership, and decision-making abilities. The diversity of Board members is described as follows:

| Name | Gender | Employee status | Age | Tenure of independent directors | Professional background | Operational judgment | Accounting and financial analysis capabilities | Business management | Crisis management | Industry knowledge | International market perspective | Leadership | Decision-making ability |
|----------------|--------|-----------------|-----------------|---------------------------------|--|----------------------|--|---------------------|-------------------|--------------------|----------------------------------|------------|-------------------------|
| Wu Ting-Kuo | Male | V | 71–80 years old | - | Business management, core manufacturing, technical and industry experience | V | V | V | V | V | V | V | V |
| Gao Lun-Mao | Male | - | 61–70 years old | - | Business management, industry experience | V | - | V | V | V | V | V | V |
| Wu Kuei-Yung | Male | V | 41–50 years old | - | Marketing, technical, and industry experience | V | V | V | V | V | V | V | V |
| Wu Chin-Kuang | Male | - | 61–70 years old | 4–6 years | Finance, financial services, and business management | V | V | V | V | - | V | V | V |
| Wu Hsi-Her | Male | - | 61–70 years old | 4–6 years | Technology and industry knowledge | V | - | - | V | V | - | V | V |
| Tsai Li-Ju | Female | - | 61–70 years old | Less than 3 years | Finance, financial services, and business management | V | V | V | V | - | V | V | V |
| Cheng Yung-Yun | Female | - | 51–60 years old | Less than 3 years | Business management, industry experience | V | - | V | V | V | V | V | V |

(2) Independence of the board of directors:

The Company has seven directors, of whom four are independent directors, accounting for 57% of the total number of directors. For the independence of the Board of Directors, please refer to page 6, “(1) Information on Directors – 4. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors.”

Among the Company’s directors, two individuals have spousal or second-degree kinship relationships, which does not exceed half of the total number of directors; therefore, there are no circumstances as specified in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

(II) Information on the Management Team

April 10, 2026

Unit: shares; %

| Designation | Nationality | Name | Gender | Date of election/appointment to current term | Shares held | | Shares held by spouse and minor children | | Shares held through nominees | | Principal work experience and academic qualifications | Positions concurrently held in other companies at present | Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree | | | Remarks |
|----------------|-------------------|---------------|--------|--|------------------|--------------------|--|--------------------|------------------------------|--------------------|---|---|---|--------------|-------------------------|---------|
| | | | | | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | | | Designation | Name | Relationship | |
| President | Republic of China | Wu Ting-Kuo | Male | June 10, 2006 | 3,446,125 | 6.05 | 4,332,225 | 7.60 | — | — | Master of Science in Technology Management, Fu Jen Catholic University | Director, Powerline Corp. Director, FACO International Co., Ltd. Director, FineTek Pte. Ltd. Supervisor, Yong Yi Investment Co., Ltd. Chairman, Shanghai Fine Automation Technology Co., Ltd. Director, Youngda Technology Co., Ltd. | Vice President | Wu Kuei-Yung | First degree of kinship | Note |
| Vice President | Republic of China | Chao Li-Ching | Female | August 1, 2022 | 214,272 | 0.38 | — | — | — | — | Master of Science in Technology Management, Fu Jen Catholic University Director of the Business Division, FineTek Co., Ltd. International Trade Operations, Jinta Company International Trade Operations, Zec Industries Corporation | Supervisor, Accurtech Co., Ltd. | — | — | — | — |

| Designation | Nationality | Name | Gender | Date of election/appointment to current term | Shares held | | Shares held by spouse and minor children | | Shares held through nominees | | Principal work experience and academic qualifications | Positions concurrently held in other companies at present | Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree | | | Remarks |
|-----------------------------|-------------------|---------------|--------|--|------------------|--------------------|--|--------------------|------------------------------|--------------------|--|---|---|-------------------------|--------------|---------|
| | | | | | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | | | Designation | Name | Relationship | |
| Vice President | Republic of China | Wu Kuei-Yung | Male | March 1, 2024 | 5,556,998 | 9.75 | — | — | — | — | University of La Verne – Supply Chain Management Associate Vice President, Marketing Division, FineTek Co., Ltd. Director, FineTek GmbH Director, Golden Land International Corp. Director, APLUS FINETEK SENSOR INC. Director, Gain Access Investment Ltd. Director, Muetec Instruments GmbH Director, PT. Finetek Automation Indonesia Chairman, Youngda Technology Co., Ltd. | President | Wu Ting-Kuo | First degree of kinship | — | |
| Plant General Manager | Republic of China | Lee Cheng-Dao | Male | January 2, 2004 | 225,025 | 0.39 | — | — | — | — | Yilan Agricultural and Industrial Vocational High School Plant Manager, Fanyi Control Enterprise Co., Ltd. | — | — | — | — | — |
| President, FineTek Shanghai | Republic of China | Wang Jen-Shun | Male | February 1, 2025 | — | — | — | — | — | — | Master's Degree, Department of Electrical Engineering, Tamkang University Special Assistant to the Chairman, Shanghai Fine Automation Technology Co., Ltd. Manager, R&D Division, FineTek Co., Ltd. | — | — | — | — | — |

| Designation | Nationality | Name | Gender | Date of election/appointment to current term | Shares held | | Shares held by spouse and minor children | | Shares held through nominees | | Principal work experience and academic qualifications | Positions concurrently held in other companies at present | Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree | | | Remarks |
|--------------------------|-------------------|------------------|--------|--|------------------|--------------------|--|--------------------|------------------------------|--------------------|---|---|---|------|--------------|---------|
| | | | | | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | | | Designation | Name | Relationship | |
| Associate Vice President | Republic of China | Liao Chi-Fan | Male | February 14, 2025 | 5,804 | 0.01 | — | — | — | — | Master's Degree, Department of Electronic Engineering, National Taipei University of Technology Director, R&D Division, FineTek Co., Ltd. Section Chief, R&D Department I, Unication Co., Ltd. | — | — | — | — | — |
| Finance Manager | Republic of China | Wang Hsiao-Chun | Female | February 14, 2025 | 8,838 | 0.02 | — | — | — | — | Master's Degree, Graduate Institute of Accounting, National Chengchi University Assistant Manager, Deloitte Taiwan | — | — | — | — | — |
| Chief Auditor | Republic of China | Huang Chiung-Min | Female | August 1, 2013 | — | — | — | — | — | — | Department of Banking and Finance, Tamkang University Audit Supervisor, TTFB Company Limited Auditor, Key Mouse Electronic Enterprise Co., Ltd. Audit Supervisor, Huang Long Development Co., Ltd. | — | — | — | — | — |

The President and Chairman of the Company are the same person, primarily due to their extensive experience in the industry, which improves management efficiency and decision-making. To address this, the company is increasing the number of independent directors to four.

II. Remuneration Paid to Directors, the President, and Vice Presidents in the Most Recent Fiscal Year

(I) Remuneration to Ordinary Directors and Independent Directors

Unit: NT\$ thousand

| Designation | Name | Remuneration to directors | | | | | | | | Sum of A+B+C+D and ratio to net income (%) | | Remuneration received by directors for concurrent service as an employee | | | | | | Sum of A+B+C+D+E+F+G and ratio to net income (%) | | Remuneration received from investee enterprises other than subsidiaries or from the parent company | | | | |
|----------------------|----------------|---------------------------|---------------------------|--------------------------------|---------------------------|--|---------------------------|------------------------------|---------------------------|--|---------------------------|--|---------------------------|--------------------------------|---------------------------|--|---------------------------|--|---------------------------|--|--------|------|------|------|
| | | Base compensation (A) | | Retirement pay and pension (B) | | Director profit-sharing compensation (C) | | Expenses and perquisites (D) | | | | Salary, rewards, and special disbursements (E) | | Retirement pay and pension (F) | | Employee profit-sharing compensation (G) | | | | | | | | |
| | | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | | | | | |
| Director | Wu Ching-Teh | | | | | | | | | | | | | | | | | | | | | | | |
| Director | Wu Ting-Kuo | — | 1,104 | — | — | 6,700 | 6,700 | 33 | 33 | 6,733 | 7,837 | 3,852 | 7,900 | 83 | 83 | 239 | — | 239 | — | 10,907 | 16,059 | 5.77 | 8.49 | None |
| Director | Gao Lun-Mao | | | | | | | | | | | | | | | | | | | | | | | |
| Director | Wu Kuei-Yung | | | | | | | | | | | | | | | | | | | | | | | |
| Independent Director | Wu Chin-Kuang | | | | | | | | | | | | | | | | | | | | | | | |
| Independent Director | Wu Hsi-Her | | | | | | | | | | | | | | | | | | | | | | | |
| Independent Director | Chien Chun-Chu | 880 | 880 | — | — | 300 | 300 | 81 | 81 | 1,261 | 1,261 | — | — | — | — | — | — | — | — | 1,261 | 1,261 | 0.67 | 0.67 | None |
| Independent Director | Tsai Li-Ju | | | | | | | | | | | | | | | | | | | | | | | |
| Independent Director | Cheng Yung-Yun | | | | | | | | | | | | | | | | | | | | | | | |

| Designation | Name | Remuneration to directors | | | | | | | | Sum of A+B+C+D and ratio to net income (%) | | Remuneration received by directors for concurrent service as an employee | | | | | | Sum of A+B+C+D+E+F+G and ratio to net income (%) | | Remuneration received from invested enterprises other than subsidiaries or from the parent company |
|--|------|---------------------------|---------------------------|--------------------------------|---------------------------|--|---------------------------|------------------------------|---------------------------|--|---------------------------|--|---------------------------|--------------------------------|---------------------------|--|---------------------------|--|---------------------------|--|
| | | Base compensation (A) | | Retirement pay and pension (B) | | Director profit-sharing compensation (C) | | Expenses and perquisites (D) | | | | Salary, rewards, and special disbursements (E) | | Retirement pay and pension (F) | | Employee profit-sharing compensation (G) | | | | |
| | | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | |
| <p>1. Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid:</p> <p>According to Article 15 of the Company's Articles of Incorporation, when all directors perform their duties, the Company shall pay them remuneration regardless of its operating profit or loss. The Board of Directors is authorized to determine the remuneration based on their participation in the Company's operations and contribution value, with reference to the pay level among peers. In addition, appropriate remuneration is granted with reference to the results of the Board performance evaluation, the time invested during the year, and the level of risk assumed.</p> <p>2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g. for serving as a non-employee consultant to the parent company/any consolidated entities/invested enterprises): None.</p> <p>3. Retirement and pension amounts are all based on accrued and contributed amounts.</p> | | | | | | | | | | | | | | | | | | | | |

Remuneration Range Table

| Ranges of remuneration paid to each of the Company's directors | Names of Directors | | | |
|--|--|--|--|--|
| | Sum of A+B+C+D | | Sum of A+B+C+D+E+F+G | |
| | The Company | All consolidated entities (H) | The Company | All consolidated entities (I) |
| Less than NT\$1,000,000 | Gao Lun-Mao, Chien Chun-Chu, Wu Chin-Kuang, Wu Hsi-Her, Tsai Li-Ju, Cheng Yung-Yun | Gao Lun-Mao, Chien Chun-Chu, Wu Chin-Kuang, Wu Hsi-Her, Tsai Li-Ju, Cheng Yung-Yun | Gao Lun-Mao, Chien Chun-Chu, Wu Chin-Kuang, Wu Hsi-Her, Tsai Li-Ju, Cheng Yung-Yun | Gao Lun-Mao, Chien Chun-Chu, Wu Chin-Kuang, Wu Hsi-Her, Tsai Li-Ju, Cheng Yung-Yun |
| NT\$1,000,000 (incl.)–NT\$2,000,000 (excl.) | Wu Ching-Teh, Wu Kuei-Yung | Wu Ching-Teh, Wu Kuei-Yung | Wu Ching-Teh | Wu Ching-Teh |
| NT\$2,000,000 (incl.)–NT\$3,500,000 (excl.) | – | – | Wu Kuei-Yung | – |
| NT\$3,500,000 (incl.)–NT\$5,000,000 (excl.) | Wu Ting-Kuo | Wu Ting-Kuo | – | – |
| NT\$5,000,000 (incl.)–NT\$10,000,000 (excl.) | – | – | Wu Ting-Kuo | Wu Ting-Kuo, Wu Kuei-Yung |
| NT\$10,000,000 (incl.)–NT\$15,000,000 (excl.) | – | – | – | – |
| NT\$15,000,000 (incl.)–NT\$30,000,000 (excl.) | – | – | – | – |
| NT\$30,000,000 (incl.)–NT\$50,000,000 (excl.) | – | – | – | – |
| NT\$50,000,000 (incl.)–NT\$100,000,000 (excl.) | – | – | – | – |
| NT\$100,000,000 or above | – | – | – | – |
| Total | 9 | 9 | 9 | 9 |

(II) Remuneration to President(s) and Vice President(s)

Unit: NT\$ thousand

| Designation | Name | Salary (A) | | Retirement pay and pension (B) | | Rewards and special disbursements (C) | | Employee profit-sharing compensation (D) | | | | Sum of A+B+C+D and ratio to net income (%) | | Remuneration received from investee enterprises other than subsidiaries or from the parent company |
|--------------------------|----------------|-------------|---------------------------|--------------------------------|---------------------------|---------------------------------------|---------------------------|--|-----------------|---------------------------|-----------------|--|---------------------------|--|
| | | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | | All consolidated entities | | The Company | All consolidated entities | |
| | | | | | | | | Amount in cash | Amount in stock | Amount in cash | Amount in stock | | | |
| President | Wu Ting-Kuo | 6,362 | 9,943 | 238 | 238 | 375 | 842 | 556 | — | 556 | — | 7,531 3.98% | 11,579 6.12% | None |
| Executive Vice President | Cheng Chao-Kai | | | | | | | | | | | | | |
| Vice President | Chao Li-Ching | | | | | | | | | | | | | |
| Vice President | Wu Kuei-Yung | | | | | | | | | | | | | |

Note 1: Retirement and pension amounts are all based on accrued and contributed amounts.

Note 2: Executive Vice President Cheng Chao-Kai retired on June 30, 2026.

Remuneration Range Table

| Ranges of remuneration paid to each of the Company's president and vice president(s) | Names of President and Vice President(s) | |
|--|--|-------------------------------|
| | The Company | All consolidated entities (E) |
| Less than NT\$1,000,000 | — | — |
| NT\$1,000,000 (incl.)–NT\$2,000,000 (excl.) | Wu Kuei-Yung, Cheng Chao-Kai | Cheng Chao-Kai |
| NT\$2,000,000 (incl.)–NT\$3,500,000 (excl.) | Wu Ting-Kuo, Chao Li-Ching | Wu Ting-Kuo, Chao Li-Ching |
| NT\$3,500,000 (incl.)–NT\$5,000,000 (excl.) | — | — |
| NT\$5,000,000 (incl.)–NT\$10,000,000 (excl.) | — | Wu Kuei-Yung |
| NT\$10,000,000 (incl.)–NT\$15,000,000 (excl.) | — | — |
| NT\$15,000,000 (incl.)–NT\$30,000,000 (excl.) | — | — |
| NT\$30,000,000 (incl.)–NT\$50,000,000 (excl.) | — | — |
| NT\$50,000,000 (incl.)–NT\$100,000,000 (excl.) | — | — |
| NT\$100,000,000 or above | — | — |
| Total | 4 | 4 |

(III) Remuneration to the Five Highest Remunerated Management Personnel of a TWSE or TPEX listed Company: Not applicable.

(IV) Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers

December 31, 2025
Unit: NT\$ thousand

| | Designation | Name | Amount in stock | Amount in cash | Total | Sum as a % of net profit |
|---------------------|--------------------------|------------------|-----------------|----------------|-------|--------------------------|
| Managerial Officers | President | Wu Ting-Kuo | | | | |
| | Executive Vice President | Cheng Chao-Kai | | | | |
| | Vice President | Chao Li-Ching | | | | |
| | Vice President | Wu Kuei-Yung | | | | |
| | Plant General Manager | Lee Cheng-Dao | — | 1,221 | 1,221 | 0.65 |
| | Shanghai General Manager | Wang Jen-Shun | | | | |
| | Associate Vice President | Liao Chi-Fan | | | | |
| | Finance Manager | Wang Hsiao-Chun | | | | |
| | Audit Officer | Huang Chiung-Min | | | | |

Note: Executive Vice President Cheng Chao-Kai retired on June 30, 2026.

(V) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, presidents, and vice presidents. Additionally, analyze and describe remuneration policies, standards, and packages; the procedure for determining remuneration; and its linkage to operating performance and future risk exposure

1. Percentage of total remuneration paid to directors, the president, and vice presidents to net income after tax in the parent company only or individual financial reports for the most recent two fiscal years, and analysis

Remuneration and net income after tax unit: NT\$ thousand

| Item Designation | The Company | | | | All consolidated entities | | | |
|---------------------------------|--------------------|--------------------------------|--------------------|--------------------------------|---------------------------|--------------------------------|--------------------|--------------------------------|
| | 2025 | | 2024 | | 2025 | | 2024 | |
| | Total remuneration | As a percent age of net profit | Total remuneration | As a percent age of net profit | Total remuneration | As a percent age of net profit | Total remuneration | As a percent age of net profit |
| Director | 12,168 | 6.44% | 15,229 | 5.77% | 17,320 | 9.16% | 20,771 | 7.87% |
| President and Vice President(s) | 7,531 | 3.98% | 9,634 | 3.65% | 11,579 | 6.12% | 14,024 | 5.32% |
| Net income after tax | 189,119 | | 263,745 | | 189,119 | | 263,745 | |

- (1) Total Directors' Remuneration: In 2025, the total remuneration decreased compared to 2024, but the ratio increased, mainly due to a 28% decrease in net income after tax compared to the previous year.
- (2) Total Remuneration of the President and Vice Presidents: In 2025, the total remuneration decreased compared to 2024, but the ratio increased, mainly due to a 28% decrease in net income after tax compared to the previous year.

2. Description of remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure

(1) Director

The Company's directors' remuneration is explicitly stipulated in Article 18 of the Company's Articles of Incorporation. If the Company generates profits in a given year, the Board of Directors may, with reference to the extent of directors' participation in the Company's operations and the value of their contributions, allocate no more than 3% of such profits as directors' remuneration, and report the same to the shareholders' meeting. The Company determines individual directors' remuneration based on the "Performance Evaluation and Remuneration Policy for Directors and Managers," the results of Board performance evaluations, and each director's contribution to the Company. Such remuneration is reviewed by the Remuneration Committee and submitted to the Board of Directors for resolution.

(2) Managerial Officers

The Company's managerial remuneration includes salaries, bonuses, and employee remuneration, and is determined based on the position held, responsibilities undertaken, degree of achievement of individual performance, and contribution to the Company, with

reference to industry standards. Employee remuneration is provided in accordance with Article 18 of the Articles of Incorporation. If the Company generates profits in a given year, no less than 3% shall be allocated as employee remuneration, to be distributed in shares or cash as resolved by the Board of Directors and reported to the shareholders' meeting.

In accordance with the "Performance Evaluation and Remuneration Policy for Directors and Managers," the Company conducts performance evaluations for managers every six months. Evaluation criteria include individual operating performance and achievement of KPIs. At the beginning of each year, each manager sets individual and departmental performance KPIs, including quantified key KPI metrics (with a baseline value of 40 points, a target value of 70 points, and a stretch value of 100 points), as well as assessments of personal attributes such as continuous learning, communication skills, teamwork, and cross-departmental execution. Incentive proposals are formulated with reference to the Company's overall revenue and profitability and are submitted to the Remuneration Committee for review. Relevant performance, bonus distribution, and the reasonableness of remuneration are regularly evaluated and reviewed by the Remuneration Committee and submitted to the Board of Directors for resolution.

(3) Linkage to operating performance and future risk exposure

The Company's remuneration policy for directors and managers takes into account the Company's future operational risks, financial risks, and other related risks, as well as their positive correlation with operating performance and profitability. In addition to cash, the remuneration provided to managers by the Company also includes treasury shares, the actual value of which is linked to future stock prices. This aligns their interests with those of the Company in jointly bearing future operational risks, thereby achieving a balance between sustainable operation and risk management.

(VI) Succession Planning and Implementation for Board Members and Key Management Personnel

1. Board of Directors

- (1) The Company's "Articles of Incorporation" expressly stipulate that the election of directors shall fully adopt a candidate nomination system. In addition, the "Corporate Governance Best Practice Principles" and the "Procedures for Election of Directors" prescribe appropriate diversity policies based on the Company's operational needs, business model, and development requirements. The current Board consists of seven directors (including four independent directors) with diverse and complementary

professional expertise in industry experience, core technologies, business management, finance, banking, and accounting. The Company also places importance on gender equality, with two female directors currently serving on the Board.

- (2) The Company cultivates senior managers for entry into the Board to familiarize them with Board operations. Currently, two directors concurrently serve as senior managers. In the future, the Company will also familiarize them with the operations of various business units within the Group and deepen their industry experience through job rotations.
 - (3) In accordance with the “Board Performance Evaluation Measures,” the Company conducts annual Board performance evaluations in order to strengthen corporate governance and enhance the functions of the Board of Directors. For details of implementation, please refer to “II. Corporate Governance Report – 3. Status of Corporate Governance Operations – (1) Information on Board Operations” in the Company’s annual report.
2. Key Management Personnel (Including Department-Level Managers and Above the Rank of Associate Vice President)
- (1) The Company seeks to cultivate individuals with potential or outstanding work performance into managerial positions or management trainees. After selection, personnel are required to participate in talent development programs, pass training evaluations, and undergo practical job rotations. Those whose performance meets the promotion qualifications are submitted for promotion approval. The Company has also established a deputy system, under which deputies serve as potential successors for middle and senior management positions. Through this system, deputies become familiar with job responsibilities and organizational culture in advance so that they may formally assume succession roles in the future.
 - (2) The Company conducts training programs for middle and senior management at least once a year. Course topics include performance management, personnel management, crisis management, and strategic planning, and provide training in business management, leadership development, and work instruction. The Company provides a series of business management and leadership development training courses that not only offer employees detailed career planning but also enhance employee cohesion and provide diverse development opportunities. Courses in 2025 included:

| Course Title | Training Date | Training Time | Training Hours | Number of Participants |
|---|----------------------|----------------------|-----------------------|-------------------------------|
| Kazuo Inamori’s Amoeba Management in Practice | 2025/4/8 | 13:00-16:00 | 3 | 48 |
| Workplace Bullying Awareness | 2025/6/25 | 09:00-10:00 | 1 | 25 |

| Course Title | Training Date | Training Time | Training Hours | Number of Participants |
|---|----------------------|----------------------|-----------------------|-------------------------------|
| 2025 Mid-Level Management Consensus Workshop | 2025/9/20 | 09:00-17:00 | 8 | 38 |
| Trade Secret Management Concepts and Strategies for Corporate Competition | 2025/8/6 | 09:30-12:30 | 4 | 16 |
| Corporate Growth Strategies and External Innovation | 2025/8/6 | 13:30-16:30 | 4 | 14 |
| 2025 Senior Management Consensus Workshop (1) | 2025/11/21 | 09:00-17:30 | 7.5 | 49 |
| 2025 Senior Management Consensus Workshop (2) | 2025/11/22 | 09:00-17:30 | 7.5 | 46 |
| Total | | | | 236 |

III. Corporate Governance Implementation Status

(I) Operation of the Board of Directors

The number of board meetings held in 2025 was: eight (A). The attendance by the directors was as follows:

| Designation | Name | No. of meetings attended in person (B) | No. of meetings attended by proxy | In-person attendance rate (%) 【B/A】 | Remarks |
|----------------------------|----------------|--|-----------------------------------|--|--|
| Chairman (Dismissed) | Wu Ching-Teh | 3 | 0 | 100% | Dismissed upon re-election on June 13, 2025; required to attend three meetings. |
| Chairman (Newly appointed) | Wu Ting-Kuo | 8 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend eight meetings. |
| Director | Wu Kuei-Yung | 8 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend eight meetings. |
| Director | Gao Lun-Mao | 8 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend eight meetings. |
| Independent Director | Chien Chun-Chu | 2 | 1 | 66.67% | Dismissed upon re-election on June 13, 2025; required to attend three meetings. |
| Independent Director | Wu Chin-Kuang | 8 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend eight meetings. |
| Independent Director | Wu Hsi-Her | 8 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend eight meetings. |
| Independent Director | Tsai Li-Ju | 5 | 0 | 100% | Newly appointed upon re-election on June 13, 2025; required to attend five meetings. |
| Independent Director | Cheng Yung-Yun | 4 | 1 | 80% | Newly appointed upon re-election on June 13, 2025; required to attend five meetings. |

Other information required to be disclosed:

I. If any of the following circumstances exist, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all independent directors, and the measures taken by the Company based on those opinions:

(I) Any matter under Article 14-3 of the Securities and Exchange Act.

The Company has established an Audit Committee and is therefore subject to Article 14-5 of the Securities and Exchange Act. Accordingly, Article 14-3 of the Securities and Exchange Act does not apply. Please refer to the section “Operation of the Audit Committee” for further details.

(II) In addition to the matters referred to above, any dissenting or qualified opinion of an independent director that is on record or stated in writing with respect to any board resolution: None.

II. The status of implementation of recusals of directors with respect to any motions in which they may have a conflict of interest: specify the director’s name, the content of the motion, the cause for recusal, and whether and how the director voted.

| Date of Board Meeting | Term | Names of Directors | Proposal | Reason for Recusal Due to Conflict of Interest | Participation in Voting |
|-----------------------|----------------------|---|---|---|--|
| June 13, 2025 | 9th Term 2nd Meeting | Wu Chin-Kuang, Wu Hsi-Her, Tsai Li-Ju, Cheng Yung-Yun | Proposal for the appointment of members of the Remuneration Committee | The four independent directors were interested parties. | In accordance with the principle of recusal due to conflicts of interest, the four independent directors did not participate in the discussion or voting. After consultation by the chairperson with the other attending directors, the proposal was approved without objection. |
| August 6, 2025 | 9th Term 3rd Meeting | Wu Ting-Kuo, Wu Kuei-Yung | Proposal for the distribution of 2024 directors’ remuneration and employee remuneration for | Directors Wu Ting-Kuo and Wu Kuei-Yung were interested parties. | In accordance with the principle of recusal due to conflicts of interest, Directors Wu Ting-Kuo and Wu Kuei- |

| Date of Board Meeting | Term | Names of Directors | Proposal | Reason for Recusal Due to Conflict of Interest | Participation in Voting |
|-----------------------|----------------------|-----------------------------|--|---|---|
| | | | managers | | Yung did not participate in the discussion or voting. After consultation by the acting chairperson with the other attending directors, the proposal was approved without objection. |
| November 7, 2025 | 9th Term 4th Meeting | Wu Ting-Kuo | Proposal for the Company's intended donation to the Yilan Wu Sha Culture Foundation | Director Wu Ting-Kuo was an interested party. | In accordance with the principle of recusal due to conflicts of interest, Director Wu Ting-Kuo did not participate in the discussion or voting. After consultation by the acting chairperson with the other attending directors, the proposal was approved without objection. |
| December 18, 2025 | 9th Term 5th Meeting | Wu Ting-Kuo Wu Kuei-Yung | Proposal for establishing the principles for the distribution of 2025 year-end bonuses and the distribution amounts for managers | Directors Wu Ting-Kuo and Wu Kuei-Yung were interested parties. | In accordance with the principle of recusal due to conflicts of interest, Directors Wu Ting-Kuo and Wu Kuei-Yung did not participate in the discussion or voting. After consultation by the acting chairperson with the other attending directors, the proposal was approved without objection. |

III. Information regarding the evaluation cycle and period, evaluation scope, methods, and evaluation content of the Board performance evaluation:

The Company's Board Performance Evaluation Measures were approved by the Board of Directors. Internal Board performance evaluations are conducted once annually, while evaluations by an external professional independent institution or an external team of experts and scholars are conducted once every three years. 2025 was an external evaluation year, while 2023 and 2024 were internal evaluation years. The scope of the Company's Board evaluations includes performance evaluations of the overall Board of Directors and individual directors. The evaluation methods include internal self-evaluation, self-evaluation by Board members, and peer evaluation. The Finance Division is responsible for implementation, including issuing questionnaires, compiling and analyzing scores, and reporting the evaluation results to the Board of Directors, which serve as a reference for individual directors' performance, remuneration, and nomination for reappointment.

| Method of evaluation | Evaluation cycle | Evaluation period | Scope of evaluation | Method of evaluation | Evaluation content |
|----------------------|------------------------|-------------------|---|--|---|
| External evaluation | Once every three years | 2025 | Board of Directors | The evaluation was conducted by the external evaluation institution Taiwan Investor Relations Institute. | <ul style="list-style-type: none"> I. Board composition and professional development II. Quality of Board decision-making III. Operational effectiveness of the Board of Directors IV. Internal control and risk management V. Board participation in corporate social responsibility |
| Internal evaluation | Once per year | 2025 | Board of Directors and individual directors | Internal questionnaires are adopted for self-evaluation by Board members. | <ul style="list-style-type: none"> (I) Board of Directors <ul style="list-style-type: none"> 1. Degree of participation in the Company's operations 2. Enhancement of the quality of Board decision-making 3. Board composition and structure 4. Election and continuing education of directors 5. Internal control <p>Based on the consolidated 2025 questionnaires, the weighted converted score for the Board evaluation results was 99 points (out of a total score of 100), indicating generally favorable evaluation results.</p> <ul style="list-style-type: none"> (II) Board members <ul style="list-style-type: none"> 1. Understanding of Company objectives and missions 2. Awareness of directors' duties and responsibilities 3. Degree of participation in the Company's operations 4. Management of internal relationships and communication |

| Method of evaluation | Evaluation cycle | Evaluation period | Scope of evaluation | Method of evaluation | Evaluation content |
|----------------------|------------------|-------------------|-----------------------|--|---|
| | | | | | <p>5. Professional expertise and continuing education of directors</p> <p>6. Internal control</p> <p>Based on the consolidated self-evaluation questionnaires completed by the seven directors in 2025, the weighted converted score was 100 points (out of a total score of 100), indicating generally favorable evaluation results.</p> |
| Internal evaluation | Once per year | 2025 | Functional committees | Internal questionnaires are adopted for self-evaluation by members of the functional committees. | <p>(I) Audit Committee</p> <ol style="list-style-type: none"> 1. Degree of participation in the Company's operations 2. Awareness of Audit Committee responsibilities 3. Enhancement of the quality of Audit Committee decision-making 4. Audit Committee composition and member selection 5. Internal control <p>Based on the consolidated self-evaluation questionnaires completed by the four committee members in 2025, the weighted converted score was 99 points (out of a total score of 100), indicating generally favorable evaluation results.</p> <p>(II) Remuneration Committee</p> <ol style="list-style-type: none"> 1. Degree of participation in the Company's operations 2. Awareness of Remuneration Committee responsibilities 3. Enhancement of the quality of Remuneration Committee decision-making 4. Remuneration Committee composition and member selection <p>Based on the consolidated self-evaluation questionnaires completed by the four committee members in 2025, the weighted converted score was 98 points (out of a total score of 100), indicating generally favorable evaluation results.</p> <p>(2) Sustainability Committee</p> <ol style="list-style-type: none"> 1. Degree of participation in the Company's operations 2. Awareness of Sustainability Committee responsibilities 3. Enhancement of the quality of Sustainability Committee decision-making 4. Sustainability Committee composition and member selection <p>Based on the consolidated self-evaluation questionnaires completed by the six committee members in 2025, the weighted converted score was 98 points (out of a total score of 100), indicating generally favorable evaluation results.</p> |

The 2025 performance evaluations of the Board of Directors and functional committees were reported to the 6th Meeting of the 9th Board of Directors on March 11, 2026.

- IV. Objectives for strengthening Board functions during the current and most recent fiscal years (such as the establishment of the Audit Committee and enhancement of information transparency) and assessment of implementation status:
1. Implementation of corporate governance and enhancement of information transparency: The Company has convened Board meetings in accordance with the “Rules of Procedure for Board Meetings” and has disclosed major Board resolutions and their implementation status in the Company’s annual report, on the Company’s website, and on the Market Observation Post System.
 2. Continuing education for directors: The Company regularly arranges professional continuing education courses for directors to enable them to maintain their core values, professional strengths, and capabilities. All directors completed more than 6 hours of continuing education in 2025, and newly appointed directors completed 12 hours of training.
 3. The Company has established the Remuneration Committee, Audit Committee, and Sustainability Committee to assist the Board of Directors in carrying out its duties and strengthening Board functions.

(II) Operation of the Audit Committee

The number of audit committee meetings held in 2025 was: six (A). The attendance by the independent directors was as follows:

| Designation | Name | No. of meetings attended in person (B) | No. of meetings attended by proxy | In-person attendance rate (%) (B/A) | Remarks |
|---------------------------------------|----------------|--|-----------------------------------|-------------------------------------|---|
| Independent Director | Chien Chun-Chu | 2 | 1 | 66.67% | Dismissed upon re-election on June 13, 2025; required to attend three meetings. |
| Convener of the Independent Directors | Wu Chin-Kuang | 6 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend six meetings. |
| Independent Director | Wu Hsi-Her | 6 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend six meetings. |
| Independent Director | Tsai Li-Ju | 3 | 0 | 100% | Newly appointed upon re-election on June 13, 2025; required to attend three meetings. |
| Independent Director | Cheng Yung-Yun | 2 | 1 | 66.67% | Newly appointed upon re-election on June 13, 2025; required to attend three meetings. |

Other information required to be disclosed:

I. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:

(I) Any matter under Article 14-5 of the Securities and Exchange Act.

| Date of Audit Committee Meeting | Term | Proposal | Resolution Result | Company's Handling of Audit Committee Opinions |
|---------------------------------|-----------------------|--|--|---|
| February 2, 2025 | 2nd Term 14th Meeting | 1. Proposal for the Company's intended acquisition of the German company DYNA Instruments GmbH through the Company's German subsidiary, Mütec Instruments GmbH | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |

| | | | | |
|-------------------|-----------------------|---|--|---|
| March 10, 2025 | 2nd Term 15th Meeting | <ol style="list-style-type: none"> 1. Proposal for the Company’s 2024 Business Report and Financial Statements 2. Proposal for the assessment of the effectiveness of the Company’s 2024 internal control system and the “Statement of Internal Control System” 3. Proposal regarding the non-assurance services expected to be provided by the Company’s CPAs in 2025 4. Proposal regarding the Company’s regular evaluation of CPA independence | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |
| August 6, 2025 | 3rd Term 1st Meeting | <ol style="list-style-type: none"> 1. Proposal for the Company’s consolidated financial statements for the second quarter of 2025 2. Proposal for partial amendments to the issuance and conversion procedures for the Company’s first domestic unsecured convertible corporate bonds | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |
| November 7, 2025 | 3rd Term 2nd Meeting | <ol style="list-style-type: none"> 1. Proposal for the Company’s intended donation to the Yilan Wu Sha Culture Foundation 2. Proposal for amendments to the payroll cycle under the internal control system 3. Proposal for amendments to the information cycle under the internal control system | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |
| December 18, 2025 | 3rd Term 3rd Meeting | <ol style="list-style-type: none"> 1. Proposal for the Company’s 2026 audit plan | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |

(II) Other matters not approved by the Audit Committee but approved by more than two-thirds of all directors, other than the matters described above: None.

II. The status of implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest – specify the independent director’s name, the content of the motion, the cause for recusal, and whether and how the director voted: None.

III. Communication Between Independent Directors and the Internal Audit Officer and CPAs

(I) Communication Between Independent Directors and the Internal Audit Officer

1. The independent directors and the internal audit officer maintain contact with each other as needed through email, telephone, meetings, or other means. Each month, the

Internal Audit Office submits the audit reports or follow-up reports from the previous month to each independent director for review, and the independent directors provide responses or comments as necessary based on the reports. The internal audit officer communicates with the independent directors at least once annually.

2. The internal audit officer also regularly reports to the Audit Committee (at least once every quarter) on the status of internal audit operations reports, the annual internal audit plan, and the implementation of assessments on the effectiveness of the internal control system.
3. The communication between the independent directors and the internal audit officer in 2025 was as follows:

| Date | Form | Attendees | Key Communication Topics | Communication Results |
|-------------------|-----------------|---|---|---|
| March 10, 2025 | Audit Committee | 1. Two independent directors 2. The Company's internal audit officer | 1. Internal audit operations report from December 2024 to February 2025 2. Discussion of the 2024 assessment of the effectiveness of the internal control system and the Statement of Internal Control System | The independent directors had no comments or suggestions. |
| May 8, 2025 | Audit Committee | 1. Three independent directors 2. The Company's internal audit officer | Internal audit operations report from March to April 2025 | The independent directors had no comments or suggestions. |
| August 6, 2025 | Audit Committee | 1. Four independent directors 2. The Company's internal audit officer | Internal audit operations report from April to July 2025 | The independent directors had no comments or suggestions. |
| November 7, 2025 | Audit Committee | 1. Three independent directors 2. The Company's internal audit officer | 1. Internal audit operations report from July to October 2025 2. Discussion of the payroll cycle under the internal control system 3. Discussion of the information cycle under the internal control system | The independent directors had no comments or suggestions. |
| December 18, 2025 | Audit Committee | 1. Four independent directors 2. The Company's internal audit officer | Proposal for the 2026 audit plan | The independent directors had no comments or suggestions. |

(II) Communication Between Independent Directors and CPAs

1. The Company's independent directors and CPAs may maintain contact with each other at any time as needed through email, telephone, meetings, or other means, and communication between them has been favorable.
2. In principle, the independent directors and the CPAs meet and discuss matters relating to the Company's financial and business operations at least once every quarter.
3. The communication between the independent directors and the CPAs in 2025 was as follows:

| Date | Attendees | Key Communication Topics | Communication Results |
|-------------------|---|---|---|
| March 10, 2025 | 1. Two independent directors 2. CPAs | 1. Explanation of the significant audit scope of the 2024 financial statements 2. 2024 key audit matters and financial statement audit results | The independent directors had no comments or suggestions. |
| May 8, 2025 | 1. Three independent directors 2. CPAs | 1. Explanation of the review results of the consolidated financial statements for the first quarter of 2025 | The independent directors had no comments or suggestions. |
| August 6, 2025 | 1. Four independent directors 2. CPAs | 1. Explanation of the review results of the consolidated financial statements for the second quarter of 2025 | The independent directors had no comments or suggestions. |
| November 7, 2025 | 1. Three independent directors 2. CPAs | 1. Explanation of the review results of the consolidated financial statements for the third quarter of 2025 | The independent directors had no comments or suggestions. |
| December 18, 2025 | 1. Four independent directors 2. CPAs | 1. Explanation of matters communicated with governance units in 2025 2. Explanation of key audit matters in 2025 | The independent directors had no comments or suggestions. |

IV. Key Annual Responsibilities and Operation of the Audit Committee

(I) Key Annual Responsibilities of the Audit Committee

1. Establishment or amendment of internal control systems in accordance with Article 14-1 of the Securities and Exchange Act.
2. Assessment of the effectiveness of the internal control system.
3. Establishment or amendment, in accordance with Article 36-1 of the Securities and Exchange Act, of the procedures for handling major financial and business activities involving the acquisition or disposal of assets, trading of derivatives, lending funds to others, and providing endorsements or guarantees for others.
4. Matters involving directors' own interests.
5. Material asset or derivatives transactions.
6. Material lending of funds, endorsements, or provision of guarantees.

7. Offering, issuance, or private placement of equity-related securities.
8. Appointment, dismissal, or remuneration of certifying CPAs.
9. Appointment or dismissal of financial, accounting, or internal audit officers.
10. Annual financial statements signed or sealed by the chairperson, managerial officers, and accounting manager, and second-quarter financial statements that must be audited and certified by CPAs.
11. Other material matters as required by the Company or the competent authorities.

(II) The operation of the Audit Committee in 2025 was as follows:

| Date of Audit Committee Meeting | Term | Proposal | Resolution Result | Company's Handling of Audit Committee Opinions |
|---------------------------------|-----------------------|---|--|---|
| February 2, 2025 | 2nd Term 14th Meeting | 1. Proposal for the Company's intended acquisition of the German company DYNA Instruments GmbH through the Company's German subsidiary, Müttec Instruments GmbH | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |
| March 10, 2025 | 2nd Term 15th Meeting | 1. Proposal for the Company's 2024 Business Report and Financial Statements 2. Proposal for 2024 earnings distribution 3. Proposal for issuance of new shares for capital increase by capitalization of retained earnings 4. Proposal for the assessment of the effectiveness of the Company's 2024 internal control system and the "Statement of Internal Control System" 5. Proposal regarding the non-assurance services expected to be provided by the Company's CPAs in 2025 6. Proposal regarding the Company's regular evaluation of CPA independence | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |
| May 8, 2025 | 2nd Term 16th Meeting | 1. Proposal for the Company's consolidated financial statements for the first quarter of 2025 | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |
| August 6, 2025 | 3rd Term 1st Meeting | 1. Proposal for the election of the convener of the Company's Audit Committee 2. Proposal for the Company's consolidated financial statements for the second quarter of 2025 3. Proposal for partial amendments to | Approved as proposed without objection by all attending committee | Submitted to the Board of Directors and approved with the consent of all attending |

| | | | | |
|-------------------|----------------------|--|--|---|
| | | the issuance and conversion procedures for the Company's first domestic unsecured convertible corporate bonds | members. | directors. |
| November 7, 2025 | 3rd Term 2nd Meeting | <ol style="list-style-type: none"> 1. Proposal for the Company's consolidated financial statements for the third quarter of 2025 2. Proposal for the Company's intended donation to the Yilan Wu Sha Culture Foundation 3. Proposal for the establishment of the Company's "Corporate Value Enhancement Plan" 4. Proposal for amendments to the payroll cycle under the internal control system 5. Proposal for amendments to the information cycle under the internal control system 6. Proposal for adjustments to the profit distribution of subsidiaries | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |
| December 18, 2025 | 3rd Term 3rd Meeting | <ol style="list-style-type: none"> 1. Proposal for the Company's 2026 business plan 2. Proposal for the Company's 2026 audit plan | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |

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

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons |
|--|-----------------------|----|--|--|
| | Yes | No | Summary description | |
| I. Has the Company established and disclosed its Corporate Governance Best Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies? | V | | The Company has established the “Corporate Governance Best Practice Principles” and disclosed them on the Market Observation Post System and the Company’s website. | No significant differences |
| II. Shareholding Structure and Shareholders’ Rights (1) Does the Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If so, have these procedures been implemented accordingly? | V | | (I) The Company has established a spokesperson system under the “Procedures for Handling Material Internal Information” and has designated a spokesperson and acting spokesperson responsible for handling shareholder suggestions, inquiries, disputes, and litigation matters. | No significant differences |
| (2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders? | V | | (II) The Company has designated dedicated personnel internally to handle shareholder services and has engaged a professional share registrar and transfer agent to manage stock affairs, regularly report changes in insider shareholdings, and maintain good relationships with major shareholders. | No significant differences |
| (3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates? | V | | (III) The Company has established the “Procedures for Transactions with Related Parties, Specific Companies, and Group Enterprises” and the “Subsidiary Supervision Procedures.” The finance, business operations, and other activities of affiliated enterprises operate independently and are controlled by the Company. | No significant differences |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|--|-----------------------|----|--|---|
| | Yes | No | Summary description | |
| (4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information? | V | | (IV) The Company has established regulations including the “Procedures and Guidelines for Ethical Management,” the “Ethical Management Best Practice Principles,” the “Code of Ethical Conduct for Directors and Managers,” and the “Procedures for Handling Material Internal Information and Prevention of Insider Trading.” These regulations apply to insiders including directors and managers to prevent improper disclosure of information and insider trading. Article 6 of the Company’s “Procedures for Handling Material Internal Information and Prevention of Insider Trading” prohibits Company insiders from trading securities using non-public information in the market. This includes a prohibition on the Company’s directors from trading Company shares during the closed period of 30 days prior to the announcement of the annual financial statements and 15 days prior to the announcement of each quarterly financial statement. Directors are notified of the closed periods by email to prevent inadvertent violations of the regulations. | No significant differences |
| III. Composition and responsibilities of the board of directors (I) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented? | V | | (I) The Company, in accordance with the “Procedures for Election of Directors” and the “Corporate Governance Best Practice Principles,” has formulated an appropriate diversity policy based on its own operations, business model, and development needs. The Company has a total of seven directors, all of whom are nationals. Among them, four are independent directors, representing 57% of the board. There are two directors with employee status, accounting for 29%. The Company’s diversity objectives include gender equality on the Board, with | No significant differences |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|---|-----------------------|----|--|---|
| | Yes | No | Summary description | |
| | | | <p>a target of 15% female directors. The current Board consists of five male directors and two female directors, with female directors accounting for 29%, achieving the Company’s target for this term. Among independent directors, two have a tenure of less than 3 years, and two have a tenure of more than 4 to 6 years. In terms of age distribution, one director is over 71 years old, four are between 61 and 70 years old, one is between 51 and 60 years old, and one is under 50 years old. The Company’s diversity objective is to establish a Board with members of diverse backgrounds and perspectives. At present, the Board members’ professional backgrounds cover business management, operational judgment, accounting and financial analysis capabilities, industry knowledge, crisis management, international market perspective, leadership, and decision-making abilities. For details regarding the diversity of Board members, please refer to “II. Corporate Governance Report – 1. Information on Directors – (1) Directors – 5. Board Diversity and Independence” in this annual report.</p> | |
| (II) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee? | V | | (II) The Company established the Remuneration Committee and the Audit Committee, and established the Sustainability Committee in December 2022. | No significant differences |
| (III) Has the Company established rules and a methodology for evaluating the performance of its Board of Directors, implemented performance evaluations on an annual basis, submitted the results | V | | (III) The Company has established the “Board Performance Evaluation Measures,” which were approved by the Board of Directors. Internal performance evaluations are conducted regularly on an annual basis, and evaluations are conducted at least once every three years by an external professional independent institution or an | No significant differences |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|---|-----------------------|----|---|---|
| | Yes | No | Summary description | |
| to the Board of Directors, and used them as a reference in determining salary/compensation for individual directors as well as their nomination and additional terms of office? | | | <p>external team of experts and scholars. Each year, the results of the internal and external Board performance evaluations are reported to the Board of Directors and serve as reference for the remuneration and nomination for reappointment of individual directors.</p> <p>1. Board performance evaluation: For details of the performance evaluation content, please refer to “II. Corporate Governance Report – 3. Status of Corporate Governance Operations – (1) Information on Board Operations – Other Required Disclosures 3” in this annual report.</p> <p>(1) In July 2025, the Company engaged the external professional independent institution Taiwan Investor Relations Institute to conduct the 2025 Board performance evaluation. A summary of the Board performance evaluation report is as follows:</p> <p>A. Statement of Independence: The evaluation committee for this evaluation consisted of Chairman Kuo Tsung-Lin, Director Shen Fu-Fu, and Attorney Shang Pei-Ying of the Taiwan Investor Relations Institute, forming a team composed of experts and scholars in the fields of boards of directors, corporate governance, accounting, and law. The institution and the experts conducting the evaluation have no business dealings with the Company and maintain independence.</p> <p>B. Evaluation Period: January 1, 2025 to December 31, 2025.</p> <p>C. Method of evaluation The evaluation procedures of the Taiwan Investor Relations Institute combined three methods: review of</p> | |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|-----------------|-----------------------|----|---|---|
| | Yes | No | Summary description | |
| | | | <p>documents provided by the Company, self-assessment questionnaires, and on-site interviews, and a performance evaluation report was issued based on the evaluation results.</p> <p>a. Questionnaire Survey Questionnaires were distributed to all Board members, with a 100% response rate.</p> <p>b. On-Site Evaluation The on-site evaluation was conducted on November 14, 2025 through in-person interviews. The interviewees included the Company's Chairman, the Convener of the Audit Committee, the finance and accounting officer and corporate governance officer and the audit officer.</p> <p>D. Evaluation Standards, Scope, and Dimensions: With reference to Article 37 of the "Corporate Governance Best Practice Principles for TWSE/TPE x Listed Companies" and Article 3 of the "Sample Template for Board Performance Evaluation Measures," and incorporating the guidance of "Corporate Governance 3.0 – Sustainable Development Roadmap," the Taiwan Investor Relations Institute designed an evaluation questionnaire for the overall operation of the Board of Directors. The questionnaire covered five major dimensions:</p> <p>I. Board composition and professional development</p> <p>II. Quality of Board decision-making</p> <p>III. Operational effectiveness of the Board of Directors</p> | |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|-----------------|-----------------------|----|---|---|
| | Yes | No | Summary description | |
| | | | <p>IV. Internal control and risk management</p> <p>V. Board participation in corporate social responsibility</p> <p>E. The conclusions and recommendations are as follows: The Board performance evaluation report noted that the evaluated Company's Board composition demonstrates adequate independence and diversity, operational procedures are sound, and directors show good attendance and participation. Through sufficient communication, the Board is able to effectively fulfill its supervisory and decision-making responsibilities. The Board has also established institutionalized mechanisms for performance evaluation, ethical management, risk management, and sustainable governance, and is able to implement and regularly review these mechanisms. Overall corporate governance operations are mature and sufficient to support the Company's stable operations and sustainable development. However, the following recommendations may further strengthen the Company's corporate governance framework and enhance its overall sustainability performance.</p> <ol style="list-style-type: none"> 1. Establish a Nomination Committee to strengthen Board functions. 2. Plan for female directors to account for one-third of Board seats in order to enhance Board diversity. 3. Recommend disclosure of the policy mechanism linking senior | |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|-----------------|-----------------------|----|---|---|
| | Yes | No | Summary description | |
| | | | <p>management remuneration to ESG performance.</p> <p>4. Recommend strengthening English information disclosure to enhance market confidence and international visibility.</p> <p>F. Future Improvement Plans or Actions:</p> <p style="padding-left: 40px;">In response to the above recommendations, the Company plans to establish a “Remuneration and Nomination Committee” in 2026 and strengthen English information disclosure, including English versions of shareholders’ meeting annual reports or sustainability reports. In the future, the Company will link senior management remuneration to ESG performance and make relevant disclosures.</p> <p style="padding-left: 40px;">The 2025 evaluation report was reported to the 6th Meeting of the 9th Board of Directors on March 11, 2026.</p> <p>(2) 2023 was an internal evaluation year. The weighted converted score for the overall Board evaluation results was 94 points (out of a total score of 100), indicating generally favorable evaluation results. The self-evaluations conducted by the seven directors resulted in a weighted converted score of 99 points (out of a total score of 100), indicating favorable evaluation results.</p> <p>(3) 2024 was an internal evaluation year. The weighted converted score for the overall Board evaluation results was 97 points (out of a total score of 100), indicating favorable evaluation results. The self-evaluations conducted by the seven directors</p> | |

| Evaluation item | Implementation status | | Summary description | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|-----------------|-----------------------|----|---|---|
| | Yes | No | | |
| | | | <p>resulted in a weighted converted score of 100 points (out of a total score of 100), indicating favorable evaluation results.</p> <p>2. The evaluation items and evaluation results of the functional committees are as follows:</p> <p>(1) Audit Committee</p> <ul style="list-style-type: none"> ● Degree of participation in the Company's operations ● Awareness of Audit Committee responsibilities ● Enhancement of the quality of Audit Committee decision-making ● Audit Committee composition and member selection ● Internal control <p>Based on the consolidated self-evaluation questionnaires completed by the four committee members in 2025, the weighted converted score was 99 points (out of a total score of 100), indicating generally favorable evaluation results.</p> <p>(2) Remuneration Committee</p> <ul style="list-style-type: none"> ● Degree of participation in the Company's operations ● Awareness of Remuneration Committee responsibilities ● Enhancement of the quality of Remuneration Committee decision-making ● Remuneration Committee composition and member selection <p>Based on the consolidated self-evaluation questionnaires completed by the four committee members in</p> | |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|---|-----------------------|----|---|---|
| | Yes | No | Summary description | |
| | | | <p>2025, the weighted converted score was 98 points (out of a total score of 100), indicating generally favorable evaluation results.</p> <p>(3) Sustainability Committee</p> <ul style="list-style-type: none"> ● Degree of participation in the Company’s operations ● Awareness of Sustainability Committee responsibilities ● Enhancement of the quality of Sustainability Committee decision-making ● Sustainability Committee composition and member selection <p>Based on the consolidated self-evaluation questionnaires completed by the six committee members in 2025, the weighted converted score was 98 points (out of a total score of 100), indicating generally favorable evaluation results.</p> <p>3. The results of the performance evaluation were reported to the 6th Meeting of the 9th Board of Directors on March 11, 2026.</p> | |
| (IV) Does the Company regularly evaluate its external auditors’ independence? | V | | (IV) The Company’s Audit Committee regularly evaluates the independence of the CPAs each year, and the evaluation results are then submitted to the Board of Directors for resolution in order to strengthen the independence of publicly disclosed financial information. The Company first obtains the independence statement issued by the CPAs, as well as information on Audit Quality Indicators (AQIs). In accordance with Article 29 of the “Corporate Governance Best Practice Principles for TWSE/TPE x Listed Companies,” the Company evaluates the independence and audit quality of the | No significant differences |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|---|-----------------------|----|---|---|
| | Yes | No | Summary description | |
| | | | CPAs with reference to the independence evaluation items (Note 1) and Audit Quality Indicators (AQIs). The most recent evaluation results were approved by the Audit Committee on March 11, 2026 and subsequently approved by resolution of the Board of Directors on March 11, 2026. The Company's CPAs possess independence and competence. | |
| IV. Does the TWSE/TPE x listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility for corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)? | V | | <p>The Company's corporate governance officer was appointed upon approval by the Board of Directors and is responsible for corporate governance-related matters and maintaining good communication with directors. The main duties are as follows:</p> <ol style="list-style-type: none"> 1. Handling matters related to Board meetings and shareholders' meetings in accordance with applicable laws. 2. Preparing minutes of Board meetings and shareholders' meetings. 3. Assisting directors with onboarding and continuing education, and reporting such matters to the Market Observation Post System. 4. Providing directors with the information necessary for the execution of their duties. 5. Arranging directors' liability insurance and reporting the same to the Board of Directors. 6. Assisting directors in complying with laws and regulations. 7. Reviewing whether the Company meets the scoring requirements for corporate governance evaluation indicators. 8. Other matters stipulated by the Articles of Incorporation or contracts. | No significant differences |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|---|-----------------------|----|---|---|
| | Yes | No | Summary description | |
| V. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, and suppliers) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues? | V | | The Company has established a stakeholder section on its website and has set up a public email address managed by designated personnel. In addition, the Company has established the positions of spokesperson and acting spokesperson internally in order to strengthen communication channels and safeguard the legitimate rights and interests of stakeholders. For details regarding stakeholders, please refer to Note 2. The Company reports its communication with stakeholders to the Board of Directors at least once annually. The communication status for 2025 was reported to the Board of Directors on March 11, 2026. | No significant differences |
| VI. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings? | V | | The Company has appointed the Share Transfer Agency Department of Yuanta Securities to handle all matters related to the Company's shareholders' meetings. | No significant differences |
| VII. Information Disclosure (I) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status? | V | | (I) The Company has established a website to regularly disclose financial, business, and corporate governance information at https://www.fine-tek.com/ . | No significant differences |
| (II) (2) Does the Company use other information disclosure channels (e.g. maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, and webcasting investors conference)? | V | | (II) The Company has established English website and designated dedicated personnel responsible for the collection and disclosure of Company information. The Company has established the positions of spokesperson and acting spokesperson and has implemented the spokesperson system to disclose material information in accordance with regulations. Presentation materials for each investor conference are simultaneously uploaded to the Market Observation Post System and the Company's website for public | No significant differences |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|--|-----------------------|----|---|---|
| | Yes | No | Summary description | |
| | | | reference. | |
| (III) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines? | | V | (III) The Company's annual financial statements, first-, second-, and third-quarter financial statements, and monthly operating results are all publicly announced and filed within the prescribed deadlines. | No significant differences |
| VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including, but not limited to, employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)? | V | | <p>(I) Employee Rights and Employee Wellness:</p> <p>1. The Company treats employees based on the principle of integrity and, in accordance with laws, regulations, and related internal management rules, provides employees with a safe and healthy working environment. The Company follows relevant standards in employment, promotion, rewards and disciplinary measures, benefits, compensation, training, and other aspects to provide fair opportunities and codes of conduct.</p> <p>2. In addition, the Company has established an Employee Welfare Committee, labor-management meetings, and a Labor Pension Reserve Supervisory Committee to safeguard employee rights and interests.</p> <p>(II) Investor Relations: The Company honestly discloses Company information in accordance with laws and regulations in order to protect investors' rights and interests and fulfill its corporate responsibilities to shareholders.</p> <p>(III) Supplier Relations: The Company maintains smooth communication channels and good interactions with suppliers.</p> | No significant differences |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|-----------------|-----------------------|----|---|---|
| | Yes | No | Summary description | |
| | | | <p>(IV) Stakeholder Rights: The Company respects and safeguards the legitimate rights and interests of stakeholders. Stakeholders may communicate with the Company and provide suggestions at any time in order to protect their rightful interests.</p> <p>(V) Continuing Education of Directors: The Company's directors (including independent directors) all possess professional backgrounds and practical business management experience, and participate in professional continuing education courses each year to strengthen their corporate governance functions. The Company's appointed CPAs and attorneys also provide appropriate consulting services to assist in enhancing professional competence and avoiding potential legal violations.</p> <p>For details regarding directors' continuing education, please refer to Note 3, which has also been disclosed on the Market Observation Post System.</p> <p>(VI) Implementation of Risk Management Policies and Risk Measurement Standards: The Company has established risk management policies and procedures, which have been approved by the Board of Directors. The objectives of risk management are to enhance management efficiency, provide reliable information, and effectively allocate resources so that the Company may operate steadily and move toward the goal of sustainable development.</p> <p>The Company's functional committee, the Sustainability Committee, is responsible for reviewing and supervising risk management. The Company reports risk management-related matters to the Board of Directors at least once annually. The most recent report was presented at the 5th</p> | |

| Evaluation item | Implementation status | | | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPE x Listed Companies and the reasons |
|---|-----------------------|----|---|---|
| | Yes | No | Summary description | |
| | | | <p>Meeting of the 9th Board of Directors on December 18, 2025.</p> <p>(VII) Implementation of Customer Relations Policies: The Company has established a customer complaint handling mechanism. For customer complaint incidents, the Company properly identifies the issues and responsibilities involved in order to protect customer rights and interests. Customer satisfaction surveys are also conducted to ensure the provision of the most satisfactory services to customers.</p> <p>(VIII) Directors' Liability Insurance: Upon approval by the Board of Directors, the Company has purchased directors' and officers' liability insurance with coverage of US\$3 million for directors and managers, and the information has been disclosed on the Market Observation Post System.</p> | |
| <p>IX. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement.</p> <p>(I) Improvements implemented include:</p> <p>1. In 2025, the Company amended Article 6 of the "Procedures for Handling Material Internal Information and Prevention of Insider Trading" to prohibit Company insiders from trading securities using non-public market information. This includes prohibiting the Company's directors from trading Company shares during the closed period of 30 days prior to the announcement of the annual financial statements and 15 days prior to the announcement of each quarterly financial statement.</p> <p>(II) Priority Improvement Items and Measures: None.</p> | | | | |

[Note 1] CPA Independence Evaluation Items

| Evaluation item | Evaluation Results | Whether Independence Requirements Are Met |
|---|--------------------|---|
| 1. Whether the CPAs have any direct or material indirect financial interest relationship with the Company | No | Yes |
| 2. Whether the CPAs have any financing or guarantee arrangements with the Company or the | No | Yes |

| Evaluation item | Evaluation Results | Whether Independence Requirements Are Met |
|---|--------------------|---|
| Company's directors | | |
| 3. Whether the CPAs or members of the audit team currently serve, or have served within the past two years, as directors, managers, or in positions with significant influence over the audit work at the Company | No | Yes |
| 4. Whether the CPAs have spousal or second-degree kinship relationships with the Company's directors, managers, or personnel in positions with significant influence over the audit engagement | No | Yes |
| 5. Whether the CPAs act as intermediaries for stocks or other securities issued by the Company | No | Yes |
| 6. Whether the CPAs serve as advocates for the Company or represent the Company in coordinating conflicts with third parties | No | Yes |
| 7. Whether the CPAs provide non-audit services to the Company that may directly affect the audit work | No | Yes |
| 8. Whether the CPAs have continuously provided audit services to the Company for seven years | No | Yes |
| 9. Whether the CPAs fail to comply with the independence requirements under Statement of Professional Ethics for Certified Public Accountants No. 10 | No | Yes |

[Note 2] Stakeholders

| CATEGORY | COMMUNICATION CHANNELS AND FREQUENCY, CONTACT PERSONS AND CONTACT INFORMATION | TOPICS OF CONCERN | CONTROL MEASURES | IMPLEMENTATION STATUS |
|------------------------|--|---|---|--|
| Shareholders/Investors | <ul style="list-style-type: none"> ■ Annual general shareholders' meeting [annually] ■ Annual report [annually] ■ Investor conferences [annually] ■ Office of the President: Ms. Hsu, Mr. Lin Email: ir@fine-tek.com | Financial information, operational status, risk management | <ul style="list-style-type: none"> ■ The Company regularly convenes shareholders' meetings annually and discloses annual report information as well as business management strategies and policies. ■ Each year, the Company cooperates with securities firms to hold at least two public investor conferences to provide investors with information regarding the Company's operational status and growth momentum. ■ Investors may inquire about the Company's operations and financial statement information at any time through the IR email address and the spokesperson hotline. | <ol style="list-style-type: none"> 1. A shareholders' meeting was held on June 11, 2025. 2. Two investor conferences were held in 2025. |
| Employees | <ul style="list-style-type: none"> ■ Labor-management meetings [held as needed] ■ Company intranet website and FineTek HR e-newsletter [weekly] ■ Departmental safety meetings [held as needed] ■ Education and training [held as needed] ■ Human Resources Division: Ms. Hu Email: hr@fine-tek.com | Compensation and benefits, occupational safety and health environment, talent development, labor-management relations | <ul style="list-style-type: none"> ■ Minutes of labor-management meetings ■ Email, e-newsletters, internal website portal platform ■ Education and training records ■ Employee complaint mailbox ■ Employee interview forms ■ Performance evaluations | <ol style="list-style-type: none"> 1. Labor-management meetings were held quarterly in 2025, with a total of four meetings at the Tucheng Plant and four meetings at the Yilan Plant. 2. Employee e-newsletters were regularly issued on a weekly basis and announced on the Company's internal website. 3. In 2025, the Company conducted both internal and external education and training programs. Internal training consisted of 132 courses with a total attendance of 1,755 participants, a total of 5,200 training hours, and an average attendance rate of 96%. External training consisted of 61 courses, with a total attendance of 61 participants and a total of 721 training hours. New employee training involved 54 participants and totaled 162 training |

| CATEGORY | COMMUNICATION CHANNELS AND FREQUENCY, CONTACT PERSONS AND CONTACT INFORMATION | TOPICS OF CONCERN | CONTROL MEASURES | IMPLEMENTATION STATUS |
|------------|---|---|---|--|
| | | | | <p>hours.</p> <p>4. There was 1 employee complaint case in 2025.</p> <p>5. A total of 116 employee interviews were conducted in 2025, including interviews with 26 new employees and 58 departing employees. Interviews were conducted with 32 current employees.</p> <p>6. Two annual performance evaluations were conducted in 2025, and probation evaluations were conducted upon completion of the probation period for new employees.</p> |
| Customers | <ul style="list-style-type: none"> ■ Telephone [at any time] ■ Email [at any time] ■ Customer visits or on-site audits [held as needed] ■ Questionnaire responses [held as needed] ■ Online consultation services Email: info@fine-tek.com | Customer service, supply chain management, product quality and safety | <ul style="list-style-type: none"> ■ Annual customer satisfaction survey ■ Quarterly water pollution, air pollution treatment, and circular economy seminars ■ Management of weekly business visits ■ Weekly project meetings | <ol style="list-style-type: none"> 1. In 2025, a total of 350 questionnaires were distributed, and 78 were returned, representing a questionnaire response rate of 49%. 2. The customer satisfaction score in 2025 was 90 points, consistent with the 90-point score in 2024. |
| Government | <ul style="list-style-type: none"> ■ Official documents [at any time] ■ Regulatory briefings [held as needed] ■ Taipei Exchange [held as needed] ■ Industry associations [held as needed] ■ Office of the President: Ms. Hsu, Mr. Lin | Occupational safety and health, information disclosure for TPEX listed companies, environmental protection and pollution prevention | <ul style="list-style-type: none"> ■ The Office of the President promptly receives and distributes official documents to stay informed of new regulatory requirements and notifies relevant Company departments to formulate corresponding response measures. ■ The Company promptly responds to various inquiries and requirements from the Taipei Exchange. ■ The Company participates in various industry associations related to its business in order to stay informed of the latest industry information and | <ol style="list-style-type: none"> 1. A total of 179 official documents were received in 2025, all of which were forwarded to the relevant departments. 2. All inquiries and questionnaires from the Taipei Exchange were responded to promptly in 2025. |

| CATEGORY | COMMUNICATION CHANNELS AND FREQUENCY, CONTACT PERSONS AND CONTACT INFORMATION | TOPICS OF CONCERN | CONTROL MEASURES | IMPLEMENTATION STATUS |
|---------------------------------------|--|---|---|--|
| | Email: ir@fine-tek.com | | developments and formulate the Company's long-term operational strategies. | |
| Communities/ Non-Profit Organizations | <ul style="list-style-type: none"> ■ Public welfare and charitable activities [held as needed] ■ Corporate sustainability report [annually] ■ Office of the President: Ms. Wu Email: esg@fine-tek.com | Environmental protection and charitable donations, community activities | <ul style="list-style-type: none"> ■ The Yilan Wu Sha Culture Foundation provides services relating to cultural promotion, environmental protection, and community care, and updates information on its official website from time to time. ■ Issuance of the corporate sustainability report | <ol style="list-style-type: none"> 1. The 2024 corporate sustainability report was issued in August 2025. 2. In 2025, the Yilan Wu Sha Culture Foundation organized the Wu Sha Arts Festival series of events, Lunar New Year limited-time activities, and cultural sustainability education promotion activities. This year, the results of the decade-long "Wu Sha Arts Competition" were exhibited at the National Chiang Kai-shek Memorial Hall, attracting more than 4,000 visitors. 3. Sponsored the "Senior Community Dining Program" organized by the Peipi Community Development Association in Tucheng District, New Taipei City. 4. Sponsored the "Yilan County Technology Competition and Digital Learning Carnival Implementation Plan" organized by the Yilan County Government. 5. Donated NT\$850,000 for facility upgrades for the 110th anniversary celebration of Sijie Elementary School and established a long-term educational fund dedicated to assisting underprivileged students. 6. At year-end, the "Community Senior Appreciation Gathering" was held, |

| CATEGORY | COMMUNICATION CHANNELS AND FREQUENCY, CONTACT PERSONS AND CONTACT INFORMATION | TOPICS OF CONCERN | CONTROL MEASURES | IMPLEMENTATION STATUS |
|------------|---|---|---|--|
| | | | | <p>attracting 50 senior participants. In the morning, participants experienced handmade fruit vinegar workshops to promote neighborhood interaction and health, while at noon, outstanding volunteers were recognized during a luncheon in appreciation of their selfless contributions.</p> <p>7. Donated over NT\$1 million to Fu Jen Catholic University to renovate the “FineTek Space.” In the future, the space will integrate corporate internships and courses and will be used to help students understand technology trends, deepen industry–academia collaboration, and cultivate talent.</p> |
| Suppliers | <ul style="list-style-type: none"> ■ Supplier visits or on-site audits [held as needed] ■ Telephone [held as needed] ■ Email [held as needed] ■ Procurement Section: Mr. Tseng Email: info@fine-tek.com | Supplier management, product quality and safety, operational status | <ul style="list-style-type: none"> ■ Supplier evaluations are conducted quarterly, and guidance is provided to suppliers receiving C and D ratings. ■ Environmental protection commitment letters are signed annually with newly added suppliers. ■ During routine purchase order communications, the Company periodically checks on suppliers’ operational conditions, and any abnormalities are reported to supervisors for further understanding. | <ol style="list-style-type: none"> 1. At the end of 2025, supplier evaluations were conducted, with a total of 435 suppliers receiving A or B ratings, accounting for 95.81%. 2. For the 2025 environmental protection commitment letters, 37 new suppliers were added, of which 21 had completed signing, bringing the total completed to 415 suppliers. 3. In 2025, external inspection and guidance programs were conducted for a total of 12 suppliers rated C or D in 2024. |
| News Media | <ul style="list-style-type: none"> ■ Press releases [held as needed] | Product sales and revenue status, | <ul style="list-style-type: none"> ■ On a quarterly, semi-annual, and annual basis, the Company regularly communicates with journalists regarding the latest operational figures and plans, | <ol style="list-style-type: none"> 1. A total of 39 material information announcements were issued in 2025. |

| CATEGORY | COMMUNICATION CHANNELS AND FREQUENCY, CONTACT PERSONS AND CONTACT INFORMATION | TOPICS OF CONCERN | CONTROL MEASURES | IMPLEMENTATION STATUS |
|----------|--|---|--|-----------------------|
| | <ul style="list-style-type: none"> ■ Press conferences [held as needed] ■ Plant tours and networking gatherings [held as needed] ■ Office of the President: Mr. Hsu, Mr. Lin Email: ir@fine-tek.com | business expansion and alliances, Company development plans | <p>major capital expenditures, large-scale international cooperation or mergers and acquisitions, and other relevant information, issuing press releases to ensure that the Company's operational information remains public and transparent.</p> <ul style="list-style-type: none"> ■ The Company periodically organizes visits by various SME or industry association groups to share information regarding the Company's business philosophy and management policies and to strengthen collaborative partnerships and mutual learning and growth. ■ The Company forms alliances with businesses from different industries and periodically holds networking meals to exchange business management experiences or discuss cooperation opportunities. | |

[Note 3] Directors' Continuing Education in 2025

| Designation | Name | Training Date | Organizing Institution | Course Title and Training Hours |
|----------------------|--------------|----------------|---|--|
| Director | Wu Ting-Kuo | August 6, 2025 | Taiwan Corporate Governance Association | 1. Corporate Growth Strategies and External Innovation – 3 hours 2. Trade Secret Management Concepts and Strategies for Corporate Competition – 3 hours |
| Director | Gao Lun-Mao | | | |
| Director | Wu Kuei-Yung | | | |
| Independent Director | Wu Hsi-Her | | | |
| Independent Director | Tsai Li-Ju | July 9, 2025 | Taiwan Stock Exchange | 2025 Cathay Sustainable Finance and Climate Change Summit Forum – 6 hours |
| | | August 6, 2025 | Taiwan Corporate Governance Association | 1. Corporate Growth Strategies and External Innovation – 3 hours 2. Trade Secret Management Concepts and Strategies for Corporate Competition – 3 hours |

| | | | | |
|----------------------|----------------|-------------------|---|--|
| Independent Director | Cheng Yung-Yun | August 6, 2025 | Taiwan Corporate Governance Association | 1. Corporate Growth Strategies and External Innovation – 3 hours 2. Trade Secret Management Concepts and Strategies for Corporate Competition – 3 hours |
| | | August 22, 2025 | Taipei Foundation of Finance | Understanding Financial Statements and Managing Risks: A Financial Governance Course for Directors and Supervisors – 3 hours |
| | | November 21, 2025 | Taipei Foundation of Finance | Corporate Governance from a Legal Perspective: Operational Risks and Responsibilities That Directors and Supervisors Must Understand – 3 hours |
| Independent Director | Wu Chin-Kuang | May 29, 2025 | Taiwan Corporate Governance Association | How to Conduct Successful Investment and M&A Negotiations and Consultations: Practical Case Sharing – 3 hours |
| | | August 6, 2025 | Taiwan Corporate Governance Association | Corporate Growth Strategies and External Innovation – 3 hours |

(IV) Composition, Responsibilities, and Operation of the Remuneration Committee

1. Information on Remuneration Committee Members

April 30, 2026

| Capacity | Qualification Name | Professional qualifications and experience (Note 1) | Independence analysis (Note 2) | Number of other public companies at which the person concurrently serves as remuneration committee member |
|--|-----------------------|---|--------------------------------------|--|
| Convener of the Independent Directors | Wu Hsi-Her | 1. Please refer to pages 4–7 of this annual report, “1. Information on Directors – (1) Directors.” 2. None of the circumstances set forth in the various subparagraphs of Article 30 of the Company Act apply. | Complies with (1)–(10) | 0 |
| Independent Director | Wu Chin- Kuang | | Complies with (1)–(10) | 2 |
| Independent Director | Tsai Li-Ju | | Complies with (1)–(10) | 0 |
| Independent Director | Cheng Yung- Yun | | Complies with (1)–(10) | 0 |

For the relevant years of professional experience, professional qualifications and experience, and independence status of the members of the Remuneration Committee, please refer to “1. Information on Directors – (1) Directors – 4. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors” in this annual report.

Note 2: The criteria for independence are as follows:

- (1) Not an employee of the Company or its affiliated enterprises.
- (2) Not a director or supervisor of the Company or its affiliated enterprises (however, this does not apply where an independent director concurrently serves, in accordance with this Act or the laws and regulations of the relevant jurisdiction, in the Company and its parent company, subsidiary, or a subsidiary of the same parent company).
- (3) Not a natural person shareholder who, either personally or through a spouse, minor children, or by holding shares in another’s name, holds more than 1% of the total issued shares of the Company or is among the top ten shareholders.
- (4) Not the spouse, a relative within the second degree of kinship, or a lineal blood relative within the third degree of kinship of a manager listed in (1) or of the persons listed in (2) and (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds more than 5% of the Company’s issued shares, is among the top five shareholders, or appoints a representative to serve as a director or supervisor of the Company in accordance with Article 27, Paragraph 1 or Paragraph 2 of the Company Act (however, this does not apply where an independent director concurrently serves, in accordance with this Act or the laws and regulations of the relevant jurisdiction, in the Company and its parent company, subsidiary, or a subsidiary of the same parent company).
- (6) Not a director, supervisor, or employee of another company in which more than half of the director seats or voting shares are controlled by the same person as those of the Company (however, this does not apply where an independent director concurrently serves, in accordance with this Act or the laws and regulations of the relevant jurisdiction, in the Company or its parent company, subsidiary, or a subsidiary of the same parent company).
- (7) Not a director (or board member), supervisor (or supervisor board member), or employee of another company or institution in which the chairman, president, or an equivalent position is held by the same person as, or is the spouse of, the Company’s chairman or president (however, this does not apply where an independent director concurrently serves, in accordance with this Act or the laws and regulations of the relevant jurisdiction, in the Company and its parent company, subsidiary, or a subsidiary of the same parent company).
- (8) Not a director (or board member), supervisor (or supervisor board member), manager, or shareholder

holding more than 5% of a specified company or institution that has financial or business dealings with the Company (however, this does not apply where the specified company or institution holds more than 20% but not more than 50% of the Company's issued shares, and where an independent director concurrently serves, in accordance with this Act or the laws and regulations of the relevant jurisdiction, in the Company and its parent company, subsidiary, or a subsidiary of the same parent company).

- (9) Not a professional, sole proprietor, partner, company, or institution providing audit services or other business, legal, financial, or accounting services to the Company or its affiliated enterprises, or having received remuneration in the past two years not exceeding NT\$500 thousand in aggregate, including their owners, partners, directors (or board members), supervisors (or supervisor board members), managers, and their spouses. However, members of remuneration committees, tender offer review committees, or special committees for mergers and acquisitions who perform their duties in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction.
- (10) Has no spousal or kinship relationship within the second degree of kinship with other directors.

2. Operation of the Remuneration Committee

(1) The Company's remuneration committee has a total of four members.

(2) The term of the current members is from June 13, 2025 to June 12, 2028. The number of remuneration committee meetings held in 2025 was: four (A). The attendance by the members was as follows:

| Designation | Name | No. of meetings attended in person (B) | No. of meetings attended by proxy | In-person attendance rate (%) (B/A) | Remarks |
|----------------------------|----------------|--|-----------------------------------|-------------------------------------|---|
| Convener (Dismissed) | Chien Chun-Chu | 1 | 1 | 50% | Dismissed upon re-election on June 13, 2025; required to attend two meetings. |
| Convener (Newly appointed) | Wu Hsi-Her | 4 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend four meetings. |
| Committee member | Wu Chin-Kuang | 4 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend four meetings. |
| Committee member | Tsai Li-Ju | 2 | 0 | 100% | Newly appointed upon re-election on June 13, 2025; required to attend two meetings. |
| Committee member | Cheng Yung-Yun | 2 | 0 | 100% | Newly appointed upon re-election on June 13, 2025; required to attend two meetings. |

● Other information required to be disclosed:

- I. If the board of directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number,

content of the recommendation(s), the outcome of the resolution(s) of the board of directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee: None.

II. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion: None.

III. Responsibilities of the Remuneration Committee:

1. Establish and periodically review the annual and long-term performance goals and the policies, systems, standards, and structure of remuneration for directors and managers.

2. Regularly evaluate the achievement of performance goals of the Company's directors and managers, and determine individual remuneration.

IV. Operation of the Remuneration Committee in the Most Recent Fiscal Year:

| Date of Remuneration Committee Meeting | Term | Proposal | Opinions of All Members | Company's Handling of the Opinions of the Remuneration Committee |
|--|-----------------------|---|--|---|
| February 5, 2025 | 4th Term 9th Meeting | 1. Amendment to certain provisions of the Company's "Articles of Incorporation" 2. Proposal for the promotion and salary adjustment of the Company's managers | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |
| February 26, 2025 | 4th Term 10th Meeting | Proposal for the Company's 2024 employee remuneration and directors' remuneration | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |
| July 25, 2025 | 5th Term 1st Meeting | 1. Proposal for the election of the convener of the Remuneration Committee 2. Proposal for the distribution of the Company's 2024 employee remuneration for managers and directors' remuneration | Approved as proposed without objection by all attending committee members. | Submitted to the Board of Directors and approved with the consent of all attending directors. |
| December 9, 2025 | 5th Term 2nd | Proposal for establishing the principles for the distribution of 2025 year-end bonuses and | Approved as proposed without | Submitted to the Board of Directors and |

| Date of Remuneration Committee Meeting | Term | Proposal | Opinions of All Members | Company's Handling of the Opinions of the Remuneration Committee |
|--|---------|---------------------------------------|---|--|
| | Meeting | the distribution amounts for managers | objection by all attending committee members. | approved with the consent of all attending directors. |

(V) Composition, Responsibilities, and Operation of the Sustainability Committee

1. Responsibilities of the Sustainability Committee
 - (1) Formulate sustainable development directions and objectives, and establish relevant management policies and specific implementation plans.
 - (2) Promote and implement matters related to the Company's sustainable development directions and objectives.
 - (3) Track, review, and revise the implementation status and effectiveness of the Company's sustainable development.
 - (4) Other matters resolved by the Board of Directors to be handled by the Committee.

2. Professional Qualifications and Operation of the Sustainability Committee Members
 - (1) The Company's Sustainability Committee consists of six members, including two directors and four independent directors.
 - (2) The term of the current members is from June 13, 2025 to June 12, 2028. The number of sustainability committee meetings held in 2025 was: two (A). The attendance by the members was as follows:

| Designation | Name | Professional qualifications and experience | No. of meetings attended in person (B) | No. of meetings attended by proxy | In-person attendance rate (%) (B/A) | Remarks |
|-------------|-------------|---|--|-----------------------------------|-------------------------------------|--|
| Convener | Wu Ting-Kuo | Possesses more than five years of work experience required for the Company's business operations, serves as a director of the National Association of Small and | 2 | 0 | 100% | Re-elected and reappointed on June 13, 2025; |

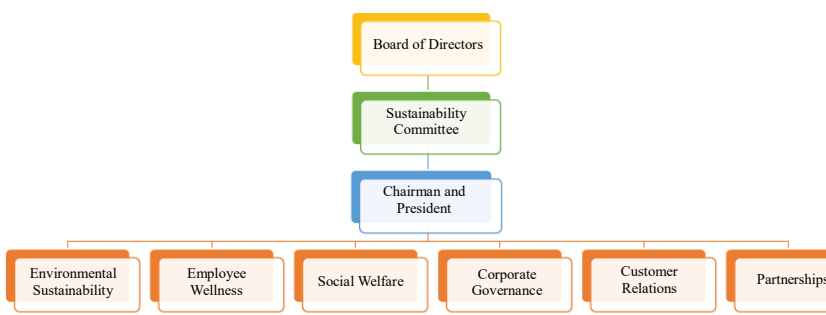
| Designation | Name | Professional qualifications and experience | No. of meetings attended in person (B) | No. of meetings attended by proxy | In-person attendance rate (%) (B/A) | Remarks |
|------------------|---------------|--|--|-----------------------------------|-------------------------------------|---|
| | | Medium Enterprises and a director of the Yilan Wu Sha Culture Foundation, and has devoted significant efforts to sustainable operations and the development of social welfare. Currently serves as the Company's Chairman and President. | | | | required to attend two meetings. |
| Committee member | Wu Kuei-Yung | Has more than five years of work experience relevant to the Company's business, and currently serves as a Director and Vice President of the Company's Marketing Division. | 2 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend two meetings. |
| Committee member | Wu Chin-Kuang | Possesses lecturer qualifications in relevant academic fields required for the Company's business at public or private universities, and has more than five years of financial experience; currently serves as a professor in the Department of Finance and International Business at Fu Jen Catholic University, as well as an independent director of the Company. | 2 | 0 | 100% | Re-elected and reappointed on June 13, 2025; required to attend two meetings. |
| Committee member | Wu Hsi-Her | Holds lecturer qualifications in academic fields relevant to the Company's business at public or private universities; | 2 | 0 | 100% | Re-elected and reappointed on June 13, |

| Designation | Name | Professional qualifications and experience | No. of meetings attended in person (B) | No. of meetings attended by proxy | In-person attendance rate (%) (B/A) | Remarks |
|------------------|----------------|---|--|-----------------------------------|-------------------------------------|---|
| | | currently serves as an adjunct lecturer in the Department of Mechanical Engineering at Nan Kai University of Technology, as well as an independent director of the Company. | | | | 2025; required to attend two meetings. |
| Committee member | Tsai Li-Ju | Possesses lecturer qualifications in relevant academic fields required for the Company's business at public or private universities, and has more than five years of financial experience; currently serves as a professor in the Department of Finance and International Business at Fu Jen Catholic University, as well as an independent director of the Company. | 2 | 0 | 100% | Newly appointed upon re-election on June 13, 2025; required to attend two meetings. |
| Committee member | Cheng Yung-Yun | Possesses more than five years of work experience required for the Company's business operations and is an expert in environmental water resource treatment. Currently serves as General Manager of Fenri Co., Ltd., supervisor of the Water Industry Development & Promotion Association, and director of the Taiwan Circular Economy and Innovation Transformation Association. | 2 | 0 | 100% | Newly appointed upon re-election on June 13, 2025; required to attend two meetings. |

3. Operation of the Sustainability Committee in the Most Recent Fiscal Year:

| Meeting Date | Term | Proposal | Opinions of All Members |
|----------------------|----------------------------|--|--|
| August 6, 2025 | 2nd Term 1st Meeting | 1. Proposal for the election of the convener of the Company's Sustainability Committee 2. Proposal for the issuance of the Company's 2024 sustainability report | Approved as proposed without objection by all attending committee members. |
| December 18, 2025 | 2nd Term 2nd Meeting | 1. The Company's material topics for 2025 and corporate risks for 2026 | Approved as proposed without objection by all attending committee members. |

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

| Item | Implementation Status | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons |
|---|-----------------------|----|--|---|
| | Yes | No | Summary description | |
| I. Has the Company established a governance framework for promoting sustainable development and created an exclusively (or concurrently) dedicated unit responsible for promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the board’s supervision? (The TWSE/TPEX listed company shall report the implementation status. This is not a comply-or-explain provision.) | V | | <p>1. Sustainability Unit: The Company has established a Sustainability Committee under the Board of Directors. The second Sustainability Committee consists of two directors and four independent directors, serving as the supervision and governance unit for sustainability and regularly reporting to the Board of Directors. Under the Sustainability Committee, six groups have been established, including Environmental Sustainability, Employee Wellness, Social Welfare, Corporate Governance, Customer Relations, and Partnerships. These groups are composed of cross-departmental personnel from various units. In addition, one executive secretary has been appointed to assist the groups and staff units in promoting and implementing corporate social responsibility projects to ensure the promotion and implementation of sustainability-related work. Through overall planning, communication, integration, and data consolidation, the leaders of each group determine future development priorities and implement performance measures in the economic, social, and environmental dimensions. Each year, work plans and KPIs are established, and meetings are regularly held to review the effectiveness of implementation and results. Please refer to the chart below for the organizational structure of the Sustainability Committee and each group:</p>  <pre> graph TD A[Board of Directors] --> B[Sustainability Committee] B --> C[Chairman and President] C --> D[Environmental Sustainability] C --> E[Employee Wellness] C --> F[Social Welfare] C --> G[Corporate Governance] C --> H[Customer Relations] C --> I[Partnerships] </pre> <p>2. Implementation Status of the Sustainability Committee in the Current Year: Please refer to “II. Corporate Governance Report – 3. Status of Corporate Governance Operations – (5) Composition, Responsibilities, and Operation of the Sustainability Committee” in this annual report.</p> <p>3. Reporting to the Board of Directors and the Board’s Supervisory Status: The Sustainability Committee reports to the Board of Directors at least once annually regarding reviews of implementation effectiveness and analyses for improvement. Report contents include material topics and the proposed issuance of the sustainability report. The Board of Directors then provides recommendations for improvement and supervision based on the reports. The reporting dates in 2025 were August 6, 2025 and December 18, 2025. The report contents included approval of the issuance of the 2024 sustainability report and reporting on the Company’s material topics for 2025 and corporate risks for 2026. The directors provided relevant recommendations regarding corporate risks for 2026 and the Company’s future strategic directions.</p> | No significant differences. |

| Item | Implementation Status | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons | | | | | | |
|--|--|---|--|---|-----------------------|-------------|-------------|--|---|----------------------------|
| | Yes | No | Summary description | | | | | | | |
| II. Does the company conduct risk assessments of environmental, social, and corporate governance (ESG) issues related to its operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (The TWSE/TPEX listed company shall report the implementation status. This is not a comply-or-explain provision.) | V | | <p>1. Based on the principle of materiality, the scope of the Company's risk assessment covers major operating sites including the Tucheng Headquarters, Tucheng Plant II, and Yilan Lizeh Plant.</p> <p>2. The Company has established risk management policies and procedures, which have been approved by the Board of Directors. The objectives of risk management are to enhance management efficiency, provide reliable information, and effectively allocate resources so that the Company may operate steadily and move toward the goal of sustainable development. The Company's Sustainability Committee is responsible for reviewing and supervising risk management.</p> <p>3. With reference to the GRI Standards and the AA1000 Accountability Principles Standard, the Company identifies material topics based on the four principles of inclusiveness, materiality, responsiveness, and impact. In accordance with the GRI Universal Standards 2021 edition, the Company further conducts risk assessments of environmental, social, and corporate governance topics related to its operations, establishes a materiality matrix, identifies material topics, and formulates corresponding management policies and objectives. The details are as follows:</p> <table border="1"> <thead> <tr> <th>Material Topics</th> <th>Risk Assessment Items</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td> <ul style="list-style-type: none"> ● Environmentally friendly products ● Greenhouse gas management ● Waste management </td> <td> <ul style="list-style-type: none"> ● These efforts help enterprises comply with regulations, reduce environmental risks, enhance brand image and customer trust, while also attracting consumers and investors who value sustainability, thereby creating long-term competitive advantages and promoting stable growth and sustainable development. ● International attention to and requirements for climate change issues have gradually increased. The trend toward net-zero carbon emissions and government energy policies have increased corporate operating costs and risks. Managing carbon emissions reduces costs and environmental burdens while enhancing corporate competitiveness. ● Improper waste management may cause environmental impacts or result in penalties imposed by government authorities. Implementing resource </td> </tr> </tbody> </table> | Material Topics | Risk Assessment Items | Description | Environment | <ul style="list-style-type: none"> ● Environmentally friendly products ● Greenhouse gas management ● Waste management | <ul style="list-style-type: none"> ● These efforts help enterprises comply with regulations, reduce environmental risks, enhance brand image and customer trust, while also attracting consumers and investors who value sustainability, thereby creating long-term competitive advantages and promoting stable growth and sustainable development. ● International attention to and requirements for climate change issues have gradually increased. The trend toward net-zero carbon emissions and government energy policies have increased corporate operating costs and risks. Managing carbon emissions reduces costs and environmental burdens while enhancing corporate competitiveness. ● Improper waste management may cause environmental impacts or result in penalties imposed by government authorities. Implementing resource | No significant differences |
| Material Topics | Risk Assessment Items | Description | | | | | | | | |
| Environment | <ul style="list-style-type: none"> ● Environmentally friendly products ● Greenhouse gas management ● Waste management | <ul style="list-style-type: none"> ● These efforts help enterprises comply with regulations, reduce environmental risks, enhance brand image and customer trust, while also attracting consumers and investors who value sustainability, thereby creating long-term competitive advantages and promoting stable growth and sustainable development. ● International attention to and requirements for climate change issues have gradually increased. The trend toward net-zero carbon emissions and government energy policies have increased corporate operating costs and risks. Managing carbon emissions reduces costs and environmental burdens while enhancing corporate competitiveness. ● Improper waste management may cause environmental impacts or result in penalties imposed by government authorities. Implementing resource | | | | | | | | |

| Item | Implementation Status | | | Summary description | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons | |
|------|-----------------------|----|----------------------|---|--|--|
| | Yes | No | | | | |
| | | | | recycling and reuse can reduce waste generation and indirectly reduce greenhouse gas emissions. | | |
| | | | Society | <ul style="list-style-type: none"> ● Cultivation of key talent ● Protection of labor rights ● Occupational health and safety | <ul style="list-style-type: none"> ● The Company provides employees with internal and external training, encourages continuing education, and cultivates talent. ● The Company complies with labor laws and regulations, regularly convenes quarterly labor-management meetings for two-way communication with employees, listens to employees' opinions and feedback, and maintains harmonious labor-management relations. ● The Company regularly conducts occupational safety and health seminars, arranges monthly on-site services by medical personnel, and arranges employee health examinations every two years to reduce occupational hazards and safeguard employees' physical and mental health. | |
| | | | Corporate Governance | <ul style="list-style-type: none"> ● Ethical management ● Operational performance ● Cybersecurity ● Customer relationship management ● Product responsibility services | <ul style="list-style-type: none"> ● The Company and its employees uphold the principle of integrity in operations, comply with relevant regulations and internal control systems, and maintain sound business operations. ● The Company establishes appropriate operational strategies to achieve stable growth in revenue and profitability and enhance corporate competitiveness. ● Preventing data leakage and ensuring system stability can reduce legal risks and remediation costs while maintaining corporate reputation and | |

| Item | Implementation Status | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons |
|---|-----------------------|----|--|---|
| | Yes | No | Summary description | |
| | | | <p>preventing major losses.</p> <ul style="list-style-type: none"> ● Providing comprehensive customer service is FineTek's primary business philosophy. The Company listens to customer needs, keeps abreast of major industry trends, and provides professional solutions to meet customer needs and achieve mutual growth. ● The Company identifies potential health and safety issues that may arise from the products and services it provides and implements relevant management measures such as strategy formulation and service certification. If customer health or safety is harmed, it may result in reputational damage or even financial losses due to violations of regulations. <p>In response to the material topics for 2025, the Company has formulated response strategies, KPIs, short-, medium-, and long-term objectives, and conducted reviews and disclosures of results. Please refer to the Company's sustainability report for details.</p> | |
| III. Environmental Issues (I) Has the Company set an environmental management system designed to industry characteristics? | V | | (I) 1. Environmental policy In response to climate change and the 2050 net-zero emissions target, the Company closely monitors changing trends and adjusts its strategies in a timely manner. The Company also actively develops new products and strives to provide products with greater energy-saving and safety protection functions for various industries in order to reduce energy consumption and environmental impact, jointly create an energy-saving environment and a safe workplace, and achieve sustainable corporate development. To effectively and continuously promote and manage these efforts, we commit to the following: <ul style="list-style-type: none"> ● Regulatory Compliance: Comply with environmental protection-related laws, regulations, and other requirements, establish supervision mechanisms, continuously improve environmental management performance, and ensure compliance with relevant requirements. ● Pollution Prevention: Actively protect the natural environment and reduce ecological impacts through effective pollution prevention and control measures in order to achieve sustainable development. ● Energy Conservation: Continuously promote energy | No significant differences. |

| Item | Implementation Status | | Summary description | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|-----------------|--|---|------|----------------|-------------------|----------|--------|---------------------|-------------------------------------|----------|--------------------------|-------------------|----------|----------------------|--|------|-------------------------|------------------------|-----------------|------------------------|--|-----|--|--|---------------|----------------------------|
| | Yes | No | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | <p>conservation and carbon reduction, improve energy use efficiency, actively implement waste reduction and recycling and reuse, reduce resource consumption, and achieve environmental sustainability.</p> <ul style="list-style-type: none"> ● Green Design: Introduce green design concepts, promote the development of green products, control material selection at the source, and strictly implement restrictions and prohibitions on hazardous chemical substances to ensure product environmental friendliness and health safety. ● Environmental Protection by All Employees: Enhance environmental awareness among all employees, recognize that environmental protection is the responsibility of all personnel, and work together with customers and suppliers through cooperation and innovation to jointly create a sustainable environment. <p>2. Environmental management system</p> <p>The Company's environmental management is implemented in accordance with the requirements of the ISO 14001:2015 Environmental Management System. In 2025, the Company obtained certification through the third-party certification body ARES International Certification Co., Ltd. The certification is valid from May 6, 2025 to May 5, 2028, providing customers with assurance and confidence. The Company's products are built under a green production system, and verification and testing must comply with standards such as REACH, RoHS 2.0, WEEE, and Halogen Free. The Company also ensures that all products comply with the environmental protection and safety certifications required by various countries. Under the management of the Quality Department, 100% of the electronic component materials comply with RoHS 2.0 and product safety-related regulatory requirements, and reliability verification is conducted through a self-established laboratory based on IEC international standards. In 2025, there were no incidents of non-compliance with laws and regulations concerning the health and safety of products and services.</p> | | | | | | | | | | | | | | | | | | | | | | | | | |
| (II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact? | V | | <p>(II) The scope of the Company's energy usage statistics covers the FineTek Tucheng Headquarters, Tucheng Plant II, and Yilan Plant. The statistics are shown in the table below:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Item</th> <th>2025 (Unit:GJ)</th> </tr> </thead> <tbody> <tr> <td>Direct Energy (A)</td> <td>Gasoline</td> <td>349.99</td> </tr> <tr> <td>Indirect Energy (B)</td> <td>Purchased Non-Renewable Electricity</td> <td>3,895.57</td> </tr> <tr> <td>Non-Renewable Energy (C)</td> <td>Subtotal(A) + (B)</td> <td>4,245.56</td> </tr> <tr> <td>Renewable Energy (D)</td> <td>Self-Generated/Purchased Renewable Electricity</td> <td>0.00</td> </tr> <tr> <td>Total Energy (E)</td> <td>Total (C) + (D)</td> <td>4,245.56</td> </tr> <tr> <td colspan="2">Revenue (NT\$ million)</td> <td>855</td> </tr> <tr> <td colspan="2">Energy Intensity (Total Energy/Revenue)</td> <td>4.9636</td> </tr> </tbody> </table> <p>The company does not yet have renewable energy, therefore the renewable energy percentage (RE%) (D)/(E) is 0.</p> | Category | Item | 2025 (Unit:GJ) | Direct Energy (A) | Gasoline | 349.99 | Indirect Energy (B) | Purchased Non-Renewable Electricity | 3,895.57 | Non-Renewable Energy (C) | Subtotal(A) + (B) | 4,245.56 | Renewable Energy (D) | Self-Generated/Purchased Renewable Electricity | 0.00 | Total Energy (E) | Total (C) + (D) | 4,245.56 | Revenue (NT\$ million) | | 855 | Energy Intensity (Total Energy/Revenue) | | 4.9636 | No significant differences |
| Category | Item | 2025 (Unit:GJ) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Direct Energy (A) | Gasoline | 349.99 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Indirect Energy (B) | Purchased Non-Renewable Electricity | 3,895.57 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Non-Renewable Energy (C) | Subtotal(A) + (B) | 4,245.56 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Renewable Energy (D) | Self-Generated/Purchased Renewable Electricity | 0.00 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Energy (E) | Total (C) + (D) | 4,245.56 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Revenue (NT\$ million) | | 855 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Energy Intensity (Total Energy/Revenue) | | 4.9636 | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Item | Implementation Status | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons | | | | | | | | | | | | |
|--|-----------------------|--------|---|---|------|------|--------------------------|-------|-------|------------------------|-----|-----|-------------------------------------|--------|--------|----------------------------|
| | Yes | No | Summary description | | | | | | | | | | | | | |
| | | | <p>The company uses 2025 as the base year and aims to reduce energy consumption by 1% every two years, reaching a 5% reduction by 2030. The company has also established an energy management plan, with the following policies for improving energy efficiency:</p> <ol style="list-style-type: none"> 1. The Company has implemented an electronic approval system to reduce paper usage. For non-confidential paper documents, waste paper recycling and reuse practices are adopted to reduce environmental impact. 2. Expired inventory products are reviewed monthly to strengthen sales or resell components and parts, thereby promoting resource reuse. 3. The R&D department designs new modular products that can be recycled and reused, increases the use of common materials within the plant, and reduces raw material consumption. 4. The business department uses video conferencing in place of overseas visits to reduce travel expenses and travel time. Meeting content is communicated through video conferences, and electronic catalogs are used to avoid paper waste. 5. All Company employees cooperate in implementing waste sorting and resource recycling, and employees are encouraged to bring their own environmentally friendly tableware. | | | | | | | | | | | | | |
| (III) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them? | V | | (III) For the Company’s assessment of climate change-related risks and opportunities and corresponding response measures, please refer to “II. Corporate Governance Report – 3. Status of Corporate Governance Operations – (6-1) Climate-Related Information for TWSE/TPEX Listed Companies” in this annual report. | No significant differences | | | | | | | | | | | | |
| (4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes? | V | | <p>(IV) 1. Greenhouse gas emissions</p> <p>The boundary of the Company’s greenhouse gas emissions covers the FineTek Tucheng Headquarters, Tucheng Plant II, and Yilan Plant. For greenhouse gas emissions and greenhouse gas reduction policies, please refer to “II. Corporate Governance Report – 3. Status of Corporate Governance Operations – (6-1) Climate-Related Information for TWSE/TPEX Listed Companies” in this annual report.</p> <p>2. Water consumption</p> <p>The scope of water consumption data covers the FineTek Tucheng Headquarters, Tucheng Plant II, and Yilan Plant. The data for both years has not been verified by external verification institutions and was compiled internally. The data for 2024 and 2025 are as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Water consumption (tons)</td> <td>5,028</td> <td>5,214</td> </tr> <tr> <td>Revenue (NT\$ million)</td> <td>894</td> <td>855</td> </tr> <tr> <td>Water intensity (tons/NT\$ million)</td> <td>5.6243</td> <td>6.0961</td> </tr> </tbody> </table> <p>Reduction Target: The Company uses 2023 as the base year and targets a 1% reduction in annual water consumption every two years, with a cumulative reduction target of 5% by 2030. Compared to 2024, water consumption in 2025 increased by 8%, mainly because the Company added new products in 2025 that require water testing. The Company will continue to strengthen advocacy efforts. Improvement</p> | | 2024 | 2025 | Water consumption (tons) | 5,028 | 5,214 | Revenue (NT\$ million) | 894 | 855 | Water intensity (tons/NT\$ million) | 5.6243 | 6.0961 | No significant differences |
| | 2024 | 2025 | | | | | | | | | | | | | | |
| Water consumption (tons) | 5,028 | 5,214 | | | | | | | | | | | | | | |
| Revenue (NT\$ million) | 894 | 855 | | | | | | | | | | | | | | |
| Water intensity (tons/NT\$ million) | 5.6243 | 6.0961 | | | | | | | | | | | | | | |

| Item | Implementation Status | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons | | | | | | |
|--|-----------------------|--------|---|---|------|------|----------------------------|--------|--------|--|
| | Yes | No | Summary description | | | | | | | |
| | | | <p>measures include reminding employees to conserve water, installing water-saving devices, adding water recycling equipment to facilities, and enhancing the reuse of recycled water.</p> <p>3. Waste</p> <p>(1) Total weight of waste</p> <p>The scope of the total waste weight covers the FineTek Tucheng Headquarters, Tucheng Plant II, and Yilan Plant. The data for 2024 and 2025 are as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Total Weight of Waste (kg)</td> <td>28,607</td> <td>28,291</td> </tr> </tbody> </table> <p>Note: As the Company's waste disposal is handled through incineration by qualified professional waste disposal companies and recycling and reuse by professional recyclers, all waste is classified as non-hazardous waste.</p> <p>Reduction target: The Company uses 2023 as the base year and targets a 1% reduction in total waste weight every two years, with a cumulative reduction target of 5% by 2030. The total weight of waste in 2025 decreased by 1% compared to 2024 and met the target level. The Company will continue to improve. Improvement directions include policy advocacy, collection and recycling of cardboard boxes for reuse, and precise calculation for the effective utilization of materials.</p> <p>(2) Waste management</p> <p>The Company is primarily engaged in the manufacturing of industrial sensors. Waste mainly consists of general waste generated from employees' daily activities and business operations, which is incinerated by qualified professional waste disposal companies. Metal processing blocks and scraps generated during machining processes are recycled and reused by professional recyclers. These measures aim to conserve natural resources, implement resource circulation and zero waste practices, minimize waste generation, maximize resource recycling and reuse, and promote material recycling and circular resource regeneration and reuse.</p> <p>(3) Waste generation and significant waste-related impacts</p> <p>In the Group's manufacturing operations, all soldering of electronic components adopts lead-free processes, and no hazardous lead is generated. Factory manufacturing activities consist primarily of simple hardware processing and component assembly testing; therefore, no hazardous substances listed in Safety Data Sheets (SDS) are generated. The principle of waste management is that waste with recycling value and recyclable by environmental protection recyclers is recycled and reused. General waste generated from business activities that has no recycling value is incinerated by qualified professional waste disposal companies.</p> | | 2024 | 2025 | Total Weight of Waste (kg) | 28,607 | 28,291 | |
| | 2024 | 2025 | | | | | | | | |
| Total Weight of Waste (kg) | 28,607 | 28,291 | | | | | | | | |
| IV. Social Issues (I) Has the company formulated relevant management policies and procedures in accordance with applicable laws, regulations, and | V | | <p>(I) 1. In order to fulfill corporate social responsibility and protect the fundamental human rights of all employees, the Company recognizes and complies with various international human rights conventions, including the "Universal Declaration of Human Rights," the "United Nations Global Compact," the "United Nations Guiding Principles on Business and Human Rights," and the standards of the "International Labor Organization." The Human Resources Division serves as the responsible unit and has established the "Human Rights Policy Management Procedures" to eliminate any acts that infringe upon or</p> | No significant differences. | | | | | | |

| Item | Implementation Status | | Summary description | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|--|-----------------------|----|--|---|
| | Yes | No | | |
| international human rights conventions? | | | <p>violate human rights and clearly demonstrate the Company's commitment to treating and respecting all employees with fairness and equity.</p> <p>2. The scope of the Company's human rights policy applies to all managers and employees of the Company and its overseas subsidiaries, as well as stakeholders including suppliers, contractors, and customers. The Company is committed to eliminating all human rights violations.</p> <p>3. The human rights commitments and principles under the Human Rights Policy Management Procedures include: (1) prohibition of forced and involuntary labor, (2) prohibition of child labor, (3) opposition to discrimination and promotion of diversity and inclusion, (4) protection of freedom of association and labor-management consultation, (5) reasonable working hours and rest rights, (6) workplace safety and health protection, and (7) respect for personal privacy and information security.</p> <p>4. Human rights practices and management mechanisms</p> <p>(1) Education and Internal Promotion: Advocacy seminars are conducted for all employees. In addition to physical seminars, employees may also engage in online learning through the Company's e-learning platform. A total of 190 hours of human rights-related training were conducted in 2025, and online courses received a total of 468 views.</p> <p>(2) Complaint and Remedy Mechanisms: The Company has established anonymous complaint and reporting channels to receive all reports concerning human rights violations and has designated dedicated units to handle, investigate, and follow up on such matters in order to protect the rights and interests of whistleblowers. In 2025, the Company received one employee complaint case. An investigation team was established to conduct interviews and assessments, and psychological support resources and stress relief assistance were provided to the employee. All related information was kept confidential.</p> <p>(3) The Company has established an Employee Welfare Committee to administer various employee welfare programs and regularly convenes labor-management meetings. The Company also has sports clubs such as a badminton club and yoga club and encourages employees to establish additional clubs. The Company regularly organizes birthday celebrations, family days, domestic and overseas trips, and year-end banquet lucky draws to support employees' physical and mental well-being and strengthen team cohesion.</p> <p>(4) Human Rights Due Diligence: The Company regularly conducts human rights due diligence and risk assessments covering areas such as labor rights, health and safety, and corporate governance and ethics, and formulates corresponding improvement measures and indicators accordingly. Human rights due diligence aspects were also incorporated into the 2026 employee satisfaction survey questionnaire.</p> | |
| (II) Has the Company established and implemented reasonable employee welfare measures (including | V | | <p>(II) 1. Employee Welfare Measures</p> <p>The Company has established various reasonable employee welfare measures, including labor insurance and national health insurance coverage, labor pension contributions, various leave systems, group accident insurance, regular employee health examinations, and various subsidies such as childbirth subsidies, childcare subsidies, marriage and funeral subsidies, birthday gifts, subsidies for employees' continuing</p> | No significant differences. |

| Item | Implementation Status | | Summary description | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons | | | | | | | | | | | | | | |
|---|--|----|---|---|------|-----------------------------|--|-----------------|--|--------------------|---|---------------------|--|-----------------------|---|--------------------------------|--|--|
| | Yes | No | | | | | | | | | | | | | | | | |
| salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation? | | | <p>education, and scholarships for employees' children. The Company also regularly organizes domestic and overseas employee trips, family days, employee birthday celebrations, and other activities. Detailed descriptions are as follows:</p> <table border="1"> <thead> <tr> <th>WELFARE SYSTEM</th> <th>ITEM</th> </tr> </thead> <tbody> <tr> <td>Insurance/Medical Insurance</td> <td>Group insurance, regular health examinations, and arrangements for physicians to provide health consultation services. In 2025, a total of 216 on-site medical and nursing service visits were provided (117 males and 99 females), accounting for 86% of the Company's total workforce (216/251), including 85% of male employees (117/138) and 88% of female employees (99/113).</td> </tr> <tr> <td>Insurance Plans</td> <td>In accordance with the law, each employee is covered by labor insurance, national health insurance, travel accident insurance, and labor pension contributions to ensure comprehensive protection for employees.</td> </tr> <tr> <td>Childcare Measures</td> <td>The Company has entered into employee preferential agreements with childcare institutions and commissions such institutions to provide infant care, kindergarten, and after-school childcare services for employees. The Company has also established a lactation (collection) room for employee use.</td> </tr> <tr> <td>Childcare Subsidies</td> <td>To encourage employees to continue working after having children and to achieve work-life balance, the Company provides childcare subsidies for employees supporting children under six years old, with the aim of reducing employees' childcare burdens. In 2024, 32 employees applied for childcare subsidies, and a total of NT\$510 thousand was paid (21 males and 11 females). In 2025, 26 employees applied for childcare subsidies, and a total of NT\$430 thousand was paid. The difference from the previous year was due to supported children reaching six years of age, along with a decrease in the number of employees with newborn children.</td> </tr> <tr> <td>Unpaid Parental Leave</td> <td>Employees who need to care for children after childbirth may apply for unpaid parental leave in accordance with the law. In 2024, one female employee applied for unpaid parental leave. She returned to work within the same year and remains employed. No employees applied for unpaid parental leave in 2025.</td> </tr> <tr> <td>Marriage and Funeral Subsidies</td> <td>To enhance employee welfare, employees receive marriage gifts upon marriage. Condolence payments are provided in the</td> </tr> </tbody> </table> | WELFARE SYSTEM | ITEM | Insurance/Medical Insurance | Group insurance, regular health examinations, and arrangements for physicians to provide health consultation services. In 2025, a total of 216 on-site medical and nursing service visits were provided (117 males and 99 females), accounting for 86% of the Company's total workforce (216/251), including 85% of male employees (117/138) and 88% of female employees (99/113). | Insurance Plans | In accordance with the law, each employee is covered by labor insurance, national health insurance, travel accident insurance, and labor pension contributions to ensure comprehensive protection for employees. | Childcare Measures | The Company has entered into employee preferential agreements with childcare institutions and commissions such institutions to provide infant care, kindergarten, and after-school childcare services for employees. The Company has also established a lactation (collection) room for employee use. | Childcare Subsidies | To encourage employees to continue working after having children and to achieve work-life balance, the Company provides childcare subsidies for employees supporting children under six years old, with the aim of reducing employees' childcare burdens. In 2024, 32 employees applied for childcare subsidies, and a total of NT\$510 thousand was paid (21 males and 11 females). In 2025, 26 employees applied for childcare subsidies, and a total of NT\$430 thousand was paid. The difference from the previous year was due to supported children reaching six years of age, along with a decrease in the number of employees with newborn children. | Unpaid Parental Leave | Employees who need to care for children after childbirth may apply for unpaid parental leave in accordance with the law. In 2024, one female employee applied for unpaid parental leave. She returned to work within the same year and remains employed. No employees applied for unpaid parental leave in 2025. | Marriage and Funeral Subsidies | To enhance employee welfare, employees receive marriage gifts upon marriage. Condolence payments are provided in the | |
| WELFARE SYSTEM | ITEM | | | | | | | | | | | | | | | | | |
| Insurance/Medical Insurance | Group insurance, regular health examinations, and arrangements for physicians to provide health consultation services. In 2025, a total of 216 on-site medical and nursing service visits were provided (117 males and 99 females), accounting for 86% of the Company's total workforce (216/251), including 85% of male employees (117/138) and 88% of female employees (99/113). | | | | | | | | | | | | | | | | | |
| Insurance Plans | In accordance with the law, each employee is covered by labor insurance, national health insurance, travel accident insurance, and labor pension contributions to ensure comprehensive protection for employees. | | | | | | | | | | | | | | | | | |
| Childcare Measures | The Company has entered into employee preferential agreements with childcare institutions and commissions such institutions to provide infant care, kindergarten, and after-school childcare services for employees. The Company has also established a lactation (collection) room for employee use. | | | | | | | | | | | | | | | | | |
| Childcare Subsidies | To encourage employees to continue working after having children and to achieve work-life balance, the Company provides childcare subsidies for employees supporting children under six years old, with the aim of reducing employees' childcare burdens. In 2024, 32 employees applied for childcare subsidies, and a total of NT\$510 thousand was paid (21 males and 11 females). In 2025, 26 employees applied for childcare subsidies, and a total of NT\$430 thousand was paid. The difference from the previous year was due to supported children reaching six years of age, along with a decrease in the number of employees with newborn children. | | | | | | | | | | | | | | | | | |
| Unpaid Parental Leave | Employees who need to care for children after childbirth may apply for unpaid parental leave in accordance with the law. In 2024, one female employee applied for unpaid parental leave. She returned to work within the same year and remains employed. No employees applied for unpaid parental leave in 2025. | | | | | | | | | | | | | | | | | |
| Marriage and Funeral Subsidies | To enhance employee welfare, employees receive marriage gifts upon marriage. Condolence payments are provided in the | | | | | | | | | | | | | | | | | |

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| | Yes | No | Summary description | | | | | | | | | | | | | | | |
| | | | <table border="1"> <tr> <td></td> <td>event of the death of employees or their family members. Childbirth gifts are provided upon an employee's child reaching one month of age, and hospital visitation allowances are provided when employees are hospitalized due to illness or injury.</td> </tr> <tr> <td>Employee Dormitories</td> <td>Considering accommodation expenses and safety concerns for employees assigned to other locations, employee dormitories are provided at the Yilan Plant, Shanghai, and Indonesia.</td> </tr> <tr> <td>Employee Bonuses/Stock Subscription</td> <td>If the Company records annual profits, employee remuneration is distributed from Company profits based on employee performance achievements, allowing labor and management to share operating results.</td> </tr> <tr> <td>Employee Travel</td> <td>In 2025, five employee travel groups were organized. Domestic travel included three-day itineraries to Kinmen and Penghu, while overseas travel included a five-day itinerary to Da Nang. A total of 120 employees and 99 family members participated. Satisfaction surveys conducted regarding the employee trips showed that positive evaluations accounted for 83%.</td> </tr> <tr> <td>Family Care Support</td> <td>To address employees' urgent or essential needs to care for family members, the Company has implemented a family care leave system. In 2025, a total of 18 employees applied for family care leave (7 males and 11 females), with a total of 72 applications and 62 days of leave taken (28.5 days for males and 33.5 days for females), ensuring that employees receive the Company's understanding and support when family needs arise.</td> </tr> <tr> <td>Protecting the Health of Female Employees</td> <td>The Company is committed to creating a friendly and inclusive workplace environment, respecting and supporting the physiological needs of female employees, and implementing gender equality and health care initiatives. In 2025, a total of 48 employees across the Company applied for menstrual leave, with a total of 144 applications (126.5 days in total).</td> </tr> <tr> <td>Others</td> <td>Employee cafeteria, meal allowances, vending machines, employee parking lots, free coffee, birthday celebrations, birthday gifts, family days, travel subsidies, travel fuel subsidies, recognition for long-serving employees, holiday bonuses for the three major festivals, scholarships for outstanding children of employees, etc.</td> </tr> </table> | | event of the death of employees or their family members. Childbirth gifts are provided upon an employee's child reaching one month of age, and hospital visitation allowances are provided when employees are hospitalized due to illness or injury. | Employee Dormitories | Considering accommodation expenses and safety concerns for employees assigned to other locations, employee dormitories are provided at the Yilan Plant, Shanghai, and Indonesia. | Employee Bonuses/Stock Subscription | If the Company records annual profits, employee remuneration is distributed from Company profits based on employee performance achievements, allowing labor and management to share operating results. | Employee Travel | In 2025, five employee travel groups were organized. Domestic travel included three-day itineraries to Kinmen and Penghu, while overseas travel included a five-day itinerary to Da Nang. A total of 120 employees and 99 family members participated. Satisfaction surveys conducted regarding the employee trips showed that positive evaluations accounted for 83%. | Family Care Support | To address employees' urgent or essential needs to care for family members, the Company has implemented a family care leave system. In 2025, a total of 18 employees applied for family care leave (7 males and 11 females), with a total of 72 applications and 62 days of leave taken (28.5 days for males and 33.5 days for females), ensuring that employees receive the Company's understanding and support when family needs arise. | Protecting the Health of Female Employees | The Company is committed to creating a friendly and inclusive workplace environment, respecting and supporting the physiological needs of female employees, and implementing gender equality and health care initiatives. In 2025, a total of 48 employees across the Company applied for menstrual leave, with a total of 144 applications (126.5 days in total). | Others | Employee cafeteria, meal allowances, vending machines, employee parking lots, free coffee, birthday celebrations, birthday gifts, family days, travel subsidies, travel fuel subsidies, recognition for long-serving employees, holiday bonuses for the three major festivals, scholarships for outstanding children of employees, etc. | |
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|------|-----------------------|----|--|---|
| | Yes | No | | |
| | | | <p>Although the Company does not currently participate in collective bargaining agreements, quarterly labor–management meetings are regularly convened for two-way communication with employees, listening to employees’ opinions and feedback in order to maintain harmonious labor–management relations. Labor–management meetings were held quarterly in 2025, with a total of four meetings at the Tucheng Plant and four meetings at the Yilan Plant. The Company has established a Welfare Committee, with welfare committee members appointed at each plant. Welfare committee meetings are held at least once every quarter to discuss matters related to welfare measures and team-building activity arrangements, promote employee welfare, and strengthen organizational cohesion.</p> <p>The Company conducts interviews with new and departing employees to understand the work conditions of newly hired employees after joining the Company, as well as the reasons for resignation and related suggestions from departing employees. A total of 116 employee interviews were conducted in 2025, including interviews with 26 new employees and 58 departing employees. Interviews were conducted with 32 current employees. The implementation rate reached 100%.</p> <p>The turnover rate at the headquarters in 2025 was 30.28%, an increase of 6.51% compared to the turnover rate of 23.77% in 2024. The proportion of resignations among employees under the age of 29 decreased from 38% in 2024 to 30% in 2025. The Company continues to promote its mentor system for new employees to shorten workplace adaptation periods and strengthen the sense of belonging among younger-generation talent. In contrast, the resignation ratio of employees aged 50 and above increased from 5% in the previous year to 13%, reflecting that some employees may be considering personal health factors or approaching retirement, as well as facing organizational and functional transformation. The Company has initiated “Deputy Succession” and “Technical Knowledge Transfer” mechanisms to ensure that operations are not affected by structural changes.</p> <p>2. Linkage Between Employee Compensation and Operating Performance</p> <p>At the shareholders’ meeting on June 13, 2025, the Company approved amendments to Article 18 of the Articles of Incorporation, stipulating that “if the Company records annual profits, more than 3% shall be allocated as employee remuneration, of which more than 1.4% shall be allocated as employee remuneration for grassroots employees, to be distributed in shares or cash as resolved by the Board of Directors. Eligible employees of subordinate companies meeting certain conditions may also be included as recipients.” For 2025, the Company allocated more than 3% as employee remuneration, totaling NT\$7,300,000 (of which more than 1.4% allocated as employee remuneration for grassroots employees totaled NT\$3,500,000).</p> <p>The Company has also established a bonus system. Based on the Company’s operating performance and with reference to employee KPIs and semi-annual evaluations, quarterly bonuses, annual bonuses, and employee remuneration are allocated. In addition, based on employee performance, the Company transfers treasury shares to employees to reward their hard work and allow employees to share in the Company’s profits.</p> <p>3. Workplace Diversity and Equality</p> | |

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|------|-----------------------|----|--|---|
| | Yes | No | | |
| | | | <p>The Company's recruitment process follows open, fair, and impartial selection procedures. Regardless of gender, religion, race, nationality, or political affiliation, all candidates are treated equally. The Company respects diverse professional talent and applies compensation and benefits uniformly to employees. In 2025, the total number of employees was 251, with female employees accounting for 45% (113/251), and female senior managers accounting for 4% (10/251). There was no significant difference between male and female employees across age groups. The average employee age distribution was concentrated in the 40–49 age group, accounting for 39% (97/251), followed by the 30–39 age group, accounting for 24% (59/251). Employees aged 50 and above accounted for 24% (59/251), while employees aged 29 and below accounted for 13% (36/251).</p> <p>In 2025, the total number of foreign employees was 30 (12 males and 18 females), accounting for 12% of the Company's total workforce (30/251). The total number of employees with disabilities was 4 (3 males and 1 female), accounting for 1.6% of the Company's total workforce (4/251). The total number of indigenous employees was 3 (1 male and 2 females), accounting for 1.2% of the Company's total workforce (3/251). The Company complies with the principle of required employment ratios.</p> <p>The Company values gender equality in the workplace and, in recent years, has been committed to promoting outstanding female employees into management positions. The ratio of female managerial personnel from 2023 to 2025 was 27.12% in 2023 (16/59), 27.87% in 2024 (17/61), and 33.33% in 2025 (22/66), showing a year-by-year increase.</p> <p>4. Employee Retirement Plans</p> <p>The Company has established employee retirement regulations in accordance with the Labor Standards Act and the Labor Pension Act and has established a Labor Pension Reserve Supervisory Committee. The Company contributes 2% of the total monthly employee salary amount into a dedicated account with the Bank of Taiwan in the Company's name. An actuary is engaged annually to conduct actuarial calculations and regularly provide pension reports to ensure sufficient contributions. Since July 1, 2005, the Company has concurrently adopted the government's new pension system, under which 6% of employees' salaries is contributed to individual pension accounts. Employees may also voluntarily contribute up to 6% of their monthly wages, which is withheld from monthly salaries and deposited into their individual pension accounts with the Bureau of Labor Insurance according to their chosen contribution rates.</p> <p>At present, the pension reserve account has reached the present value amount required to cover all employees' future pension claims upon meeting retirement qualifications. In 2025, the Company again applied for a one-year suspension of pension reserve contributions. A total of 26 employees (9 males and 17 females), accounting for 10% of all employees, were included. In 2025, one employee completed the retirement pension application process. In 2025, a total of 27 employees elected to make voluntary labor pension contributions (7 males and 20 females), accounting for 11% of all employees. Under Taiwan's retirement regulations, companies may require employees to retire, and employees may also apply for voluntary retirement.</p> | |

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| | Yes | No | Summary description | |
| | | | <p>5. Employee Satisfaction Survey</p> <p>The Company's Human Resources Division conducts an employee satisfaction survey once annually. In February 2025, the Company conducted the 2024 employee satisfaction survey, covering six major dimensions: job satisfaction, satisfaction with direct supervisors, training and development, compensation and benefits, colleague relationships, and sense of well-being. The overall satisfaction rate was 71%, with a response rate of 76%. The survey covered six dimensions: (1) job satisfaction: 72%, (2) satisfaction with direct supervisors: 75%, (3) training and development: 71%, (4) compensation and benefits: 63%, (5) colleague relationships: 76%, and (6) well-being and engagement: 71%.</p> <p>Employee Satisfaction Survey Improvement Plan: In 2025, the Company conducted sample interviews with current employees with between five and ten years of service, with a total of 32 interviewees. The interview content covered seven dimensions: job content, organizational goals, education and training, cross-departmental communication, problem solving, job rotation/overseas assignment, and compensation systems. Following the interviews, the average satisfaction rate was 67%. Satisfaction rankings from highest to lowest were: cross-departmental communication at 75%, education and training at 72%, organizational goals at 71%, job content at 69%, problem solving at 67%, willingness for job rotation and overseas assignment at 63%, and compensation systems at 51%. The interview results were provided to department supervisors and senior management for reference. Department supervisors reported a satisfaction rate of as high as 94% regarding the interviews conducted by Human Resources.</p> | |
| (III) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees? | V | | <p>(III) 1. Occupational Safety and Health Management</p> <p>The Company has established an Occupational Safety and Health Committee composed of supervisors at various levels, safety and health personnel, and labor representatives. Occupational safety working group meetings are regularly convened to jointly coordinate the implementation and operation of the safety and health system. Safety and health education and training are conducted every six months. Firefighting equipment is regularly inspected annually and quarterly, and fire drills are conducted every six months.</p> <p>The Company has also established a workplace safety task force that conducts monthly inspections of the work environment. Machinery and equipment at plant sites are recorded and maintained monthly and quarterly in machinery and equipment maintenance records. Machinery and equipment are labeled with operating precautions, and rotating shafts and punching machines are equipped with protective covers and foolproof operating mechanisms. Employees may only operate machinery after completing training.</p> <p>In 2025, a total of 8 occupational injury incidents were recorded (5 males and 3 females), including 6 traffic accidents occurring during commuting, 1 work-related injury, and 1 injury caused by glass breakage due to strong winds. There were no major occupational accidents or fatalities, and a total of 156 hours of occupational injury leave were applied for. There were no employee deaths or severe occupational injuries caused by occupational injuries. Therefore, the number and rate of fatalities and the number and rate of severe occupational accidents</p> | No significant differences |

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| | Yes | No | | | | | | | | | | | | | | |
| | | | <p>were both zero.</p> <p>In response to the frequent traffic accidents occurring during employee commuting, in addition to caring for injured employees and assisting with related insurance claim procedures, the Company periodically conducts safety awareness promotion during labor-management meetings or monthly birthday celebrations.</p> <p>In addition, employees engaged in special hazard operations and ionizing radiation operations undergo regular health examinations. No occupational diseases were identified in 2025.</p> <p style="text-align: center;">Occupational Injury Status in 2025:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Working Hours</th> <th>Number of General Occupational Injury Cases</th> <th>Number of Severe Occupational Injury Cases</th> <th>Severe Occupational Injury Rate</th> <th>Recordable Occupational Injury Rate</th> </tr> </thead> <tbody> <tr> <td>2025</td> <td>493,968</td> <td>8</td> <td>0</td> <td>0.00</td> <td>16.00</td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> 1. The statistical scope covers all plant sites of the Company's Taiwan headquarters. 2. The Company has never experienced any occupational injury-related fatalities throughout its history. 3. Severe occupational injury rate (excluding fatalities): number of severe occupational injury cases / working hours × 1,000,000. 4. Recordable occupational injury rate (per million working hours, representing the ratio of hours involving occupational safety incidents): total number of occupational injury cases / working hours × 1,000,000. 5. Calculation of working hours: annual working days × working hours × annual number of employees. <p>The Company continues to conduct occupational safety training. In 2025, internal and external physical training courses and online e-learning platform courses were provided, covering topics including fire drills, workplace sexual harassment prevention, occupational safety, and unlawful infringement prevention. Physical courses totaled 245 hours, and online courses received a total of 468 views. FineTek has allocated occupational safety personnel, first aid personnel, and fire safety management personnel at all three plant sites. There is a total of 5 occupational safety management personnel (2 at the headquarters, 1 at Tucheng Plant II, and 2 at the Yilan Plant), 7 first aid personnel (3 at the headquarters, 3 at Tucheng Plant II, and 1 at the Yilan Plant), and 4 fire safety management personnel (1 at the headquarters, 2 at Tucheng Plant II, and 1 at the Yilan Plant). In addition, 1 organic solvent operation supervisor and 1 small boiler operator are assigned, and all personnel complete regular retraining in accordance with regulations. In 2025, a total of 6 fire drills were conducted (2 at Tucheng, 2 at Tucheng Plant II, and 2 at the Yilan Plant). The drills proceeded smoothly, and no false alarm incidents occurred.</p> <p>2. Employee Health Examinations</p> <p>The Company cares about the health condition of every employee and conducts employee health examinations once every two years in accordance with legal requirements. In 2024, a total of 187 employees underwent health examinations (91 males and 96 females). In addition, blue-collar foreign employees undergo health examinations upon entry into Taiwan, after six months, after 18 months, and upon expiration of</p> | Year | Working Hours | Number of General Occupational Injury Cases | Number of Severe Occupational Injury Cases | Severe Occupational Injury Rate | Recordable Occupational Injury Rate | 2025 | 493,968 | 8 | 0 | 0.00 | 16.00 | |
| Year | Working Hours | Number of General Occupational Injury Cases | Number of Severe Occupational Injury Cases | Severe Occupational Injury Rate | Recordable Occupational Injury Rate | | | | | | | | | | | |
| 2025 | 493,968 | 8 | 0 | 0.00 | 16.00 | | | | | | | | | | | |

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|------|-----------------------|----|--|---|
| | Yes | No | | |
| | | | <p>their contracts in compliance with legal requirements. No employee health examinations were conducted in 2025 and are scheduled to be conducted in the second half of 2026. Since 2022, the Company has signed service contracts with hospitals for on-site medical and nursing personnel services, covering five major programs: “Prevention of Ergonomic Hazards,” “Health Protection for Middle-aged and Elderly Employees,” “Maternal Health Protection,” “Prevention and Management of Diseases Caused by Abnormal Workloads,” and “Prevention of Workplace Unlawful Infringement.” Senior management has signed the “Written Declaration on the Prevention of Workplace Unlawful Infringement.”</p> <p>On-site medical and nursing personnel regularly visit the Company each year to provide employee health consultation services. Based on employees’ health examination reports, medical personnel provide recommendations regarding work posture and physical and mental adjustment. In 2025, a total of 216 service visits were provided (117 males and 99 females), accounting for 86% of the Company’s total workforce (216/251), including 85% of male employees (117/138) and 88% of female employees (99/113).</p> <p>3. Number of Fire Incidents in the Current Year and Related Improvement Measures for Fire Response</p> <p>The Company did not experience any fire incidents in 2025.</p> <p>4. Personal Data Protection Management</p> <p>The Company has established the “Personal Data Protection Management Procedures” in accordance with relevant laws and regulations, including the “Personal Data Protection Act” and the “Enforcement Rules of the Personal Data Protection Act,” to regulate the Company’s computerized processing of personal data, prevent infringement of employee rights and interests, and promote the reasonable use of personal data.</p> <p>The Company properly protects employees’ personal data and complies with the Personal Data Protection Act. The “Applicant Basic Information Form” completed by external job applicants and the “Personnel Data Card” completed by internal employees clearly stipulate that, with the consent of the individual, the Company may collect, process, use, internationally transmit, and subsequently conduct administrative management operations relating to the personal data provided for specific purposes of the Company. Internal and external audits regularly conduct spot checks to verify proper documentation. When information is provided for internal or external audits, employee personal data is concealed or redacted beforehand. Human resources-related forms are compiled and preserved by the Human Resources Division and retained for the legally required retention periods. Upon the expiration of the retention period, such records are destroyed to prevent data leakage. During new employee training, the Company additionally informs new employees regarding matters related to the collection and use of personal data and requests new employees to sign the training form for confirmation. If external vendors require access to employee personal data due to business cooperation (such as on-site medical services, group insurance operations, and health examinations), the Company will clearly stipulate confidentiality obligations and the scope of use in contracts to ensure data security and safeguard employee rights and interests. There were no incidents of violations of the Personal Data Protection Act in 2025.</p> | |

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| | Yes | No | Summary description | |
| (IV) Has the Company established effective career development training programs for employees? | V | | <p>(IV) The Company regards employees as important assets and places great importance on talent development. In order to cultivate outstanding talent and enhance overall competitiveness, the Company has established a comprehensive education and training system. This includes onboarding training, on-the-job training (internal and external training), management competency training, and internal online e-learning courses. Education and training for new employees are planned by the Human Resources Division and include general courses such as Company introduction, introduction to personnel systems and regulations, occupational safety and health advocacy, workplace unlawful infringement prevention advocacy, and gender equality-related regulations. On-the-job education and training are conducted in accordance with the annual education and training plans of each department, and training effectiveness is continuously tracked in the workplace. In addition, relevant management competency training courses for cultivating deputy successor talent and management personnel are strategically planned based on organizational objectives. At the same time, management capabilities are enhanced and strengthened through cross-functional or interdepartmental transfers, assignment of project execution tasks, and participation in related meetings.</p> <p>The annual education and training plan stipulate the required annual training credits for employees. Statistics for 2025 show that the total employee training hours reached 6,099 hours, with an average of 24.4 training hours per employee (6,099 hours/250 employees). Male employees accounted for 4,274 total training hours, while female employees accounted for 1,825 total training hours. In 2025, total management training hours reached 3,271 hours, averaging 49.56 hours per person (3,271/66). Total training hours for non-management employees were 2,828 hours, averaging 15.37 hours per person (2,828/184).</p> | No significant differences. |
| (V) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies? | V | | <p>(V) The Company has established the “Customer Service Management Procedures,” with the objective of providing superior customer service, delivery lead times, product specifications and functions, and product quality to meet customer needs, while continuously improving and developing new products to enhance market competitiveness. In order to understand customers’ overall evaluations of the Company’s products and services and to strengthen customer service so that issues raised or feedback provided during product use can be promptly investigated and addressed, customer satisfaction surveys covering product quality, sales services, marketing websites, and other areas are conducted every November to analyze customers’ overall evaluations of the Company.</p> <p>To strengthen customer loyalty and establish long-term stable customer relationships, the Company conducts in-depth analyses of feedback from customer satisfaction surveys each year, particularly regarding unsatisfactory matters, and formulates specific improvement plans to progressively enhance service quality and customer satisfaction. These measures are intended to ensure that customer needs receive full attention, further strengthen partnership relationships, and promote long-term business development. The Company conducted a customer satisfaction survey in 2025, and the satisfaction score was 90 points.</p> <p>In addition, the Company has established the “Customer Complaint and Product Return Handling Procedures” to ensure that customers can effectively and promptly obtain resolutions for various issues and</p> | No significant differences. |

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| | Yes | No | Summary description | |
| | | | <p>complaints raised when receiving the Company’s business and related services, and that appropriate countermeasures are adopted. The Company’s customer communication and complaint contact information is as follows:</p> <ul style="list-style-type: none"> ■ Customer Communication Website: www.fine-tek.com ■ Customer Communication Email: info@fine-tek.com | |
| (VI) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation? | V | | <p>(VI) 1. Supplier Sustainability Management Policy: The Company has established the “Quality Management Procedures” for supplier management, and relevant units conduct supplier evaluations and require that all raw materials provided by suppliers comply with relevant regulations. Quality assurance personnel also conduct strict inspections to ensure that the Company’s products comply with safety standards and require key suppliers to jointly comply with green manufacturing practices to meet EU directive requirements such as RoHS and REACH, thereby promoting the concept of sustainable operations throughout the industry.</p> <p>The Company implements local procurement to reduce carbon emissions caused by transportation, thereby achieving timely and local sourcing, reducing management and operating costs, and maintaining and creating local employment opportunities. In addition, the scope of supply chain management has been extended to ESG topics covering environmental, social, and governance dimensions. This includes labor rights, environmental protection, safety and health, ethics, and management systems, all of which are incorporated into supplier self-assessment and audit requirements to establish risk management items and identify high-risk suppliers.</p> <p>2. Compliance Standards: Suppliers are required to sign the “Green Environmental Protection Commitment Letter” and the “Supplier Social Responsibility Commitment Letter.” The Green Environmental Protection Commitment Letter includes commitments ensuring that manufactured or assembled products comply with the Stockholm Convention and POPs (Persistent Organic Pollutants) requirements, and that the components, raw materials, or finished products used do not violate the control requirements and specially established specifications set forth in the GP Table of Restricted Substances.</p> <p>In 2025, a total of 415 Green Environmental Protection Commitment Letters had been completed, and a total of 81 Supplier Social Responsibility Commitment Letters had been completed.</p> <p>3. Risk Assessment: Through the ESG (Environmental, Social, and Governance)-based “Supplier Self-Assessment Form,” the Company identifies key and high-risk suppliers to establish a foundation for long-term cooperation and implement sustainable operation objectives. A total of 474 supplier ESG self-assessments were completed (441 completed in 2024, with 33 completed in 2025).</p> <p>4. Audit and Verification: In accordance with the “Supplier Evaluation Form,” suppliers are evaluated in terms of quality, delivery lead time, and ESG dimensions. Suppliers rated C or D are guided and required to implement improvements in accordance with supplier selection and management procedures.</p> | No significant differences. |

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| | Yes | No | Summary description | | | | | | | |
| | | | <p>ESG indicators include:</p> <table border="1"> <tr> <td>Environmental Dimension</td> <td>Whether packaging materials or waste recycling management is implemented, whether energy management or renewable energy is utilized, provision of proof of green production materials (such as RoHS 2, Halogen Free, and REACH) and third-party reports, among others.</td> </tr> <tr> <td>Social Dimension</td> <td>Whether importance is placed on employee health and workplace safety, and whether professional training is provided to personnel, among others.</td> </tr> <tr> <td>Governance Dimension</td> <td>Whether compliance with relevant government laws and regulations is maintained, and whether instruments/equipment have calibration, maintenance, and repair records, among others.</td> </tr> </table> <p>In the 2025 supplier evaluations, a total of 435 suppliers received A or B ratings (with A/B-rated suppliers accounting for 95.81%).</p> | Environmental Dimension | Whether packaging materials or waste recycling management is implemented, whether energy management or renewable energy is utilized, provision of proof of green production materials (such as RoHS 2, Halogen Free, and REACH) and third-party reports, among others. | Social Dimension | Whether importance is placed on employee health and workplace safety, and whether professional training is provided to personnel, among others. | Governance Dimension | Whether compliance with relevant government laws and regulations is maintained, and whether instruments/equipment have calibration, maintenance, and repair records, among others. | |
| Environmental Dimension | Whether packaging materials or waste recycling management is implemented, whether energy management or renewable energy is utilized, provision of proof of green production materials (such as RoHS 2, Halogen Free, and REACH) and third-party reports, among others. | | | | | | | | | |
| Social Dimension | Whether importance is placed on employee health and workplace safety, and whether professional training is provided to personnel, among others. | | | | | | | | | |
| Governance Dimension | Whether compliance with relevant government laws and regulations is maintained, and whether instruments/equipment have calibration, maintenance, and repair records, among others. | | | | | | | | | |
| V. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third-party assurance or certification for the reports above? | V | | <p>The Company follows the Global Reporting Initiative (GRI) Standards: Core option, issued by the Global Reporting Initiative, as the reference basis for information disclosure in its sustainability reports. In July 2024, the Company completed the preparation of the 2023 Sustainability Report and obtained verification from the third-party verification body, the British Standards Institution. The 2024 sustainability report was completed in August 2025. The 2025 sustainability report is currently under preparation.</p> | No significant differences. | | | | | | |
| <p>VI. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations:</p> <p>The Company has established the Sustainable Development Best Practice Principles, and there are no material differences between its implementation status and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.</p> | | | | | | | | | | |
| <p>VII. Other important information to facilitate better understanding of the company's promotion of sustainable development:</p> <ol style="list-style-type: none"> Through the Yilan Wu Sha Culture Foundation, the Company promotes various public welfare and cultural activities, such as inviting disadvantaged groups to participate in charity bazaars, organizing cultural forums, the Wu Sha Arts Festival, and guided tours of the Wu Sha Residence. The Company's Yilan Plant is located in the Lize Industrial Park in Su'ao Township, Yilan County. As a local enterprise deeply rooted in the Yilan Science Park, the Company has long been concerned with local community development and educational equality. In 2025, coinciding with the 110th anniversary of Sijie Elementary School in Yilan County, the Company upheld the corporate citizenship spirit of "taking from society and giving back to society" by donating NT\$850,000 to celebrate the school anniversary. In addition, the Yilan Wu Sha Culture Foundation assigned 10 staff members to support related activities, demonstrating substantive support for grassroots education. The project funds were primarily allocated to the school anniversary series of activities, assisting in | | | | | | | | | | |

| Item | Implementation Status | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons |
|------|-----------------------|----|--|---|
| | Yes | No | Summary description | |
| | | | <p>organizing the “Colorful Nostalgic Market,” “Health Road Run,” and “School Anniversary Celebration Ceremony,” thereby strengthening cohesion among teachers, students, parents, and alumni, while also witnessing moments of cultural heritage such as the unveiling of the renovated school history room and deepening emotional ties between the campus and the community. After the event concluded, both parties reached a consensus to convert all remaining funds into a long-term education fund dedicated exclusively to assisting underprivileged students and supporting diverse student activities, thereby implementing SDG 4 Quality Education and SDG 10 Reduced Inequalities, with the aim of creating a safe and enriching learning environment for students in rural areas.</p> <p>3. Under the theme “Moving Forward Through Art,” the Company and the Yilan Wu Sha Culture Foundation collaborated with corporate partners to bring the 10th anniversary achievement exhibition of the Wu Sha Arts Competition to the National Chiang Kai-shek Memorial Hall. The exhibition period ran from November 29 to December 10, 2025, with 15 staff members participating, demonstrating the cultural influence of cross-sector collaboration. The exhibition covered three categories: calligraphy, photography, and painting, featuring a total of 88 works. The creators ranged in age from teenagers to individuals over 60 years old, embodying all-age art education. The exhibition attracted 4,236 visitors, successfully bringing Yilan’s local spirit to the capital region and promoting cultural equality between urban and rural areas. This exhibition established a mature public welfare cooperation model, helping enterprises transform resource investment into value co-creation, thereby achieving SDG 10 Reduced Inequalities and SDG 17 Partnerships for the Goals.</p> <p>4. On December 27, 2025, the Company and the Yilan Wu Sha Culture Foundation organized the “Community Senior Appreciation Gathering” event, inviting senior residents from the community to gather and interact, allowing them to experience the warmth of the Company and the neighborhood during the winter season, thereby implementing SDG 3 Good Health and Well-Being and SDG 17 Partnerships for the Goals. A total of three staff members participated in the event, which attracted 50 participants. In the morning, a “Handmade Fruit Vinegar” experience activity was arranged, during which seniors selected and blended ingredients under the guidance of instructors, training hand-eye coordination. Fruit vinegar symbolized health and blessings and promoted emotional exchanges among community members. A warm luncheon gathering was held at noon, during which the Foundation’s annual outstanding volunteer awards were presented to thank volunteers for their selfless dedication throughout the year, with the hope that the spirit of service would continue to spread throughout the community.</p> <p>5. For other sustainable development implementation details, please refer to the Company’s sustainability report or the Company website.</p> | |

(6-1) Climate-Related Information of TWSE/TPEX Listed Company:

| Item | Implementation Status |
|--|---|
| 1. Describe the board of directors’ and management’s oversight and governance of climate-related risks and opportunities. | The Company’s Sustainability Committee annually assesses the risks posed by climate change to sustainable operations, determines whether such risks should be included as material topics for the year, and develops adaptive operational policies and proposes solutions in response to climate risks. Under the Sustainability Committee, an Environmental Sustainability Group has been established, which is responsible for environmental management systems, compliance with environmental regulations and international standards, assessment of sustainability transformation, and climate change response mechanisms. Relevant managers also participate in sustainability management training courses from time to time in order to update related strategies and planning in line with regulatory developments. The Board of Directors serves as the highest governance unit and provides supervision and recommendations for improvement. |
| 2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term). | The Company defines the short term as within 3 years, the medium term as 3 to 5 years, and the long term as more than 5 years. It assesses the potential operational and financial impacts of climate-related risks and opportunities on the Company in order to plan various actions in response to climate-related risks and opportunities: |

| Item | Implementation Status | | | |
|------|-----------------------------------|---|--|---|
| | Risk Categories and Opportunities | Short Term (1–3 years) | Medium Term (3–5 years) | Long Term (more than 5 years) |
| | Transition Risks | <ul style="list-style-type: none"> ● Policies and regulatory requirements strengthening greenhouse gas inventory obligations ● Increased customer demand for green management | <ul style="list-style-type: none"> ● Changes in customer demand and preferences | <ul style="list-style-type: none"> ● Failure to meet net-zero emissions requirements |
| | Physical Risks | <ul style="list-style-type: none"> ● Increased severity of extreme weather events such as typhoons and floods | <ul style="list-style-type: none"> ● Increased natural disasters causing supply chain disruptions | <ul style="list-style-type: none"> ● Increase in the Earth’s average temperature |
| | Opportunities | <ul style="list-style-type: none"> ● Promotion of ESG and other measurement-related products | <ul style="list-style-type: none"> ● R&D and innovation of low-carbon products | <ul style="list-style-type: none"> ● Improvement of resource use efficiency |

The Company has conducted assessments of the above risks and has identified climate-related risks and opportunities that may have significant financial impacts, as well as corresponding response strategies, as follows:

| Transition Risks/Climate Opportunities | | |
|--|---|---|
| Risk (R)/Opportunity (O) | Financial Impact -/+ | Response Strategies |
| R: Policies and regulatory requirements strengthening greenhouse gas inventory obligations | <ul style="list-style-type: none"> – Annual carbon inventory and verification increase operating costs. – Increased capital expenditures due to the addition of energy-saving equipment. | <ul style="list-style-type: none"> ● Increase the use of automated statistical systems to improve efficiency. ● Use energy-saving equipment to reduce carbon emissions. |
| R: Customer demand for green management R: Changes in customer demand and preferences O: Promotion of ESG and other measurement-related products | <ul style="list-style-type: none"> – Reduced market sales resulting in lower revenue – Increased operating costs for green management + Increased revenue through promotion of ESG carbon emission and other | <ul style="list-style-type: none"> ● Expand sales regions and customer base. |

| Item | Implementation Status | | |
|---|--|---|--|
| | <p>O: R&D and innovation of low-carbon products</p> | <p>measurement-related products</p> <p>– Development of low-carbon products may increase R&D costs, and unsuccessful development may result in financial losses.</p> | <p>● Seek cooperation with external research teams to jointly develop optimized low-carbon products.</p> |
| | Physical Risks/Climate Opportunities | | |
| | <p>Risk (R)/Opportunity (O)</p> | <p>Financial Impact –/+</p> | <p>Response Strategies</p> |
| | <p>R: Increased severity of extreme weather events such as typhoons and floods R: Increased natural disasters causing supply chain disruptions</p> | <p>– Suspension of operations at operating sites resulting in decreased revenue. – Rising raw material prices leading to increased operating costs. – Increased transportation costs and delayed product delivery resulting in reduced revenue.</p> | <p>● For operating sites, assess the probability of past natural disasters occurring and implement risk mitigation measures. ● Avoid reliance on a single supplier and maintain second or third alternative suppliers.</p> |
| | <p>R: Increase in the Earth’s average temperature O: Improvement of resource use efficiency</p> | <p>– Increased electricity consumption resulting in higher operating expenses (R) – Increased temperature control costs (R) + Reduced electricity costs (O)</p> | <p>● Construct green buildings and use renewable energy. ● Procure energy-saving equipment to reduce operating expenses.</p> |
| <p>3. Describe the financial impact of extreme weather events and transformative actions.</p> | <p>Extreme climate events, including increased severity of extreme weather events such as typhoons and floods or rising average global temperatures, may increase the Company’s direct and indirect operating costs. Please refer to Item 2 for details.</p> | | |
| <p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p> | <p>The Sustainability Committee identifies, assesses, and manages climate risks in accordance with the Company’s risk management system and reports to the Board of Directors at least once annually.</p> | | |
| <p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p> | <p>The Company is still evaluating.</p> | | |
| <p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to</p> | <p>For the Company’s greenhouse gas reduction targets and plans, please refer to Item 9.</p> | | |

| Item | Implementation Status |
|--|---|
| identify and manage physical risks and transition risks. | |
| 7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated. | The Company currently does not use internal carbon pricing as a planning tool. |
| 8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified. | The FineTek Tucheng Headquarters, Tucheng Plant II, and Yilan Lizeh Plant began conducting greenhouse gas inventories in 2023 and have undergone third-party verification. The Company plans to begin greenhouse gas inventory planning and implementation for subsidiaries starting in 2026. The remaining implementation schedule will be planned and executed in accordance with the regulations of the Financial Supervisory Commission. The Company has not yet adopted RECs or carbon offset mechanisms. |

Item: 9. Greenhouse Gas Inventory and Assurance Status, Reduction Targets, Strategies, and Specific Action Plans Implementation Status:

- (1) Greenhouse gas emissions (metric tons CO_{2e}), intensity (metric tons CO_{2e}/million), and data coverage scope for the most recent two years

The Company conducts inventories in accordance with the ISO 14064-1 greenhouse gas inventory standard. The scope of greenhouse gas emissions data covers the FineTek Tucheng Headquarters, Tucheng Plant II, and Yilan Lizeh Plant. Emissions information is as follows:

| Category | 2024 | 2025 |
|--|---------------------------------|----------------------------------|
| Direct greenhouse gas emissions (Scope 1) | 65.9942 tons CO _{2e} | 2,292.5815 tons CO _{2e} |
| Energy indirect greenhouse gas emissions (Scope 2) | 466.0006 tons CO _{2e} | 512.9165 tons CO _{2e} |
| Indirect greenhouse gas emissions (Scopes 3–6) | 1392.6901 tons CO _{2e} | 2,798.9709 tons CO _{2e} |

Intensity (tons CO_{2e}/million) is as follows:

| Item | 2024 | 2025 |
|---|------------|------------|
| Greenhouse gas emissions (tons CO _{2e}) | 1,924.6849 | 5,604.4689 |
| Revenue (NT\$ million) | 894 | 855 |
| Intensity (tons CO _{2e} /million) | 2.1529 | 6.5524 |

- (2) Greenhouse Gas Assurance Information

The greenhouse gas inventories for 2024 and 2025 were internally conducted by the Company. If any information is revised, the sustainability report, Company website, and Market Observation Post System shall prevail. As the Company is a TPEX listed company with paid-in capital below NT\$5 billion, external assurance will be completed in accordance with the timeline stipulated by the competent authorities.

- (3) Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Reduction Target: Since emissions are closely related to revenue, the Company has set 2023 as the baseline year, with a target of reducing greenhouse gas intensity by 1% every two years and achieving a total reduction of 5% by 2030. In 2025, greenhouse gas emissions increased by 204% compared to 2024. The intensity was exceeded the target, primarily due to the addition of new process emissions calculations within the company's scope, and starting in 2025, the scope was expanded to include central and southern Taiwan.

| Item | Implementation Status |
|------|--|
| | <p>The Company will continue strengthening advocacy for energy conservation and carbon reduction. Policies are as follows:</p> <ul style="list-style-type: none"> A. Mutual Impacts of Shared Water Resources: All plants use tap water as their water source and do not use any other incoming water sources. In line with public water-saving policies, faucets in public areas are equipped with water-saving and timer devices. Water-saving devices and water-efficient toilets have been installed in offices and plant areas to avoid wasting water resources. B. Management of Impacts Related to Wastewater Discharge: In accordance with the planning of the Tucheng Industrial Park, the Company's plants are categorized as low-emission factories. Therefore, domestic wastewater is connected to the industrial park sewer system and flows directly to the industrial park wastewater treatment plant. C. Electricity Consumption Management: Independent electricity management monitoring devices are established for high electricity-consuming equipment to comply with contracted capacity usage. If electricity demand becomes overloaded during peak periods, peak and off-peak work arrangements will be adjusted. D. Office air conditioning equipment is set to constant temperatures to reduce electrical loads, and employees are encouraged to turn off air conditioning and lighting when not in use. E. Lights and computers are turned off after work hours to achieve energy-saving effects. F. Electricity use in offices and plant areas is reduced through daily energy-saving practices to lower carbon emissions, including gradually replacing lighting with energy-saving LED tubes and using infrared or sound-control switches to save electricity. G. Electronic approval and electronic document management systems have been introduced to reduce paper usage, and recycled paper is utilized whenever possible. H. Employees are encouraged to use public transportation and green energy equipment to reduce air pollution and carbon dioxide emissions. Precise Business Visits: Visit efficiency is enhanced through measures such as ride-sharing systems to reduce vehicle usage and achieve energy conservation and carbon reduction effects. |

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

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons |
|---|-----------------------|----|---|--|
| | Yes | No | Summary description | |
| I. Establishment of ethical corporate management policies and programs (I) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team? | V | | (I) The Company has established the “Procedures and Guidelines for Ethical Management” and the “Ethical Management Best Practice Principles,” both of which have been approved by the Board of Directors and published on the Company website. | No significant differences. |
| (II) Has the company established an assessment mechanism for the risk of unethical conduct; regularly analyzed and evaluated, within a business context, the business activities with a higher risk of unethical conduct; and formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies? | V | | (II) The Company’s “Procedures and Guidelines for Ethical Management” and “Ethical Management Best Practice Principles” include preventive measures covering the acts specified in each subparagraph of Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.” The Company strictly requires that all decisions and conduct comply with applicable laws and regulations as a fundamental principle and strengthens the concept of ethical management through education and advocacy. | No significant differences. |
| (III) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention | V | | (III) The Company’s “Procedures and Guidelines for Ethical Management” and “Ethical Management Best Practice Principles” prohibit the Company, directors, and managers from offering or accepting improper benefits and clearly stipulate | No significant differences. |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons |
|--|-----------------------|----|---|--|
| | Yes | No | Summary description | |
| program, implement it, and regularly review and revise the plan? | | | handling procedures for political contributions, charitable donations, sponsorships, and related conduct. | |
| II. Ethical Management Practice (I) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts? | V | | (I) Before establishing any business relationship, the Company considers the legitimacy of counterparties and whether there is any record of unethical conduct to ensure that all business activities comply with the principles of ethical management. | No significant differences. |
| (II) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation? | V | | (II) 1. The Office of the President serves as the responsible unit. 2. Implementation status for the current year: (1) Formulation and revision of ethical management policies. (2) Issuance of ethical management advocacy announcement emails and organization of advocacy sessions and educational training courses. An ethical management advocacy announcement was issued in December 2025. (3) Commitment: In 2025, a total of 28 managerial-level supervisors signed ethical management declarations. (4) Supervision: Routine supervision is conducted to ensure that all employees and directors comply with the Company's ethical management principles. (5) A whistleblowing section and whistleblowing system have been established, and there were no whistleblowing incidents during the current year. 3. Reports are made to the Board of Directors | No significant differences. |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons |
|---|-----------------------|----|---|--|
| | Yes | No | Summary description | |
| | | | at least once annually. The most recent report was presented at the 5th meeting of the 9th Board of Directors on December 18, 2025. | |
| (III) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies? | V | | (III) The Company has established Employee Work Rules that clearly specify matters requiring the attention of all employees during the course of employment and business execution in order to prevent employees from harming the Company's interests for personal gain. | No significant differences. |
| (IV) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit review the results of unethical conduct risk assessments and devise audit plans to evaluate compliance with systems designed to prevent unethical conduct, or does it hire outside accountants to perform the audits? | V | | (IV) To ensure the implementation of ethical management, the Company has established effective accounting systems and internal control systems, and the internal audit unit regularly audits compliance therewith. | No significant differences. |
| (V) Does the company provide internal and external ethical corporate management training programs on a regular basis? | V | | (V) Internal: In addition to clearly stipulating matters requiring attention when Company personnel conduct business in the "Procedures and Guidelines for Ethical Management," the Company promotes various regulations through employee education and training, internal emails, and internal meetings. In 2025, the President promoted various ethical management topics through a total of 8 sessions, with 221 participant attendances. External: The Company provides ethical management courses for directors, managers, and insiders to participate in. In 2025, | No significant differences. |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons |
|---|-----------------------|----|---|--|
| | Yes | No | Summary description | |
| | | | participation totaled 2 attendances and 6 training hours. | |
| <p>III. Implementation of Complaint Procedures</p> <p>(I) Has the company established specific whistleblowing and reward procedures, set up conveniently accessible whistleblowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?</p> | V | | <p>(I) The Company has established specific whistleblowing and reward systems and has established independent internal and external whistleblowing mailboxes and hotlines, along with dedicated units responsible for handling related matters. Company Whistleblowing Section: https://www.fine-tek.com/investors/p/reporting</p> | No significant differences. |
| <p>(II) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?</p> | V | | <p>(II) The Company has established standard operating procedures for investigating whistleblowing matters and related confidentiality mechanisms. After receiving whistleblowing cases, the dedicated unit keeps the whistleblower's identity and report content confidential and initiates investigations into the reported matters. If the reported party is confirmed to have violated relevant laws, regulations, or Company rules, they shall be immediately required to cease the relevant conduct, and appropriate actions shall be taken. When necessary, legal procedures may be pursued to seek damages in order to protect the Company's reputation and interests. If no concrete evidence is found after investigation, the dedicated unit shall document the reasons in writing and archive the records after obtaining approval from the President. All related whistleblowing documents and materials shall be treated as confidential Company documents, and personnel of the dedicated unit shall bear full confidentiality responsibilities.</p> | No significant differences. |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons |
|--|-----------------------|----|---|--|
| | Yes | No | Summary description | |
| | | | | |
| (III) Has the company adopted proper measures to protect whistleblowers from retaliation for filing complaints? | V | | (III) The Company adopts necessary protection measures for whistleblowers through the dedicated unit to prevent improper treatment resulting from whistleblowing. | No significant differences. |
| IV. Strengthening Information Disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)? | V | | The Company has disclosed the content and implementation results of the Ethical Management Best Practice Principles on the Company website and the MOPS. | No significant differences. |
| <p>V. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation</p> <p>The Company has established the “Ethical Management Best Practice Principles” and the “Procedures and Guidelines for Ethical Management.” The Office of the President is responsible for the formulation and supervision of ethical management policies and prevention programs and regularly reports to the Board of Directors. Its operations have no material differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.</p> | | | | |
| <p>VI. Other important information to facilitate a better understanding of the status of operation of the company’s ethical corporate management policies</p> <p>(I) The Company complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, regulations related to TWSE/TPEX listing, and other laws and regulations related to commercial conduct as the basis for implementing ethical management.</p> <p>(II) The Company has established the “Procedures for Handling Material Inside Information and Prevention of Insider Trading,” which clearly stipulate that directors, managers, and employees may not disclose known material inside information to others, inquire with persons who possess the Company’s material inside information, or collect unpublished internal material information unrelated to their duties. They are also prohibited from disclosing unpublished material inside information of the Company obtained other than through business execution to others.</p> | | | | |

| Evaluation item | Implementation status | | Summary description | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons |
|-----------------|-----------------------|----|--|--|
| | Yes | No | | |
| (III) | | | The Company has consistently adhered to operations based on integrity, complied with relevant regulations and internal control systems for sound management, strictly prohibited dishonest conduct or violations of laws and regulations, and retained legal counsel to provide necessary consultation and review. | |

(VIII) Other Important Information Sufficient to Enhance Understanding of the Company’s Corporate Governance Operations

1. The Company’s corporate governance evaluation ranking tier among TPEX listed companies for 2025 fell within the 21%–35% range.
2. The Company has disclosed material information in a timely manner and has posted related important information on the Market Observation Post System and the Company website.

(IX) Internal Control System Implementation Status

1. Statement on Internal Control

In accordance with Article 22-1 of the “Regulations Governing Information to be Published in Annual Reports of Public Companies,” the index for inquiry regarding information disclosed in the annual report is as follows:

- Inquiry path: Market Observation Post System > Individual Company > Corporate Governance > Company Regulations/Internal Control > Internal Control Statement Announcement.
 - Inquiry website: <https://mops.twse.com.tw/mops/#/web/t06sg20>
2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: Not applicable.

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

1. Material Resolutions of Shareholders' Meetings

| Date | Material Resolution Items | Implementation Status |
|---------------|--|---|
| June 13, 2025 | <ol style="list-style-type: none"> 1. Approval of the 2024 Business Report and financial statements 2. Approval of the 2024 earnings distribution proposal 3. Approval of the proposal for capitalization of earnings through issuance of new shares 4. Approval of amendments to certain provisions of the Company's Articles of Incorporation 5. Re-election of directors 6. Approval of the proposal to release newly elected directors from non-competition restrictions | <ol style="list-style-type: none"> 1. The registration amendment for the issuance of new shares through capitalization of earnings under the earnings distribution proposal was completed on October 15, 2025. 2. Under the earnings distribution proposal, the cash dividend was NT\$4.1 per share. The ex-dividend record date was August 4, 2025, and the distribution date was August 21, 2025. 3. All other proposals were implemented in accordance with the resolutions passed. |

2. Material Resolutions of Board Meetings

| Date | Material Resolution Items |
|------------------|---|
| February 2, 2025 | <ol style="list-style-type: none"> 1. Proposal for the Company's intended acquisition of the German company DYNA Instruments GmbH through the Company's German subsidiary, Müttec Instruments GmbH 2. Amendment to certain provisions of the Company's "Articles of Incorporation" 3. Proposal for the promotion and salary adjustment of the Company's managers |
| March 10, 2025 | <ol style="list-style-type: none"> 1. Proposal for the Company's 2024 Business Report and Financial Statements 2. Proposal for the Company's 2024 employee remuneration and directors' remuneration 3. Proposal for 2024 earnings distribution 4. Proposal for issuance of new shares for capital increase by capitalization of retained earnings 5. Proposal for the assessment of the effectiveness of the Company's 2024 internal control system and the "Statement of Internal Control System" 6. Proposal regarding the non-assurance services expected to be provided by the Company's CPAs in 2025 |

| Date | Material Resolution Items |
|------------------|--|
| | <ol style="list-style-type: none"> 7. Proposal regarding the Company's regular evaluation of CPA independence 8. Proposal and review of the list of director and independent director candidates 9. Re-election of directors 10. Proposed release of newly elected directors from non-competition restrictions 11. Proposal to determine matters related to convening the 2025 annual shareholders' meeting 12. Proposal regarding the acceptance of shareholder nomination rights, review standards, and operating procedures 13. Proposal regarding the acceptance of shareholder proposal rights, review standards, and operating procedures |
| May 8, 2025 | <ol style="list-style-type: none"> 1. Proposal for the Company's consolidated financial statements for the first quarter of 2025 2. Proposal to amend certain provisions of the Company's Corporate Governance Best Practice Principles 3. Proposal to amend certain provisions of the Company's Procedures for Handling Material Inside Information |
| June 13, 2025 | <ol style="list-style-type: none"> 1. Election of the Company's Chairman |
| June 13, 2025 | <ol style="list-style-type: none"> 1. Proposal for the appointment of members of the Remuneration Committee 2. Proposal regarding the appointment of members of the Sustainability Committee |
| August 6, 2025 | <ol style="list-style-type: none"> 1. Proposal for the Company's consolidated financial statements for the second quarter of 2025 2. Proposal for the distribution of 2024 directors' remuneration and employee remuneration for managers 3. Proposal for the issuance of the Company's 2024 sustainability report 4. Proposal to determine the 2025 ex-rights record date and matters related to dividend distribution 5. Proposal for partial amendments to the issuance and conversion procedures for the Company's first domestic unsecured convertible corporate bonds 6. Proposal to apply for a financing credit line from Mega International Commercial Bank 7. Proposal to apply for a financing credit line from Taiwan Business Bank |
| November 7, 2025 | <ol style="list-style-type: none"> 1. Proposal for the Company's consolidated financial statements for the third quarter of 2025 2. Proposal for the Company's intended donation to the Yilan Wu Sha Culture Foundation 3. Proposal for the establishment of the Company's "Corporate Value |

| Date | Material Resolution Items |
|-------------------|---|
| | <p>Enhancement Plan”</p> <ol style="list-style-type: none"> 4. Proposal for amendments to the payroll cycle under the internal control system 5. Proposal for amendments to the information cycle under the internal control system 6. Proposal for adjustments to the profit distribution of subsidiaries 7. Proposal to apply for a financing credit line from Yuanta Commercial Bank |
| December 18, 2025 | <ol style="list-style-type: none"> 1. Proposal for the Company’s 2026 business plan 2. Proposal for the Company’s 2026 audit plan 3. Proposal for establishing the principles for the distribution of 2025 year-end bonuses and the distribution amounts for managers |
| March 11, 2026 | <ol style="list-style-type: none"> 1. Proposal for the Company’s 2025 Business Report and Financial Statements 2. Proposal for the Company’s 2025 employee remuneration and directors’ remuneration 3. Proposal for 2025 earnings distribution 4. Proposal for issuance of new shares for capital increase by capitalization of retained earnings 5. Proposal for the assessment of the effectiveness of the Company’s 2025 internal control system and the “Statement of Internal Control System” 6. Proposal regarding the non-assurance services expected to be provided by the Company’s CPAs in 2026 7. Proposal regarding the Company’s regular evaluation of CPA independence 8. Proposal to amend the “Payroll Cycle” and “Information Cycle” of the internal control system 9. Proposal regarding the definition and scope of the Company’s grassroots employees 10. Proposal to apply for a financing credit line from Yuanta Commercial Bank 11. Proposal to determine matters related to convening the 2026 annual shareholders’ meeting 12. Proposal regarding the acceptance of shareholder proposal rights, review standards, and operating procedures |

(XI) Where, during the most recent fiscal year or the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None.

IV. Information on the professional fees of the attesting CPAs (external auditors)

- (I) Amounts of the audit fees and non-audit fees paid to the attesting certified public accountants and to the accounting firm to which they belong and to any affiliated enterprises as well as the details of non-audit services:

Unit: NT\$ thousand

| Name of Accounting Firm | Name of CPA | Audit Period Covered by the CPA | Audit Fees | Non-audit Fees (Note) | Total | Remarks |
|-------------------------|------------------|---------------------------------------|------------|-----------------------|-------|---------|
| Deloitte Taiwan | Chen Chung-Cheng | January 1, 2025– December 31, 2025 | 3,130 | 664 | 3,794 | None |
| | Liang Sheng-Tai | | | | | |

Note: Non-audit fees include fees for business registration, printing expenses, and transfer pricing reports.

- (II) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.
- (III) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: None.

V. Information on replacement of CPA:

- (I) Regarding the former CPA:

| | | | |
|--|---|-----|-----------|
| Date of Change | March 1, 2024 | | |
| Reason for Change and Description | Due to internal rotation arrangements at Deloitte Taiwan, effective from the first quarter of 2024, the CPAs responsible for auditing the Company's financial statements were changed from CPA Liang Sheng-Tai and CPA Chen Chao-Mei to CPA Chen Chung-Cheng and CPA Liang Sheng-Tai. | | |
| Explanation of Whether the Engagement Was Terminated or Not Accepted by the Principal or the CPA | Party Involved | CPA | Principal |
| | Circumstances | | |
| | Voluntary termination of engagement | - | - |
| | Refusal to accept (continue) engagement | - | - |
| Opinions and Reasons for Audit Reports Other Than Unqualified | None | | |

| | | | |
|--|-------------|---|------------------------------------|
| Opinions Issued Within the Most Recent Two Years | | | |
| Whether There Were Any Disagreements with the Issuer | Yes | - | Accounting principles or practices |
| | | - | Disclosure of financial statements |
| | | - | Audit scope or procedures |
| | | - | Others |
| | | - | |
| | None | V | |
| | Description | | |
| Other disclosure items | None | | |

(II) Regarding the successor CPA:

| | |
|---|--------------------------------------|
| Name of Accounting Firm | Deloitte Taiwan |
| Name of CPA | Chen Chung-Cheng and Liang Sheng-Tai |
| Date of Engagement | March 11, 2024 |
| Consultation matters and results prior to engagement regarding accounting treatment methods or accounting principles for specific transactions and possible opinions to be issued on the financial statements | None |
| Written opinions of the successor CPA regarding matters on which there were disagreements with the predecessor CPA | None |

(III) Reply from the predecessor CPA regarding the matters set forth in Subparagraphs 1 and 2(3), Item 6, Article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies: Not applicable.

VI. Where the company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm: None.

VII. Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year or the current fiscal year up to the date of publication of the annual report) by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or the current fiscal year up to the date

of publication of the annual report

(I) Changes in Shareholding of Directors, Managerial Officers, and Major Shareholders

| Designation | Name | 2025 | | As of April 10, 2026 | |
|--------------------------------------|------------------|-------------------------------------|---|-------------------------------------|---|
| | | Shareholding increase (or decrease) | Pledged shareholding increase (or decrease) | Shareholding increase (or decrease) | Pledged shareholding increase (or decrease) |
| Director and Chairman | Wu Ting-Kuo | 3,087,178 | — | (4,000,000) | — |
| Chairman (Note 1) | Wu Ching-Teh | — | — | — | — |
| Director and Vice President | Wu Kuei-Yung | 206,999 | — | 0 | — |
| Director | Gao Lun-Mao | 3,007 | — | 0 | — |
| Independent director (Note 1) | Chien Chun-Chu | — | — | — | — |
| Independent Director | Wu Chin-Kuang | 0 | — | 0 | — |
| Independent Director | Wu Hsi-Her | 0 | — | 0 | — |
| Independent director (Note 2) | Tsai Li-Ju | 0 | — | 0 | — |
| Independent director (Note 2) | Cheng Yung-Yun | 0 | — | 0 | — |
| Vice President (Note 3) | Cheng Chao-Kai | — | — | — | — |
| Vice President | Chao Li-Ching | 4,201 | — | 0 | — |
| Plant General Manager | Lee Cheng-Dao | 4,412 | — | 0 | — |
| President, FineTek Shanghai (Note 4) | Wang Jen-Shun | 0 | — | 0 | — |
| Associate Vice President (Note 5) | Liao Chi-Fan | 113 | — | 0 | — |
| Finance Manager | Wang Hsiao-Chun | 173 | — | 0 | — |
| Chief Auditor | Huang Chiung-Min | 0 | — | 0 | — |

Note 1: Chairman Wu Ching-Teh and Independent Director Chien Chun-Chu were dismissed on June 13, 2025.

Note 2: Independent Director Tsai Li-Ju and Independent Director Cheng Yung-Yun assumed office on June 13, 2025.

Note 3: Vice President Cheng Chao-Kai retired on June 30, 2025; therefore, statistics are calculated from January 1, 2025 to June 30, 2025.

Note 4: Wang Jen-Shun was promoted to General Manager of Shanghai FineTek on February 1, 2025; therefore, statistics are calculated starting from February 1, 2025.

Note 5: Liao Chi-Fan was promoted to Associate Vice President on February 14, 2025; therefore, statistics are calculated starting from February 14, 2025.

(II) Transfers of Shareholding of Directors, Managerial Officers, and Major Shareholders

In accordance with Article 22-1 of the “Regulations Governing Information to be Published in Annual Reports of Public Companies,” the index for inquiry regarding information disclosed in the annual report is as follows:

1. Inquiry path: Market Observation Post System > Individual Company > Equity Changes/Securities Issuance > Inquiry on Share Transfer Information > Insider Shareholding Change Post-Reporting Form.
2. Inquiry: https://mops.twse.com.tw/mops/#/web/query6_1

(III) Changes in Share Pledge Status: The Company’s directors, managerial officers, and major shareholders have no share pledge arrangements.

VIII. Relationships Among the Top 10 Shareholders

April 10, 2026

Unit: shares

| NAME | SHAREHOLDING | | SHARES HELD BY SPOUSE AND MINOR CHILDREN | | TOTAL SHAREHOLDING BY NOMINEE ARRANGEMENTS | | SPECIFY THE NAME OF THE ENTITY OR PERSON AND THEIR RELATIONSHIP TO ANY OF THE OTHER TOP 10 SHAREHOLDERS WITH WHOM THE PERSON IS A RELATED PARTY OR HAS A RELATIONSHIP AS A SPOUSE OR RELATIVE WITHIN THE SECOND DEGREE. | | REMARKS |
|--------------|------------------|--------------------|--|--------------------|--|--------------------|---|--|---------|
| | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Name | Relationship | |
| Wu Kuei-Yung | 5,556,998 | 9.75 | — | — | — | — | 1. Yong Yi Investment 2. Yi-Ta Investment 3. Wu Ting-Kuo 4. Lin Mi 5. Wu Shao-Pei 6. Wu Shao-Chuan | 1. DIRECTOR OF THE COMPANY 2. DIRECTOR OF THE COMPANY 3. FIRST DEGREE OF KINSHIP 4. FIRST DEGREE OF KINSHIP 5. SECOND DEGREE OF KINSHIP 6. SECOND DEGREE OF KINSHIP | — |

| NAME | SHAREHOLDING | | SHARES HELD BY SPOUSE AND MINOR CHILDREN | | TOTAL SHAREHOLDING BY NOMINEE ARRANGEMENTS | | SPECIFY THE NAME OF THE ENTITY OR PERSON AND THEIR RELATIONSHIP TO ANY OF THE OTHER TOP 10 SHAREHOLDERS WITH WHOM THE PERSON IS A RELATED PARTY OR HAS A RELATIONSHIP AS A SPOUSE OR RELATIVE WITHIN THE SECOND DEGREE. | | REMARKS |
|--|------------------|--------------------|--|--------------------|--|--------------------|---|--|---------|
| | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Name | Relationship | |
| Lin Mi | 4,332,225 | 7.60 | 3,446,125 | 6.05 | — | — | 1. Yong Yi Investment 2. Yi-Ta Investment 3. Wu Ting-Kuo 4. Wu Kuei-Yung 5. Wu Shao-Pei 6. Wu Shao-Chuan | 1. CHAIRMAN OF THE COMPANY 2. SUPERVISOR OF THE COMPANY 3. SPOUSE 4. FIRST DEGREE OF KINSHIP 5. FIRST DEGREE OF KINSHIP 6. FIRST DEGREE OF KINSHIP | |
| Trust Property Account of Wu Ting-Kuo at UBS AG Taipei Branch (II) | 4,000,000 | 7.02 | — | — | — | — | — | — | — |
| Wu Ting-Kuo | 3,446,125 | 6.05 | 4,332,225 | 7.60 | — | — | 1. Yong Yi Investment 2. Yi-Ta Investment 3. Lin Mi 4. Wu Kuei-Yung 5. Wu Shao-Pei 6. Wu Shao-Chuan | 1. Supervisor of the company 2. First-degree relative of the company's chairman 3. Spouse 4. First degree of kinship 5. First degree of kinship 6. First degree of kinship | — |
| Wu Shao-Pei | 3,442,300 | 6.04 | — | — | — | — | 1. Yong Yi Investment 2. Yi-Ta Investment 3. Wu Ting-Kuo 4. Lin Mi 5. Wu Kuei-Yung 6. Wu Shao- | 1. First-degree relative of the company's chairman 2. Chairman of the company 3. First degree of kinship 4. First degree of kinship 5. Second degree of kinship 6. Second degree of kinship | — |

| NAME | SHAREHOLDING | | SHARES HELD BY SPOUSE AND MINOR CHILDREN | | TOTAL SHAREHOLDING BY NOMINEE ARRANGEMENTS | | SPECIFY THE NAME OF THE ENTITY OR PERSON AND THEIR RELATIONSHIP TO ANY OF THE OTHER TOP 10 SHAREHOLDERS WITH WHOM THE PERSON IS A RELATED PARTY OR HAS A RELATIONSHIP AS A SPOUSE OR RELATIVE WITHIN THE SECOND DEGREE. | | REMARKS |
|---|------------------|--------------------|--|--------------------|--|--------------------|---|---|---------|
| | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Name | Relationship | |
| | | | | | | | Chuan | | |
| Yong Yi Investment Co., Ltd. Representative: Lin Mi | 3,264,000 | 5.73 | — | — | — | — | 1. Lin Mi 2. Wu Ting-Kuo 3. Yi-Ta Investment 4. Wu Kuei-Yung 5. Wu Shao-Pei 6. Wu Shao-Chuan | 1. Chairman of the company 2. Supervisor of the company 3. Lin Mi is the company's supervisor 4. Director of the company 5. First-degree relative of Lin Mi 6. Director of the company | — |
| Yi-Ta Investment Co., Ltd. Representative: Wu Shao-Pei | 3,194,000 | 5.60 | — | — | — | — | 1. Lin Mi 2. Wu Ting-Kuo 3. Wu Kuei-Yung 4. Wu Shao-Chuan | 1. Supervisor of the company 2. First-degree relative of Wu Shao-Pei 3. Director of the company 4. Director of the company | — |
| Wu Shao-Chuan | 3,097,540 | 5.43 | — | — | — | — | 1. Yong Yi Investment 2. Yi-Ta Investment 3. Wu Ting-Kuo 4. Lin Mi 5. Wu Kuei-Yung 6. Wu Shao-Pei | 1. Director of the company 2. Director of the company 3. First degree of kinship 4. First degree of kinship 5. Second degree of kinship 6. Second degree of kinship | — |
| Trust Property Account of Wu Ting-Kuo at Mega | 2,000,000 | 3.51 | — | — | — | — | — | — | — |

| NAME | SHAREHOLDING | | SHARES HELD BY SPOUSE AND MINOR CHILDREN | | TOTAL SHAREHOLDING BY NOMINEE ARRANGEMENTS | | SPECIFY THE NAME OF THE ENTITY OR PERSON AND THEIR RELATIONSHIP TO ANY OF THE OTHER TOP 10 SHAREHOLDERS WITH WHOM THE PERSON IS A RELATED PARTY OR HAS A RELATIONSHIP AS A SPOUSE OR RELATIVE WITHIN THE SECOND DEGREE. | | REMARKS |
|-------------------------------|------------------|--------------------|--|--------------------|--|--------------------|---|--|---------|
| | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Name | Relationship | |
| International Commercial Bank | | | | | | | | | |
| Wu Ching-Teh | 1,153,411 | 2.02 | — | — | — | — | 1. Wu Ting-Kuo 2. Lin Mi | 1. Second degree of kinship 2. Second degree of kinship | — |

IX. The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the company

December 31, 2025
Unit: Thousand shares; %

| Investee enterprise | Investment by the Company | | Investment by the Directors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company | | Total investment | |
|----------------------------------|---------------------------|--------------------|--|--------------------|------------------|--------------------|
| | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio |
| Powerline Corp. (SAMOA) | 1,811 | 100 | — | — | 1,811 | 100 |
| FACO International Co., Ltd. | — | — | 1,811 | 100 | 1,811 | 100 |
| Fine Automation Co., Ltd. | — | — | (Note) | 100 | (Note) | 100 |
| FineTek Pte. Ltd. | — | — | 1,672 | 100 | 1,672 | 100 |
| FineTek GmbH | (Note) | 100 | — | — | (Note) | 100 |
| Golden Land International Corp. | 340 | 100 | — | — | 340 | 100 |
| Aplus Finetek Sensor Inc. | — | — | 500 | 100 | 500 | 100 |
| Gain Access Investment Ltd. | 937.5 | 100 | — | — | 937.5 | 100 |
| Müteç Instruments GmbH | — | — | (Note) | 100 | (Note) | 100 |
| PT. Finetek Automation Indonesia | 1,725 | 99.70 | — | — | 1,725 | 99.70 |
| Teng Da Capital Co., Ltd. | 10,000 | 100 | — | — | 10,000 | 100 |
| Accurtech Co., Ltd. | 1,000 | 100 | — | — | 1,000 | 100 |

Note: The company is a limited company and has not issued shares.

Three. Capital Raising Activities

I. Capital and Shares

(I) Sources of Capital

1. Sources of Capital

April 30, 2026
Unit: NT\$; shares

| Year/Month | Issued price (NT\$) | Authorized capital | | Paid-in capital | | Remarks | | |
|------------|---------------------|---------------------------|---------------|---------------------------|---------------|--|--|---------|
| | | Number of shares (shares) | Amount (NT\$) | Number of shares (shares) | Amount (NT\$) | Sources of Capital | Capital contributions made with assets other than cash | Others |
| 92/1 | 10 | 3,000,000 | 30,000,000 | 3,000,000 | 30,000,000 | Founding capital 30,000,000 | — | Note 1 |
| 92/8 | 10 | 7,000,000 | 70,000,000 | 7,000,000 | 70,000,000 | Cash capital increase 40,000,000 | — | Note 2 |
| 92/12 | 10 | 14,000,000 | 140,000,000 | 14,000,000 | 140,000,000 | Cash capital increase 70,000,000 | — | Note 3 |
| 94/1 | 10 | 19,000,000 | 190,000,000 | 19,000,000 | 190,000,000 | Cash capital increase 50,000,000 | — | Note 4 |
| 94/12 | 10 | 25,000,000 | 250,000,000 | 20,900,000 | 209,000,000 | Capitalization of earnings 19,000,000 | — | Note 5 |
| 95/11 | 10 | 25,000,000 | 250,000,000 | 25,000,000 | 250,000,000 | Cash capital increase 41,000,000 | — | Note 6 |
| 96/12 | 10 | 32,000,000 | 320,000,000 | 26,250,000 | 262,500,000 | Capitalization of earnings 12,500,000 | — | Note 7 |
| 97/12 | 10 | 32,000,000 | 320,000,000 | 27,562,500 | 275,625,000 | Capitalization of earnings 13,125,000 | — | Note 8 |
| 99/12 | 10 | 32,000,000 | 320,000,000 | 29,000,000 | 290,000,000 | Capitalization of earnings 14,375,000 | — | Note 9 |
| 100/12 | 10 | 32,000,000 | 320,000,000 | 29,870,000 | 298,700,000 | Capitalization of earnings 8,700,000 | — | Note 10 |
| 101/2 | 10 | 32,000,000 | 320,000,000 | 30,500,000 | 305,000,000 | Cash capital increase 6,300,000 | — | Note 11 |

| Year/Month | Issued price (NT\$) | Authorized capital | | Paid-in capital | | Remarks | | |
|------------|---------------------|---------------------------|---------------|---------------------------|---------------|--|--|---------|
| | | Number of shares (shares) | Amount (NT\$) | Number of shares (shares) | Amount (NT\$) | Sources of Capital | Capital contributions made with assets other than cash | Others |
| 102/11 | 10 | 42,000,000 | 420,000,000 | 32,025,000 | 320,250,000 | Capitalization of earnings 15,250,000 | — | Note 12 |
| 103/9 | 10 | 42,000,000 | 420,000,000 | 33,626,250 | 336,262,500 | Capitalization of earnings 16,012,500 | — | Note 13 |
| 103/12 | 10 | 42,000,000 | 420,000,000 | 36,972,250 | 369,722,500 | Cash capital increase 33,460,000 | — | Note 14 |
| 104/9 | 10 | 42,000,000 | 420,000,000 | 37,711,695 | 377,116,950 | Capitalization of earnings 7,394,450 | — | Note 15 |
| 105/9 | 10 | 42,000,000 | 420,000,000 | 38,465,928 | 384,659,280 | Capitalization of earnings 7,542,330 | — | Note 16 |
| 106/9 | 10 | 42,000,000 | 420,000,000 | 40,389,224 | 403,892,240 | Capitalization of earnings 19,232,960 | — | Note 17 |
| 108/9 | 10 | 62,000,000 | 620,000,000 | 42,383,685 | 423,836,850 | Capitalization of earnings 19,944,610 | — | Note 18 |
| 110/9 | 10 | 62,000,000 | 620,000,000 | 44,477,869 | 444,778,690 | Capitalization of earnings 20,941,840 | — | Note 19 |
| 111/9 | 10 | 62,000,000 | 620,000,000 | 49,359,434 | 493,594,340 | Capitalization of earnings 48,815,650 | — | Note 20 |
| 112/9 | 10 | 62,000,000 | 620,000,000 | 54,788,971 | 547,889,710 | Capitalization of earnings 54,295,370 | — | Note 21 |
| 113/11 | 10 | 82,000,000 | 820,000,000 | 55,884,750 | 558,847,500 | Capitalization of earnings 10,957,790 | — | Note 22 |
| 114/10 | 10 | 82,000,000 | 820,000,000 | 57,002,445 | 570,024,450 | Capitalization of earnings 11,176,950 | — | Note 23 |

Note 1: Ministry of Economic Affairs Letter No. Ching-Shou-Chung-Tzu No. 09231633140 dated January 30, 2003.

Note 2: Ministry of Economic Affairs Letter No. Ching-Shou-Chung-Tzu No. 09232528080 dated August 18, 2003.

Note 3: Ministry of Economic Affairs Letter No. Ching-Shou-Chung-Tzu No. 09233121520 dated December 16, 2003.

- Note 4: Ministry of Economic Affairs Letter No. Ching-Shou-Shang-Tzu No. 09431523120 dated January 10, 2005.
- Note 5: Ministry of Economic Affairs Letter No. Ching-Shou-Chung-Tzu No. 09433323910 dated December 12, 2005.
- Note 6: Ministry of Economic Affairs Letter No. Ching-Shou-Chung-Tzu No. 09533189820 dated November 27, 2006.
- Note 7: Ministry of Economic Affairs Letter No. Ching-Shou-Chung-Tzu No. 09633169940 dated December 6, 2007.
- Note 8: Ministry of Economic Affairs Letter No. Ching-Shou-Chung-Tzu No. 09734098580 dated December 8, 2008.
- Note 9: New Taipei City Government Letter No. Bei-Fu-Ching-Deng-Tzu No. 0993179569 dated December 28, 2010.
- Note 10: New Taipei City Government Letter No. Bei-Fu-Ching-Deng-Tzu No. 1005075986 dated December 2, 2011.
- Note 11: New Taipei City Government Letter No. Bei-Fu-Ching-Deng-Tzu No. 1015009522 dated February 21, 2012.
- Note 12: New Taipei City Government Letter No. Bei-Fu-Ching-Szu-Tzu No. 1025070501 dated November 8, 2013.
- Note 13: New Taipei City Government Letter No. Bei-Fu-Ching-Szu-Tzu No. 1035183293 dated September 26, 2014.
- Note 14: New Taipei City Government Letter No. Bei-Fu-Ching-Szu-Tzu No. 1035200107 dated December 2, 2014.
- Note 15: New Taipei City Government Letter No. Xin-Bei-Fu-Ching-Szu-Tzu No. 10451786332 dated September 10, 2015.
- Note 16: New Taipei City Government Letter No. Xin-Bei-Fu-Ching-Szu-Tzu No. 1055308070 dated September 5, 2016.
- Note 17: New Taipei City Government Letter No. Xin-Bei-Fu-Ching-Szu-Tzu No. 1068059247 dated September 13, 2017.
- Note 18: New Taipei City Government Letter No. Xin-Bei-Fu-Ching-Szu-Tzu No. 1088061655 dated September 11, 2019.
- Note 19: New Taipei City Government Letter No. Xin-Bei-Fu-Ching-Szu-Tzu No. 1108064229 dated September 8, 2021.
- Note 20: New Taipei City Government Letter No. Xin-Bei-Fu-Ching-Szu-Tzu No. 1118064845 dated September 8, 2022.
- Note 21: Ministry of Economic Affairs Letter No. Ching-Shou-Shang-Tzu No. 11230183140 dated September 26, 2023.
- Note 22: Ministry of Economic Affairs Letter No. Ching-Shou-Shang-Tzu No. 11330195880 dated November 13, 2024.
- Note 23: Ministry of Economic Affairs Letter No. Ching-Shou-Shang-Tzu No. 11430150690 dated October 15, 2025.

2. Type of stock

Unit: shares

| Type of stock | Authorized capital | | | Remarks |
|--------------------------|--------------------|-----------------|------------|--------------------|
| | Outstanding shares | Unissued shares | Total | |
| Registered common shares | 57,002,445 | 24,997,555 | 82,000,000 | TPEX listed shares |

3. Information Relating to the Shelf Registration System: Not applicable.

(II) List of Major Shareholders

April 10, 2026

Unit: shares

| Names of major shareholders | Shares | Quantity of shares held | Shareholding (%) |
|---|--------|-------------------------|------------------|
| Wu Kuei-Yung | | 5,556,998 | 9.75 |
| Lin Mi | | 4,332,225 | 7.60 |
| Trust Property Account of Wu Ting-Kuo at UBS AG Taipei Branch (II) | | 4,000,000 | 7.02 |
| Wu Ting-Kuo | | 3,446,125 | 6.05 |
| Wu Shao-Pei | | 3,442,300 | 6.04 |
| Yong Yi Investment Co., Ltd. | | 3,264,000 | 5.73 |
| Yi-Ta Investment Co., Ltd. | | 3,194,000 | 5.60 |
| Wu Shao-Chuan | | 3,097,540 | 5.43 |
| Trust Property Account of Wu Ting-Kuo at Mega International Commercial Bank | | 2,000,000 | 3.51 |
| Wu Ching-Teh | | 1,153,411 | 2.02 |

(III) Company's dividend policy and implementation thereof

1. Dividend policy adopted in the Company's Articles of Incorporation

According to Article 19 of the Company's Articles of Incorporation, if the Company retains earnings in the annual final accounts, after paying taxes and levies in accordance with the law and making up the accumulated losses, it shall set aside 10% thereof as the legal reserve, unless the legal reserve has reached the amount of the Company's paid-in capital. Then, the special reserve shall be appropriated or reversed in accordance with the laws or regulations or the competent authority's regulations. The remaining balance, plus the accumulated undistributed earnings, shall be distributed based on the plan proposed by the Board of Directors to the shareholders' meeting for resolution as bonuses and dividends to shareholders.

The Company is currently in the growth stage. Considering the Company's current and future investment environment, capital requirements and capital budget, as well as taking into account the interests of shareholders and the Company's long-term financial plan, the Company's dividend policy may retain a part of its earnings, and the cumulative distributable earnings appropriated from the remaining balance shall be no less than 10% of the current year's distributable earnings, of which cash dividends shall be no less than 10% of the total dividends.

2. Status of the earnings distribution proposal to be submitted at this Shareholders' Meeting

The Company proposes to distribute cash dividends of NT\$171,007,335 from the distributable earnings of 2025, representing NT\$3 per share, and stock dividends of NT\$11,400,489 through the capitalization and issuance of 1,140,048 new shares. Cash of NT\$9 will be distributed in lieu of fractional shares of less than one full share. It is expected that 20 shares of stock dividends will be distributed without consideration for every 1,000 shares held. Total dividends amount to NT\$182,407,824, representing 34.7% of the current year's distributable earnings of NT\$526,266,727. Upon approval by the shareholders' meeting, the Chairperson shall be authorized to determine the ex-dividend record date, and the Board of Directors shall determine the ex-rights record date and other related matters.

(IV) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting

Unit: NT\$; shares

| Item | Year | 2026 (Estimated) | |
|---|---|---|----------------------------|
| Beginning paid-in capital | | 570,024,450 | |
| Current year's stock and cash dividend distribution status | Cash dividends per share (NT\$) | 3.0 | |
| | Number of shares distributed per share through capitalization of earnings | 0.2 | |
| | Number of shares distributed per share through capitalization of capital surplus | — | |
| Changes in operating performance | Operating profit | Not applicable (Note 2) | |
| | Percentage increase (decrease) in operating income compared to the same period of the previous year | | |
| | Net income after tax | | |
| | Percentage increase (decrease) in net profit after tax compared to the same period of the previous year | | |
| | Earnings per share (Unit: NT\$) | | |
| | Percentage increase (decrease) in earnings per share compared to the same period of the previous year | | |
| Average return on investment (inverse of average P/E ratio) | | | |
| | | | |
| Pro forma earnings per share and price- | If all capitalization of earnings were distributed as | Pro forma earnings per share (Unit: NT\$) | Not applicable (Note 2) |

| Item | | Year | 2026 (Estimated) |
|--|---|--|---------------------|
| to-earnings ratio | cash dividends | Pro forma average return on investment | |
| | If capitalization of capital surplus were not implemented | Pro forma earnings per share | |
| | | Pro forma average return on investment | |
| | If neither capitalization of capital surplus were implemented nor capitalization of earnings distributed as stock dividends but instead distributed as cash dividends | Pro forma earnings per share | |
| Pro forma average return on investment | | | |

Note 1: The estimated dividend distribution for 2026 is based on the resolution of the Board of Directors. After approval by the annual shareholders' meeting for the current year, it will be handled in accordance with relevant regulations.

Note 2: In accordance with the "Regulations Governing the Publication of Financial Forecasts of Public Companies," the Company is not required to publicly disclose financial forecast information for 2026.

(V) Profit-sharing compensation of employees and directors

1. Percentage or Range of Employee and Director Remuneration as Stipulated in the Articles of Incorporation

According to Article 18 of the Articles of Incorporation, if the Company has profits for the year, more than 3% shall be allocated as employee remuneration, of which more than 1.4% shall be allocated specifically for grassroots employees. Such remuneration shall be distributed in shares or cash as resolved by the Board of Directors, and eligible employees of subordinate companies meeting certain conditions may also be included as recipients. The Company may also allocate no more than 3% of the aforesaid profits as director remuneration, as determined by the Board of Directors with reference to the degree of the directors' participation in the Company's operations and the value of their contributions. The proposal for distribution of employees' and directors' remuneration shall be reported to a shareholders' meeting. However, if the Company still has accumulated losses, the Company shall reserve an amount to make up for it, and then provide employees' remuneration and directors' remuneration based on the percentage referred to in the preceding paragraph.

2. The basis for estimating the amount of employee, director, and supervisor profit-sharing compensation; for calculating the number of shares to be distributed as employee profit-sharing compensation; and for the accounting treatment of any discrepancy between the actual distributed amount and the estimated figure for the current period.

The Company estimates employee remuneration and director remuneration each year based on the percentages stipulated in the Articles of Incorporation. If the actual distribution amounts resolved by the shareholders' meeting subsequently differ from the estimated amounts, such differences shall be accounted for as changes in accounting estimates and adjusted in the year in which the shareholders' meeting resolution is made, with such adjustments recognized as profit or loss for the year of the shareholders' meeting resolution.

3. Information on any approval by the board of directors of distribution of profit-sharing compensation

- (1) The amount of any employee profit-sharing compensation and director profit-sharing compensation distributed in cash or stocks. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed

On March 11, 2026, the Board of Directors approved the distribution of NT\$7,000 thousand as director remuneration and NT\$7,300 thousand as employee remuneration for 2025 (of which NT\$3,500 thousand was employee remuneration for grassroots employees). There was no difference between the estimated amounts and the expenses recognized for the year. If any difference subsequently arises between the actual distribution amounts and the estimated amounts, such difference shall be recognized in the profit or loss of the following year.

- (2) The amount of any employee profit-sharing compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee profit-sharing compensation

All employee remuneration distributed for 2025 was paid entirely in cash; therefore, this is not applicable.

4. The actual distribution of employee, director, and supervisor profit-sharing compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor profit-sharing compensation, the discrepancy, its cause, and how it is

addressed

In 2025, the Company distributed NT\$11,000 thousand in employee remuneration and NT\$10,000 thousand in director remuneration for 2024, all of which were paid in cash. There was no difference between the actual distribution amounts and the recognized amounts.

II. Issuance of Corporate Bonds

(I) Issuance of Corporate Bonds

| | | |
|---|--|----------------|
| Type of corporate bond | First domestic unsecured convertible corporate bonds (Bond code: 45491) | |
| Issue (transaction) date | November 7, 2024 | |
| Face value | At the par value of NT\$100,000 per unit | |
| Issuance price | Issued at 117.27% of the par value | |
| Issue amount | NT\$500 million | |
| Interest rate | Coupon rate 0% | |
| Term | 3 years | |
| Maturity date | November 7, 2027 | |
| Guarantor | None | |
| Trustee | Mega International Commercial Bank Co., Ltd. | |
| Underwriter | KGI Securities Co., Ltd. | |
| Attesting lawyer | Not applicable | |
| CPAs | Not applicable | |
| Repayment Method | Unless the bondholders convert the bonds into the Company's common shares according to Article 10 of the regulations governing conversion of the corporate bonds, or the Company redeems the bonds earlier according to Article 18 of the regulations governing the conversion of the corporate bonds, or the Company redeems the bonds from the over-the-counter market for cancellation, the Company will repay the bonds in cash in full upon maturity. | |
| Unpaid principal | NT\$500 million | |
| Conditions for redemption or early redemption | Please refer to Article 18 of the Rules Governing the Issuance and Conversion of the Company's First Domestic Unsecured Convertible Bonds | |
| Restrictive covenants | None | |
| Name of rating agency, date and result of rating | Not applicable | |
| Other rights | The monetary amount of common shares, global depository receipts, or other securities already converted, exchanged, or subscribed up to the annual report publication date | None |
| | The issuance and conversion, exchange, or subscription rules | Not applicable |
| The possible dilution of shareholding and influence on shareholder equity caused by the issuance and conversion, exchange, or subscription rules and the terms of issuance. | None | |
| Name of the custodian institution of the exchangeable underlying | Not applicable | |

(II) Convertible Corporate Bonds

| Type of corporate bond | | First domestic unsecured convertible corporate bonds | |
|---|---------|---|----------------------|
| Year | | 2025 | As of April 30, 2026 |
| Market price of convertible corporate bonds | Maximum | None | None |
| | Minimum | None | None |
| | Average | None | None |
| Conversion price | | 158.2 (average price) | 154.4 |
| Issue (transaction) date and conversion price at issuance | | Issued on November 7, 2024 Conversion price at the time of issuance: 166 | |
| Method for performance of conversion obligations | | Issuance of new shares | |

III. Preferred shares: None.

IV. Global depositary receipts (GDR): None.

V. Employee share subscription warrants: None.

VI. New restricted employee shares: None.

VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: None.

VIII. Implementation of the Company's capital allocation plans:

In accordance with Article 22-1 of the "Regulations Governing Information to be Published in Annual Reports of Public Companies," the content and implementation status of the plan may be found through the annual report information inquiry index:

- Inquiry path: Market Observation Post System > Individual Company > Equity Changes/Securities Issuance > Fund Raising > Implementation of Fund Raising Plans
- Inquiry :https://mopsov.twse.com.tw/mops/web/bfhtm_q2

Four. Business Overview

I. Description of the Business

(I) Scope of Business

1. Major lines of business

- (1) CC01060 Wired Communication Mechanical Equipment Manufacturing.
- (2) CC01070 Wireless Communication Mechanical Equipment Manufacturing.
- (3) CC01101 Controlled Telecommunications Radio-Frequency Equipment Manufacturing.
- (4) CE01021 Weights and Measuring Instruments Manufacturing
- (5) F113060 Wholesale of Measuring Instruments
- (6) F213050 Retail Sale of Weights and Measuring Instruments
- (7) F401021 Controlled Telecommunications Radio-Frequency Equipment Import
- (8) F401181 Measuring Instruments Import
- (9) F401010 International Trade
- (10) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

2. Revenue Contribution

Unit: NT\$ thousand; %

| Product \ Year | 2025 | |
|---|-----------|-----------------------|
| | Amount | Percentage of Revenue |
| Process automation sensors | 1,122,438 | 90% |
| Electrical and pneumatic control components | 43,374 | 4% |
| Others | 69,917 | 6% |
| Total | 1,235,729 | 100% |

3. Current products (services)

| Product | Uses or functions |
|-----------------------------------|--|
| Process automation sensors | <ol style="list-style-type: none"> (1) Level switches: Float types: rod-type, side-mounted, cable-type, miniature float switches, as well as other operating principles such as tuning fork level switches, rotary paddle level switches, and capacitive level switches. (2) Level indicators: Continuous float type, capacitive type, bypass type, magneto strictive type, pressure type, ultrasonic level meters, radar level meters, etc. (3) AI server immersion cooling liquid control monitoring and distributed CDU cooling pipeline monitoring sensors: |

| Product | Uses or functions |
|--|--|
| | Ultrasonic flow meters, multifunction temperature/pressure/flow sensors, pressure sensors, high-precision thermal mass flow meters, coolant leakage detectors, temperature sensors, photoelectric level switches. (4) Flow meters: Electromagnetic flow meters, paddle wheel flow meters, thermal mass flow meters, ultrasonic flow meters, residential electronic water meters, and the development of various other next-generation flow meters. (5) Müttec/DYNA powder flow switches and flow meters, online moisture analyzers, and high-temperature/high-pressure signal transmitters. |
| Electrical and pneumatic control components | (1) Air pollution dust collection-related sensing and control components, including particulate concentration detectors, vibrators, dust collection valves, sequence controllers, safety control components, and dust collection equipment parts. (2) Conveying equipment-related control components, including belt misalignment switches, pull-rope switches, speed controllers, and belt tear switches. |
| Others | Consumable materials, miscellaneous items, outsourced products, and imported products. |

4. New products (services) planned for development

FineTek Group has cultivated expertise in heavy industry sensors for more than 40 years and is a leading manufacturer of explosion-proof sensors in Asia. The Company has established a presence in the refined metering and sensing field of the process automation industry, with a global market share in related fields exceeding 1%. FineTek’s strategic development objective is comprehensive sensing technology (Omni-Sensing), connecting customer application needs and providing real-time online-to-offline services, integrating Information/Communication/Operation technologies, and developing unique servitization value and business models from the perspective of customer risks and opportunities.

The corporate vision is based on circular sustainability, integrating metering and sensing technologies for water, food, and energy with information and data integration. By combining industrial partnerships and maintaining a customer-centric focus on technology, the Company integrates the three domains of IT, CT, and OT to develop innovative business models and operational service value.

Under the above vision, the planned product and service development areas are as follows:

- A. AI server immersion cooling liquid control monitoring and distributed CDU cooling pipeline monitoring sensors. Multiple products were completed in 2025. In response

to liquid cooling heat dissipation demands for high-power AI servers, the Company is developing a new generation of sensors to align with market trends, including:

- Compact electromagnetic flow meters
 - Compact pressure/temperature integrated sensors
 - Rail-mounted display clamp-on ultrasonic flow meters
 - SDX compact photoelectric switch designs for applications in space-constrained environments
- B. Water resource sector, mainly focusing on water treatment and wastewater treatment:
- Smart building residential electronic water meters with DN13-DN50 diameters (Technical Specification CNPA49 Version 4)
 - Smart building Class C electromagnetic electronic water meters with DN50-DN150 diameters
 - Clamp-on ultrasonic flow meters (tap water, reclaimed water, groundwater)
 - Integrated ultrasonic flow meters (wastewater)
- C. Food industry, mainly including integrated development for industries such as food & pharmaceutical machinery, feed machinery, bulk materials, and conveying equipment:
- Pipeline diaphragm-type miniature tuning fork switches (medical machinery/food machinery pipelines)
 - High-speed response miniaturized magnetic inductive sensors (pharmaceutical, food machinery, lubrication industries)
 - EST integrated storage level and temperature sensing (grain industry)
- D. Energy and explosion-proof sector, mainly for the hydrogen energy industry, oil & gas, and renewable energy. The Company develops various explosion-proof certified products for hazardous operating environments, including IECEx, NEPSI, UL, FM, CSA, and TS explosion-proofing certifications, while integrating the development of unmanned factories for hazardous areas and M2M protocols:
- IECEx/CSA Zone 0 electromagnetic flow meters
 - Steam metering and control (pneumatic valves, vortex meters)
- E. Integrated development of information transmission, mainly focused on supporting smart cities and the Industrial Internet of Things, where future infrastructure applications will utilize sensors and communication protocols:
- 4G/5G wireless communication transmission (urban flood prevention, water resource management, public IoT applications)
 - MQTTs command sensors (smart livestock monitoring, urban flood prevention, water resource management)
 - OGC Sensor Things API and OPEN API protocol development
 - Sensor edge computing

F. Others

- Air pollution dust collection control: In response to the environmental IoT regulations under air pollution control laws, the Company is developing:
 - FSE pipeline particulate concentration analog detectors and switches
 - Applications for large-diameter powder flow measurement

(II) Industry Overview

1. Current Status and Development of the Industry

A. Current Development of the Process Automation Level Sensor Industry

According to Mordor Intelligence, the global level sensor market size is estimated at US\$6.48 billion in 2026 and is projected to reach US\$8.68 billion by 2031, with a compound annual growth rate (CAGR) of 6.04%. The Asia-Pacific region contributed 38.50% of revenue in 2025, while the Middle East region is expected to be the fastest-growing region, achieving a CAGR of 10.40% by 2031.

(Source: <https://www.mordorintelligence.com/industry-reports/level-sensor-market>)

According to a report by GlobeNewswire, the industrial sensor market is experiencing significant growth and is expected to expand from US\$24.63 billion in 2025 to US\$26.75 billion in 2026, representing a compound annual growth rate (CAGR) of 8.6%. The major driving factors include the widespread adoption of pressure, temperature, and position sensors, as well as their increasing popularity in the manufacturing and energy industries. The expansion of the oil & gas and chemical industries, together with demand for pharmaceutical monitoring, has further driven the market's development. Looking ahead, the market size is projected to reach US\$36.85 billion by 2030, with a compound annual growth rate (CAGR) of 8.3%. (Source: <https://reurl.cc/lpD16l>)

B. Current Development of the Process Automation Flow Meter Industry

- ✓ Development Trend of Electromagnetic Flow Meters: The global electromagnetic flow meter market is expected to reach an annual output value of US\$3.5 billion by 2030, with a compound annual growth rate (CAGR) of 4.4% from 2024 to 2030. Electromagnetic flow meters account for 46.2% of the overall flow meter market by type, making them the category with the greatest application market value.
(<https://www.industryarc.com/Research/Magnetic-Flowmeter-Market-Research-505475>)
- ✓ Development Trend of Paddle Wheel Flow Meters: Paddle wheel sensors require low driving force and offer advantages such as high efficiency, responsiveness at low flow rates, and consistency in service life. There are two types of paddle wheel sensors: insertion type and in-line type.

- ✓ Clamp-on Ultrasonic Flowmeters: Clamp-on ultrasonic flowmeters offer niche advantages including ease of installation, suitability for large-diameter pipelines, and applicability for factory process audit calibration purposes. Business Wire estimates that the global flow meter calibration market will achieve an average compound annual growth rate (CAGR) of 7.9% between 2017 and 2026.

(<https://www.benzinga.com/amp/content/14311000>)

Ocean estimates that the global ultrasonic flow meter market, which reached an output value of US\$650 million in 2020, will grow at a CAGR of 5.1% to reach US\$960 million by 2028.

(<https://www.taiwannews.com.tw/en/news/4392533>)

C. Development of Smart Factories and the Industrial Internet of Things Industry:

The Industrial Internet of Things (IIoT) extends traditional enterprise information systems to the internet, enabling internet-based wide-area automation such as remote monitoring, remote maintenance, and factory management. By utilizing standard internet protocol technologies, it connects people, processes, and machines to establish new cyber-physical network systems.

Future applications of industrial sensors, particularly in hazardous heavy industrial environments, are expected to bring about significant transformation. Once the Industrial Internet of Things ecosystem is fully established, sensing devices and equipment will possess four key characteristics: (a) Domain Search: In the cloud, devices can be identified and located according to their assigned domains; (b) Organized Devices & Data: Sensing devices and sensing data will no longer be required to “inevitably transmit back” to a central system. Instead, front-end decision-making data or regional information will be networked and processed locally among regional sensors. Under current network technology development, this is referred to as Burst Mode/Edge Computing. (c) Access & Translate: To accommodate the capability of devices to connect and disconnect at any time, in line with the development of battery-powered and wearable devices, future sensors will possess the ability to access multiple heterogeneous networks. (d) Devices will possess real-time response systems and the capability to initiate other devices. Each device will have an activation characteristic with respect to another device.

D. Smart City Public Infrastructure and Water Resource Metering:

According to the latest six-domain IoT sensor standards issued under ISO/IEC 30141, covering the frameworks of (1) User Domain; (2) Operations Management Domain; (3) Data Protocol Domain; (4) Service Provision Domain; (5) Sensing and Control Domain; and (6) Target Entity Domain, new smart city application management technologies and solutions are expected to emerge in the future, particularly in the sensing and control domain and especially in water resource applications, including tap water, wastewater, and groundwater.

At the 2026 IWA World Water Congress & Exhibition, Taiwan Water Corporation will establish a dedicated unit to continue publishing technical papers at IWA WWCE or IWA ASPIRE conferences. These efforts will focus on digital transformation and AI technology development to support water supply allocation, reduce water leakage rates, and enhance customer services, with the objective of obtaining certification as a climate-smart utility.

2. Links between the upstream, midstream, and downstream segments of the industry supply chain

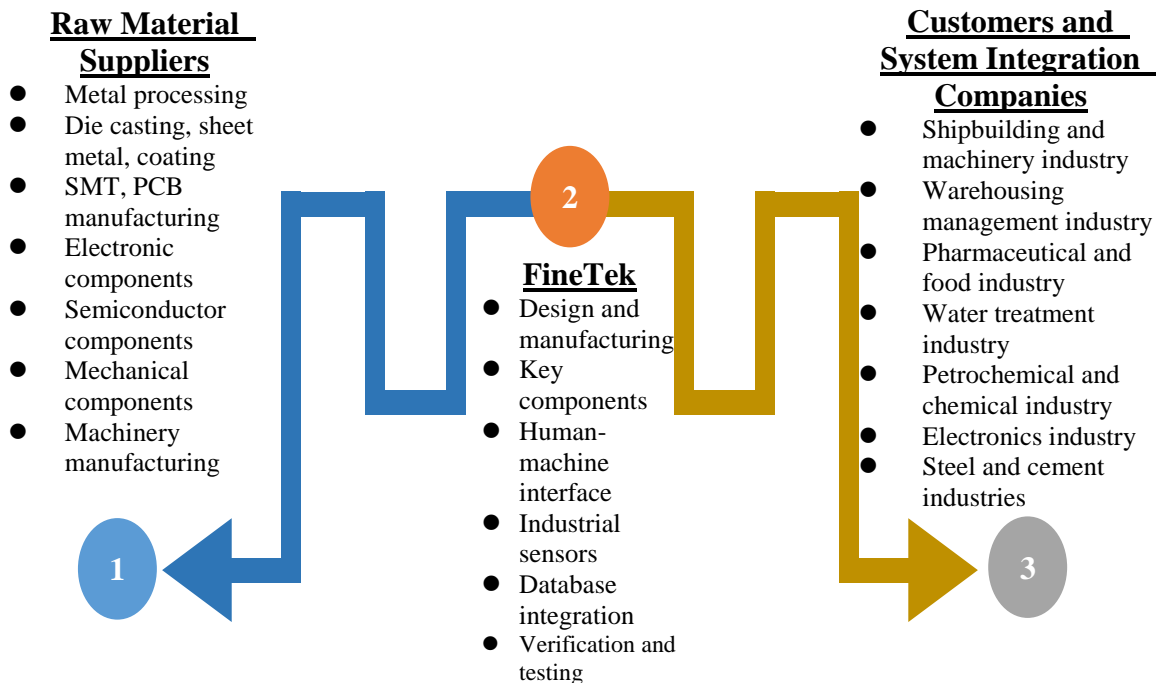
FineTek is committed to global development, with a customer base covering heavy industries such as petrochemicals, steel, cement, infrastructure, water resources, environmental engineering, pharmaceuticals and food, electronics, warehouse management, and others, providing customers with integrated professional services. The overall core focus is the design, manufacturing, and integration of customer requirements. It is necessary to combine with the supply chain to jointly fulfill customers' industrial process standards, construction specifications, and various industrial reliability standards; therefore, this industry represents a highly demanding industrial key sector.

From the perspective of the overall process automation industry, the upstream sector (Cell Level) consists of the formulators of network layer architectures, such as Siemens, which established protocols including PROFIBUS, PROFINET, and IO-LINK; Schneider, which established MODBUS; and the U.S.-based HCF Association, which established protocol standards such as HART and wireless HART. This upstream field is generally monopolized and controlled by Europe and the United States.

The midstream sector of the industry (Field Level) is collectively referred to as field control, including areas such as PLCs (Programmable Logic Controllers), DCS (Distributed Control Systems), panel instruments, Human-Machine Interfaces (HMI), and Industrial Personal Computers (IPC).

The Company is positioned in the downstream sector of the industry (Sensor & Actuator), engaging in the production and manufacturing of sensors and actuators. Aside from the Company, there are few domestic manufacturers substantively engaged in the design and manufacturing of process automation sensors, with most being small-scale distributors or agents.

From the perspective of the process automation sensor industry, the manufacturing process can be divided into upstream raw material suppliers; FineTek’s midstream industrial sensor design, manufacturing, and interface integration; and downstream end users or system integration companies. The relationship diagram is as follows:



3. Product Development Trends

FineTek has accumulated more than forty years of deep industry development experience, establishing various core industrial technologies applied in the field of Process Automation industries. Mütec to transition from existing heavy industrial process sensing into the process control market. This aims to increase revenue growth momentum and advance ESG-related pressure, steam, flow, and asset metering in the Factory Automation field, assisting customers in conducting green audits and greenhouse gas inventories.

Digital governance realizes dynamic process and decision-making prediction in the physical world, especially in the fields of environmental protection, green manufacturing, and AI manufacturing, where global output value will reach hundreds of billions of U.S. dollars. Future development will gradually move toward both physical governance and digital governance, namely the development of the so-called digital twin governance concept, driving the related application of various underlying sensors. In the field of industrial automation, several important wireless communication systems have gradually been developed and are progressively becoming the dominant infrastructure for future industrial M2M applications.

FineTek's existing products will experience expanded customer-side monitoring demand due to the implementation of air pollution control regulations. This includes existing products that provide customers with environmental monitoring solutions. These include large-scale boilers: (a) water level: bypass type, differential pressure type, guided wave radar; (b) water flow: mechanical type, electromagnetic type; (c) steam flow: Variable-Area, Vortex Type; (d) pressure detection: Differential Pressure Gauge; (e) temperature detection: TC, RTD; (f) Burner: Gas, Oil Flow Rate; (g) Exhaust: Dust Monitoring, Diaphragm Valve, Sequential Controller, Vibrator. Combined with products from the German subsidiary Mütec, the Company is targeting application opportunities in air pollution treatment for waste-to-energy incineration.

The circular economy drives the sustainable circulation of energy and resources, while also driving related measurement demand in heavy industries. Taking steel mills as an example, the management of reclaimed water, wastewater, and raw water, as well as the steelmaking process involving various raw materials and light oil by-products, all require comprehensive metering and monitoring. This area will represent expanded business opportunities for FineTek's existing product portfolio.

4. Market Competition

FineTek's current primary products are level sensors, and the current industry status is as follows: In terms of regional growth, Asia is the fastest-growing region, with growth rates for level sensors reaching 10%. If overall market demand is divided into contact and non-contact sensors, 60% of market demand belongs to non-contact sensors, whose primary design principles include Magneto strictive, Radar, Infrared (IR), and Laser technologies. The remaining 40% belongs to contact sensors, with the primary design types including Capacitance, Float, Pressure, and Resistance types.

In the field of process automation sensors, the leading brand in the Americas region is Emerson, the leading brand in the EMEA region is E+H, while in Asia the market is dominated by three major players: E+H, Emerson, and Yokogawa. Compared to world-class manufacturers such as Siemens, ABB, Emerson, Endress+Hauser, Honeywell, KROHNE, and Yokogawa, the Company possesses competitive strengths including fast delivery lead times, customization capabilities, high-quality after-sales service, and strong cost performance. The Company also has extensive distribution channel deployment throughout Asia, with more than 10,000 direct customers worldwide and more than 600 distributors globally. Compared to second-tier manufacturers (such as VEGA, MTS Sensors, and KOBOLD), the Company possesses the capability to provide customers with one-stop process procurement services, while also offering measurement and system services across various fields such as pressure, flow, electricity, level, and temperature variables.

FineTek's cash flow, service flow, and information transmission methods target three

customer groups: domestic and overseas equipment SI companies, domestic and overseas factory operators, and domestic government agencies. The primary benefits include enabling equipment and SI companies to maintain improved profitability, reduce deployment costs, and enhance customer satisfaction; enabling factory operators to enhance brand value, reduce management costs, and improve expansion capabilities; and enabling domestic government agencies to reduce management costs and improve information completeness.

(III) Overview of technology and R&D

1. Research and Development and Technological Level of Business

The Company's product portfolio comprises 70 categories, each with different applications and underlying principles. The most important technical fields and technical level requirements are listed as follows:

| Technological field | Technological level requirements |
|---|--|
| Human-machine interface | MODBUS, USB, LABVIEW, C, C++, VC, cloud technology (SAAS, Service As A System), OPC UA |
| Radar remote sensing technology | 24GHz/77GHz radar level meters, TDR radar level meters |
| Industrial Internet of Things wireless communication technology | HART 7.3 (WirelessHART), ZigBee PRO, LORA, 4G LTE, 5G, FDT, DTM, LORA, Blockchain, IO-LINK |
| Piezoelectric sensors | Piezoelectric material design, control, precision metal processing and manufacturing, analog circuits, digital circuits |
| Pressure switches | Precision metal processing and manufacturing, plastic injection molding |
| Photoelectric sensing technology | Integration of photoelectric components, photoelectric component testing, UL certification specifications |
| Magnetostrictive sensing technology | Magnetostrictive material technology and drive technology, high-frequency signal processing, precision metal processing and manufacturing |
| Frequency sweeping capacitance technology | Using different frequency sweeps to measure substances and detect changes in the properties of the substances themselves; when applied to grains, food products, construction materials, and consumer industries, it is used as a moisture analyzer; when applied to rolling stock and oil-water identification, it is used as impedance spectroscopy. |
| Temperature sensing technology | RTD, thermocouple precision measurement, low temperature coefficient circuit design, digital circuits |
| Flow/heat /steam measurement | (1) Electromagnetic flow meters (2) Linear design & superalloy forming technology: manufacturing process technologies compliant with EN welding specifications and pressure vessel manufacturing standards, with processing and |

| Technological field | Technological level requirements |
|---------------------|---|
| | welding technologies for Hastelloy, Monel alloys, titanium alloys, and various stainless steel materials (3) Fluid dynamics configuration design (4) Vortex flow meters (5) Clamp-on ultrasonic flow meters (6) Residential electronic water meters (7) Thermal mass flow meters |

2. Research and Development Personnel and Their Academic and Professional Backgrounds

Unit: persons

| Education background | | 2024 | | 2025 | | March 31, 2026 | |
|-------------------------------------|-------------------------|---------------------|-------|---------------------|-------|---------------------|-------|
| | | Number of Personnel | % | Number of Personnel | % | Number of Personnel | % |
| Educational Background Distribution | Doctorate | 1 | 1.89 | 1 | 2.33 | 1 | 2.27 |
| | Master's degree | 7 | 13.21 | 8 | 18.60 | 9 | 20.05 |
| | Bachelor's degree | 40 | 75.47 | 31 | 72.09 | 31 | 70.45 |
| | Below Bachelor's degree | 5 | 9.43 | 3 | 6.98 | 3 | 6.82 |
| | Total | 53 | 100 | 43 | 100 | 44 | 100 |
| Average Years of Service (years) | | 8.54 | | 8.51 | | 8.27 | |

3. Research and development expenditures during the most recent fiscal year or the current fiscal year up to the date of publication of the annual report

Unit: NT\$ thousand

| Item | 2024 | 2025 | As of March 31, 2026 (Note) |
|-------------------------------------|-----------|-----------|-----------------------------|
| Research and Development Expenses | 78,845 | 78,633 | 19,416 |
| Net Operating Revenue | 1,280,299 | 1,235,729 | 266,123 |
| Percentage of Net Operating Revenue | 6.16% | 6.36% | 7.30% |

Note: In 2026, research and development expenses are expected to account for approximately 5%–10% of revenue.

4. Technologies or products successfully developed in the most recent two years

| Year | Item |
|------|---|
| 2024 | <ul style="list-style-type: none"> ● AI coolant quality sensors – key performance indicators <p>Critical coolant measurement is essential to ensuring the efficient and reliable operation of AI servers in data centers. These measures help monitor and control cooling systems, prevent overheating, and maintain optimal performance. Industry guidelines for liquid quality in critical cooling systems for artificial intelligence data centers (such as ASHRAE standards) emphasize maintaining optimal water chemistry characteristics to ensure long-term reliability and efficiency. Key parameters include:</p> <p>Flow monitoring, temperature testing, liquid level monitoring, leakage monitoring, pressure monitoring, oil quality degradation, pH balance, turbidity control, conductivity monitoring, filtration and particle removal, corrosion/sediment inhibitors and coolant residue control, corrosion rate monitoring, and other performance indicators.</p> <p>Under ASHRAE standards, in 2024 FineTek developed a total of 11 product series in response to application requirements for AI liquid-cooled servers, which are applied to AI server immersion cooling liquid control monitoring and distributed CDU cooling pipeline monitoring sensors:</p> <ul style="list-style-type: none"> ■ Miniature ultrasonic flow meters ■ Integrated ultrasonic flow meters ■ Multifunction temperature, pressure, and flow sensors ■ Coolant oil quality detectors ■ ECP miniature pressure sensors ■ EPT miniature high-precision thermal mass flow meters ■ EGX magnetic level meters ■ EPR paddle wheel flow meters ■ SDL coolant leakage detectors ■ GTX temperature sensors ■ SDX photoelectric level switches |
| 2025 | <ul style="list-style-type: none"> ● AI coolant quality sensors – key performance indicators <p>In response to the increased power consumption of the next-generation GPU architecture Vera Rubin, the Company is developing a new generation of sensors to align with market trends. In 2025, in response to application requirements for AI liquid-cooled servers, the following product series were developed:</p> <ul style="list-style-type: none"> ■ Compact electromagnetic flow meters ■ Compact pressure/temperature integrated sensors ■ Rail-mounted display clamp-on ultrasonic flow meters ■ SDX compact photoelectric switch designs for applications in space-constrained environments ● Water resource sector sensors – key performance indicators |

| Year | Item |
|------|--|
| | <p>For smart building water treatment applications, changes in electronic water meter specifications will drive revisions to residential electronic water meters and the development of electromagnetic electronic water meters, in line with ESG applications in the smart building industry. The developed product series are as follows:</p> <ul style="list-style-type: none"> ■ Smart building residential electronic water meters with DN13-DN50 diameters (Technical Specification CNPA49 Version 4) ■ Smart building Class C electromagnetic electronic water meters with DN50-DN150 diameters |

5. Intellectual property management plan

(1) Objectives and plans

Objective: The Company has long been committed to the establishment and development of its R&D team, with approximately 40 R&D personnel. The Company has established R&D centers in Shanghai and Germany as part of its global deployment, focusing on the development and advancement of proprietary technologies. The Company continues to apply annually for various professional certifications and invention patents, with the objective of becoming the most attractive leading brand in the process automation market.

Plans:

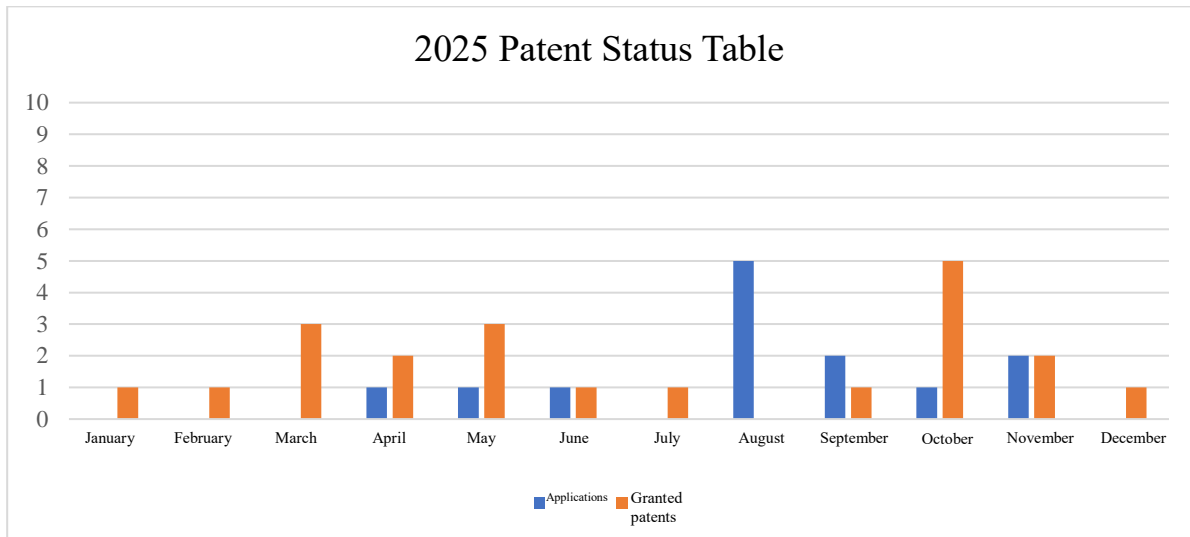
- Annual strategies are established each year, with patent and intellectual property output as well as industrial certification plans serving as KPI performance evaluation indicators for the R&D Department.
- Plans include establishing the Group’s intellectual property assetization, intellectual property processes, intellectual property maintenance list systems, ISO guideline operations, intellectual property software systems, management review meetings, incentive systems, internal audits and self-assessments, and intellectual property mapping.
- Establish industry–academia collaboration and jointly apply for patents.
- Trade secret protection: The Company has established the “Trade Secret Management Regulations,” which clearly define the management and protection of trade secrets. These regulations apply to all employees, part-time employees, and third parties who come into contact with the Company’s trade secrets through business relationships, and include measures for physical protection and information security. Personnel are required to sign an “Employee Confidentiality Agreement” upon onboarding, and relevant procedures must also be completed upon resignation to protect the Company’s business operations.

(2) Implementation Status

The Company reports intellectual property management-related matters to the Board of Directors at least once annually, with the most recent report presented at the 5th meeting of the 9th Board of Directors on December 18, 2025.

The current list and achievements of acquired intellectual property are as follows:

- As of the end of 2025, the Company held a total of 216 valid patents.
- Product qualification certifications (IECEX, ATEX, MED, FDA, NCC, ABS, BV, TS, TAF accredited items, NEPSI, etc.) totaled 256 certifications.
- In 2025, a total of 34 new patent applications and granted patents were added, with statuses as follows:



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

1. Short-term Plans

(1) Development of AI liquid-cooled server sensors

The business model for AI liquid-cooled servers includes four major aspects: certification systems, service systems, quality systems, and product development, and also requires the introduction of green production and manufacturing systems. Since entering the field of AI server immersion cooling liquid control monitoring and distributed CDU cooling pipeline monitoring sensor development in 2023, after one and a half years of POC sample delivery/verification with Tier 2/Tier 3 companies, FineTek has developed multiple product series.

The product series include: Ultrasonic flow meters, multifunction temperature/pressure/flow sensors, pressure sensors, high-precision thermal mass flow meters, magnetic level meters, paddle wheel flow meters, liquid leakage detectors, temperature sensors, and photoelectric level switches.

(2) Integration of smart wireless networking technologies

The Company integrates existing sensor products with current international standard wireless networking technologies such as Sensor Things API, OPENAPI, LORA, NB-IOT, ZigBee, IO-LINK, Bluetooth, Wireless HART modules, Android Based systems, process control mobile device converters, and Finelink, enabling sensing information measured by sensors to be transmitted wirelessly back to central automated control systems. The Company has cultivated industrial IoT and sensor integration conversion technologies for many years and has developed proprietary wireless connectivity, on-site deployment, heterogeneous network conversion, and machine learning processing for signals.

2. Mid-term Plans

(1) Strengthen customer service and ensure competitive advantages

FineTek adheres to a strategy integrating R&D, technical services, marketing, and education, abandoning the traditional 4P development approach and independently creating the SAVE strategic marketing model to create customer user experiences. Under recent development trends, on the one hand, FineTek must directly face B2B (Business to Business) competition, while on the other hand establishing the capability to accept ODM (Original Design Manufacturing) order releases from competitors while maintaining the advantages and benefits of its own brand. Accordingly, the Company has further transformed toward the SAVE strategy and deepened the Group's strategic objectives. SAVE Strategy: namely Solution (comprehensive solutions), Access (convenience of procurement channels), Value (value to customers), and Education (customer education and technical services), moving beyond pure technology/manufacturing competition and deepening the value of technical services.

(2) Establish company branding and product recognition

Promote the FineTek brand globally and position it as an identification mark for intelligent sensors under the IoT architecture. In terms of marketing, expand newsletters, technical article publications, professional engineering website marketing operations, and expand the Company's presence. Actively seek opportunities to cooperate with machinery manufacturers or system manufacturers and expand new customers across different application fields.

3. Long-Term Plans

(1) Combine market application demands to increase product depth and breadth, grasp market trends, and extend the depth and new application forms of existing products.

(2) Utilize mergers and acquisitions to expand market operation scale.

(3) Strengthen talent cultivation and establish corporate culture.

(4) Enhance financial soundness and optimize capital utilization.

(5) Establish customer-side application field simulations: Since 2023, FineTek has established a series of standard environmental simulation verification sites, including the TAF Laboratory C244 particulate pollutant testing system, powder and granular material continuous testing system, TAF Laboratory M997 metrology water flow testing system, AI server cooling thermal mass flow meter simulation testing system, and high-precision pressure gauge oil-filling system. In addition to continuing the original 2023 plans, the Company will complete the construction of a pipeline air/steam flow calibration system and an ultra-high-pressure 0–10,000 psi calibration system in 2025.

II. Market and Production/Sales Overview

(I) Market Analysis

1. Sales (Provision) Regions of Major Products (Services)

Unit: NT\$ thousand

| Sales Region | | 2024 | | 2025 | |
|----------------|----------|-----------|----------------|-----------|----------------|
| | | Amount | Percentage (%) | Amount | Percentage (%) |
| Domestic sales | | 229,068 | 17.89 | 281,948 | 22.82 |
| Export sales | Asia | 446,349 | 34.87 | 380,735 | 30.81 |
| | Europe | 197,366 | 15.42 | 207,575 | 16.80 |
| | Americas | 381,206 | 29.77 | 339,107 | 27.44 |
| | Others | 26,310 | 2.05 | 26,364 | 2.13 |
| Subtotal | | 1,051,231 | 82.11 | 953,781 | 77.18 |
| Total | | 1,280,299 | 100.00 | 1,235,729 | 100.00 |

Note: Other regions include Africa and Oceania.

2. Market Share and Future Supply/Demand Conditions and Growth Potential of the Market

(1) Market Share

World-class manufacturers such as Siemens, ABB, Emerson, Endress+Hauser, Honeywell, KROHNE, and Yokogawa account for approximately 75% of the market, while other small and medium-sized enterprises share the remaining 25% of the market (such as VEGA, MTS Sensors, and KOBOLD). Compared to first-tier manufacturers, the Company possesses the capability to provide customers with one-stop process procurement services, while also offering measurement and system services across various fields such as pressure, flow, electricity, level, and temperature variables.

(2) Future Supply/Demand Conditions and Growth Potential of the Market

From the perspective of industry characteristics, the MarketsandMarkets report, Level Sensors Market Global Forecast & Analysis, indicates that the compound annual growth rate of the global overall level sensor market value is 7.8%. From the perspective of technological applications, radar level meters are the fastest-growing category. Examples include the consumer sector, automotive & transportation sector, industrial sector, power & manufacturing sector, military & defense sector, and healthcare sector. The overall compound annual revenue growth rate of the radar level meter market will reach 15%. Among these, the industrial, power & manufacturing sector is growing the fastest, with a compound annual revenue growth rate of 19.6% and a sales volume growth rate of 30.5%. In terms of compound growth in sales volume, the sales volume growth during the research period was 25.5%.

(3) Promotion Strategies

The promotion strategy is to provide customers with the 4C framework: (a) Customer Need: provide customer needs and cost considerations, combined with rapid and convenient tools available on the website to assist customers in easily selecting appropriate products. (b) Convenience: provide customers with the most immediate technical services and educational training. (c) Company: convey the Company's cultural values, core competencies, brand image, and differentiation from competitors, establish a distinctive product image, and also include the most important industrial certifications in the industrial electronics field. (d) Communication: a brand is composed of various tangible and intangible characteristics, with trademarks serving as symbols. Effective brand management can increase corporate value and expand market influence.

(4) E-commerce Platform

In response to platform-based management and to bridge geographical gaps in international markets, FineTek's official e-commerce platform website provides customers with real-time online and offline service interfaces as well as third-party payment interfaces. In response to platform-based management and to bridge geographical gaps in international markets, FineTek's official e-commerce platform website provides customers with real-time online and offline service interfaces as well as third-party payment interfaces. This business model enables customers with small-volume demands to avoid cumbersome internal and external procedures.

(5) Promotion and Implementation Methods

- (a) Industry exhibitions and innovative marketing: conduct Google keyword advertising through Asian network channels and European marketing networks. Provide ODM sales cooperation models and carry out automation or industrial exhibition marketing activities through distributors, subsidiaries, or direct participation by the parent company. Promote new products through exhibition exposure and seek distributors and direct users to expand channel strategies.
- (b) Information and knowledge management: formulate strategic plans for the introduction and establishment of data systems based on the organization's current and future growth needs. Three major knowledge platforms will be established to ensure real-time consistency in the knowledge base among customers, FineTek, and the supply chain. Through the Company's existing customer channels and overseas exhibitions, distributors and direct users will be attracted, and a Customer Relationship Management (CRM) system will be established. Quarterly supply and demand management will create real-time demand mechanisms for customers. Combined with visits to professional

exhibitions in various potential markets, the Company will enhance customer relationships and hold product presentations in target markets.

- (c) Certification and brand promotion: market the proprietary FineTek brand worldwide. In terms of marketing plans, the Company will begin with fundamental management principles to ensure the successful establishment of its proprietary brand. Taiwan's industrial model has evolved from OEM and ODM toward proprietary branding (OBM). Through strengths in manufacturing and standards formulation, the Company will promote the connection and development of its brand.

3. Competitive Advantages

(1) High Value-Added Operations

Product development integrates the Marketing Department, Sales Department, and R&D Department to jointly form cross-departmental project management teams, using customers' high added value as the basis for QFD (Quality Function Deployment) product function deployment, and organizing teams with synchronized cross-departmental operations. The established process includes business opportunity evaluation, product planning teams, synergistic effects, and high value-added engineering; it achieves organizational learning (enhancing professionalism), provides high value-added solutions, and produces mass-customized products, while executing highly integrated internal organizational operations and implementing breakthrough management methods and incentives.

(2) Diverse and Comprehensive Product Lines

The Company provides customers with one-stop process procurement services, including measurement and system services for variables such as liquid/solid level, pressure, flow, electricity, and temperature. All products are designed in accordance with IEC international standards, have passed multiple international safety certifications, and have undergone various electrical, mechanical, and environmental tests. Their quality and stability can meet the requirements of various complex process environments. The Company possesses multiple self-developed production equipment systems, enabling the most efficient utilization and control of production resources. When facing customers' small-volume and diversified OEM/ODM orders, the Company is able to deliver quickly and on schedule, shortening customer waiting periods compared to those of other competitors.

(3) Strong R&D Team and Innovative R&D Capabilities

The Company has long been committed to the establishment and development of its R&D team, focusing on the development and advancement of proprietary technologies. Currently, it possesses more than 400 technical patents and over 170 industrial product certifications, and has the capability to develop new products with

its own technologies to meet customer needs and market trends.

The Company's products feature customized designs compliant with global standards. Unlike the operating models of other industry peers, the Company has long cultivated customized services and industrial safety designs in different regional markets, and its products do not exhibit obvious European-standard or U.S.-standard product characteristics. For major international customers, adopting the Company's products in their systems does not require facing the difficulty of redesigning customized products simply because the products are sold in different regions such as Europe, the Americas, or Asia.

(4) Outstanding Brand Image with the Dual Advantages of Substantive R&D Manufacturing and Physical Distribution Channels

Within the process automation sensor industry structure, many medium-sized and larger companies primarily outsource design work through subcontracting or ODM arrangements and then sell products under their own brands. These types of companies generally focus on engineering design, consulting, and procurement contracting for engineering projects. Smaller companies focus on the development of single product items and do not possess physical sales channels. The Company's competitive advantage lies in combining the strengths of both types, possessing both physical R&D capabilities and physical sales operations, while marketing internationally under the proprietary FineTek brand and developing with proprietary technologies as its foundation.

(5) Industrial Position in Explosion-proof Certifications

The Company is already a well-known manufacturer of explosion-proof certified products in Taiwan and China, and has a long history of cooperation with global certification organizations and standards, including ATEX, UL, FM, CSA, NEPSI, and IECEx. Compared to competitors, the Company is able to obtain the latest explosion-proof certification information more quickly, accelerate development, and enter relevant industries.

4. Favorable and Unfavorable Factors for Future Development Prospects and Corresponding Strategies

(1) Favorable Factors

A. Products such as process automation sensors and pneumatic components can be applied across a wide range of industries.

B. The IoT-driven trend toward intelligent sensors promotes industry upgrading and transformation.

C. Rising labor costs are driving industrial automation upgrades.

(2) Unfavorable Factors

The market is dominated by a small number of major international manufacturers. The top five competitors control most of the market share, and all major international manufacturers have strong brand images, making it difficult for other competitors to compete against them.

(3) Corresponding Strategies

The top five competitors in the market primarily focus their business strategies on major engineering projects, with market distribution mainly concentrated in Europe and the Americas. The Company has long operated in the Asian market, with customer groups primarily consisting of engineering contractors, machinery manufacturers, and end-user customers. Its market distribution and customer base are differentiated from those of other major international manufacturers.

A large number of new competitors from China have entered the low-end industrial automation sensor industry, adopting low-price strategies to seize and divide the market, making competition increasingly intense. The Company does not compete through low-price strategies. Instead, it primarily targets export-oriented customers, provides superior overseas customer service, leverages years of accumulated independent R&D and customization capabilities along with its brand image, emphasizes superior product quality and customer service as its primary competitive advantages, and actively expands the market.

In addition, most manufacturers can only provide customers with services for a single product line, whereas the Company is able to provide diversified product lines for integrated services. The Company will continue to advance in this direction in the future.

(II) Major Uses and Production Processes of Major Products

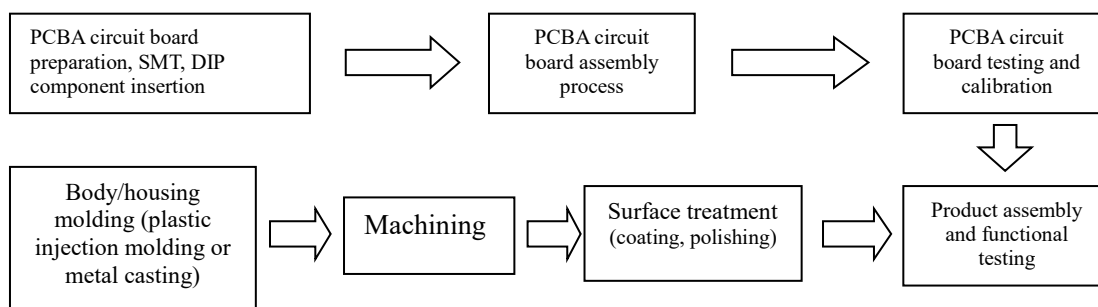
1. Major Uses of Major Products

Important application fields extend across electrical and electronics, semiconductors, machinery, energy-saving industries, optoelectronics, petrochemicals, automatic control, green environmental protection and wastewater treatment, food industries, cement industries, shipbuilding, mining, steel industries, and others. As technology continues to advance, new application methods for products such as process automation sensors and pneumatic components continue to emerge, and their development potential across various industries will continue to expand. Descriptions of the major products are as follows:

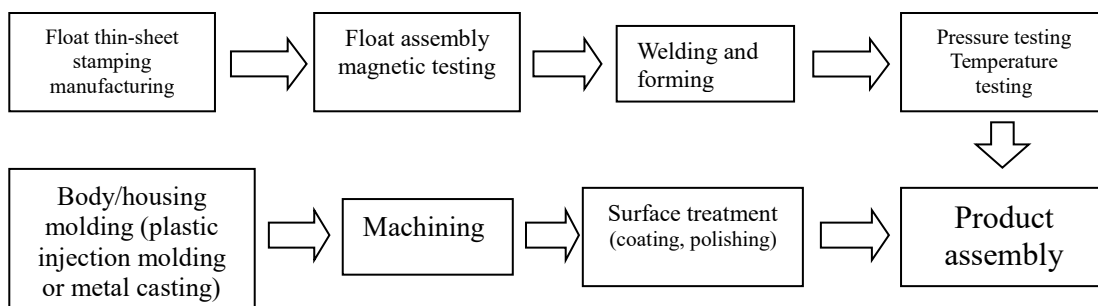
| Product Item | Product Use |
|---|--|
| <p style="text-align: center;">Process automation sensors</p> | <p>(1) Level switches: Float types: rod-type, side-mounted, cable-type, miniature float switches, as well as other operating principles such as tuning fork level switches, rotary paddle level switches, and capacitive level switches.</p> <p>(2) Level indicators: Continuous float type, capacitive type, bypass type, magneto strictive type, pressure type, ultrasonic level meters, radar level meters, etc.</p> <p>(3) AI server immersion cooling liquid control monitoring and distributed CDU cooling pipeline monitoring sensors: Ultrasonic flow meters, multifunction temperature/pressure/flow sensors, pressure sensors, high-precision thermal mass flow meters, coolant leakage detectors, temperature sensors, photoelectric level switches.</p> <p>(4) Flow meters: Electromagnetic flow meters, paddle wheel flow meters, thermal mass flow meters, ultrasonic flow meters, residential electronic water meters, and the development of various other next-generation flow meters.</p> <p>(5) Mütec/DYNA powder flow switches and flow meters, online moisture analyzers, and high-temperature/high-pressure signal transmitters.</p> |
| <p style="text-align: center;">Electrical and pneumatic control components</p> | <p>(1) Air pollution dust collection-related sensing and control components, including particulate concentration detectors, vibrators, dust collection valves, sequence controllers, safety control components, and dust collection equipment parts.</p> <p>(2) Conveying equipment-related control components, including belt misalignment switches, pull-rope switches, speed controllers, and belt tear switches.</p> |
| <p style="text-align: center;">Others</p> | <p>Consumable materials, miscellaneous items, outsourced products, and imported products.</p> |

2. Manufacturing Processes of Major Products

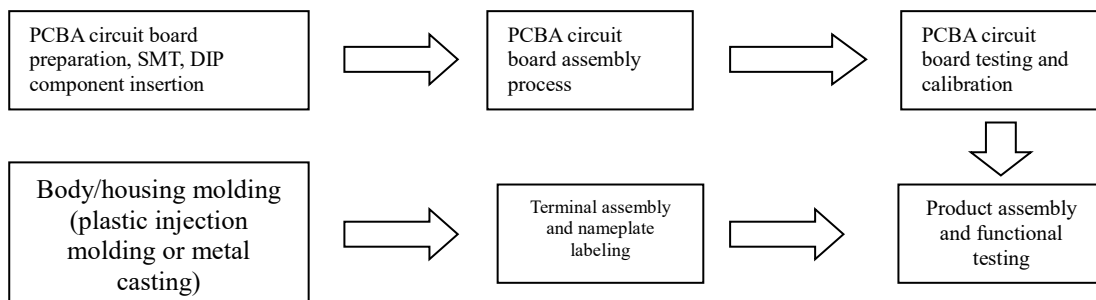
Process Automation Sensors: Level Meters and Level Control Components



Process Automation Sensors: Float-type Control Switches



Process Automation Sensors: Control Instruments



(III) Supply situation for major raw materials

The Company's primary raw materials include electronic active components, passive components, machined parts, plastic injection molded parts, metal tubing, hardware parts, motors, junction boxes, and others. The Company maintains active communication with its suppliers on a regular basis and arranges supply schedules accordingly. Supply conditions have remained satisfactory.

(IV) A list of any suppliers and clients accounting for 10 percent or more of the company’s total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, and the percentage of total procurement (sales) accounted for by each

1. Major Suppliers in the Most Recent Two Years

Unit: NT\$ thousand

| Item | 2024 | | | | 2025 | | | | As of March 31, 2026 | | | |
|------|---------------|---------|--|------------------------------|---------------|---------|--|------------------------------|----------------------|--------|---|------------------------------|
| | Name | Amount | Percentage of Annual Net Purchases (%) | Relationship with the Issuer | Name | Amount | Percentage of Annual Net Purchases (%) | Relationship with the Issuer | Name | Amount | Percentage of Net Purchases as of the End of the Previous Quarter of the Current Year (%) | Relationship with the Issuer |
| 1 | Supplier A | 134,657 | 31.77 | Non-related party | Supplier A | 104,323 | 29.22 | Non-related party | Supplier A | 51 | 0.08 | Non-related party |
| | Others | 289,241 | 68.23 | | Others | 252,646 | 70.78 | | Others | 67,051 | 99.92 | |
| | Net purchases | 423,898 | 100 | | Net purchases | 356,969 | 100 | | Net purchases | 67,102 | 100 | |

2. Major Customers in the Most Recent Two Years

Unit: NT\$ thousand

| Item | 2024 | | | | 2025 | | | | As of March 31, 2026 | | | |
|------|-----------|-----------|------------------------------------|------------------------------|-----------|-----------|------------------------------------|------------------------------|----------------------|---------|---|------------------------------|
| | Name | Amount | Percentage of Annual Net Sales (%) | Relationship with the Issuer | Name | Amount | Percentage of Annual Net Sales (%) | Relationship with the Issuer | Name | Amount | Percentage of Net Sales as of the End of the Previous Quarter of the Current Year (%) | Relationship with the Issuer |
| 1 | Client A | 341,253 | 26.65 | Non-related party | Client A | 299,552 | 24.24 | Non-related party | Client A | 41,034 | 15.41 | Non-related party |
| | Others | 939,046 | 73.35 | | Others | 936,177 | 75.96 | | Others | 225,089 | 84.59 | |
| | Net sales | 1,280,299 | 100 | | Net sales | 1,235,729 | 100 | | Net sales | 266,123 | 100 | |

III. Information on employees employed for the 2 most recent fiscal years, and during the current fiscal year up to the date of publication of the annual report

| Year | | 2024 | 2025 | As of March 31, 2026 |
|---|--------------------------|--------|--------|----------------------|
| Number of employees | Direct | 114 | 101 | 102 |
| | Indirect | 347 | 333 | 334 |
| | Total | 461 | 434 | 436 |
| Average age | | 40.84 | 41.72 | 41.92 |
| Average years of service (years) | | 8.42 | 8.62 | 9.00 |
| Education background distribution ratio (%) | Doctorate | 0.43% | 0.23% | 0.23% |
| | Master's degree | 7.38% | 9.45% | 9.63% |
| | Junior College | 56.18% | 51.84% | 52.75% |
| | Senior High School | 27.55% | 28.80% | 28.21% |
| | Below Senior High School | 8.46% | 9.68% | 9.18% |

IV. Disbursements for environmental protection

Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations identified in environmental inspections – specifying the disposition dates, disposition reference numbers, articles of law violated, and the content of the dispositions), as well as an estimate of possible expenses that may be incurred currently and in the future, and the measures being or to be taken, should be disclosed. If a reasonable estimate cannot be made, an explanation of the reasons why it cannot be made shall be provided: None.

V. Labor relations

(I) Employee benefit plans, continuing education, training, 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 Welfare Measures

The welfare measures provided by the Company include labor insurance and national health insurance, labor pension contributions, group accident insurance, regular

employee health examinations, travel expense subsidies, employee meals, employee uniforms, year-end banquet events, year-end bonuses, recognition for long-serving employees, and subsidies for marriage, funerals, hospitalization, childbirth, and childcare, in order to support employees' well-being. The welfare measures provided by the Employee Welfare Committee include regularly organized domestic and overseas employee trips, family day events, irregular employee gatherings and dinners, irregular recreational competition activities, bonuses and gifts for the three major festivals, birthday gift money, subsidies for employee continuing education, scholarships for employees' children, and subsidies for weddings, funerals, and celebratory occasions.

2. Continuing Education and Training

The Company has established education and training regulations to cultivate employees' professional knowledge and skills, enabling them to fully perform their duties, improve work efficiency, ensure work quality, and achieve the Company's objectives of sustainable operation and development. The Company provides diversified training courses and various professional on-the-job training programs, including orientation training for new employees, on-the-job training courses, labor safety and health education and training, professional courses, and various externally assigned training courses related to job duties, thereby enhancing employees' professional capabilities and core competitiveness, while strengthening comprehensive training and continuing education channels for employees.

3. Retirement System and Implementation Status

The Company has established employee retirement regulations in accordance with the Labor Standards Act and the Labor Pension Act and has established a Labor Pension Reserve Supervisory Committee. The Company contributes 2% of the total monthly employee salary amount into a dedicated account with the Bank of Taiwan in the Company's name. An actuary is engaged annually to conduct actuarial calculations and regularly provide pension reports to ensure sufficient contributions. Under the new pension system, 6% of employees' total salaries is contributed to employees' individual pension accounts. In addition, employees may voluntarily contribute pension funds of up to 6% of their monthly salary, which will be withheld from their monthly salaries according to their voluntary contribution rate and deposited into their individual pension accounts with the Bureau of Labor Insurance.

4. Labor-Management Agreements and Measures for Safeguarding Employee Rights and Interests

All Company regulations are based on the Labor Standards Act as the governing standard. The Company places great importance on employee opinions and adopts a two-way and open approach for communication with employees. Internal communication

channels are smooth and effective, with the aim of maintaining good and harmonious labor–management relations. The Company has established comprehensive document management systems that specify various management regulations. The contents clearly define employees’ rights, obligations, and welfare items, and welfare provisions are regularly reviewed and revised to safeguard the rights and interests of all employees.

5. In addition to the above descriptions, please refer to “II. Corporate Governance Report – 3. Corporate Governance Operations – (6) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons” for detailed implementation status.

(II) Losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes, along with an estimate of possible expenses that could be incurred currently and in the future, and the measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the reasons why it cannot be made shall be provided: None.

VI. Cyber security management

(I) Cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management

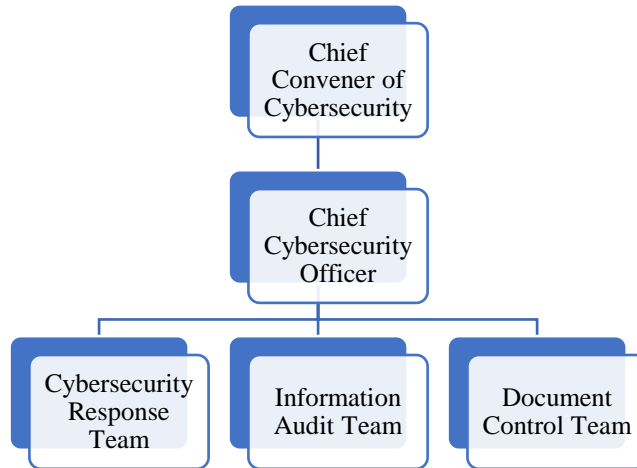
1. Cybersecurity risk management framework

- ◆ The Company’s Information Technology Department is an independent department not subordinate to user units. The head of the Information Technology Department serves as the cybersecurity officer, and the RS Resource Service Team serves as the cybersecurity response team.
- ◆ The Information Technology Department is responsible for coordinating and implementing information security policies, promoting information security awareness, enhancing employees’ cybersecurity awareness, and collecting and improving technologies, products, or procedures related to the performance and effectiveness of the organization’s information security management system.
- ◆ The Company has established operational procedures for information security incident crisis reporting, which provide detailed action steps in the event of cybersecurity incidents, including incident detection, response, recovery, and follow-up analysis. Regular drills and updates are conducted to ensure effective operation under actual crisis situations.
- ◆ Each year, the Information Audit Team conducts information security audits on the internal control system – electronic computer cycle – to assess the effectiveness of the Company’s internal controls over information operations.
- ◆ The Document Control Team ensures that information security policies, procedures, and standards are effectively implemented, continuously updated, and

understood and complied with by all relevant personnel within the organization. The Team also ensures that all information security-related documents undergo appropriate review and approval procedures and are subject to version control.

- ◆ Cybersecurity risk management operations are reported to the Board of Directors at least once annually, with the most recent report presented to the Board on March 11, 2026.

FineTek Information Security Organizational Structure



2. Cybersecurity Policies and Specific Management Measures

(1) Internet Cybersecurity Controls

- Installation of firewalls
- Regular virus scanning of computer systems and data storage media
- Use of various network services shall be implemented in accordance with information security policies
- Regular review of system logs for various network services to track abnormal conditions

(2) Data Access Controls

- Computer equipment shall be managed by designated personnel and protected with account names and passwords
- Different access permissions shall be granted according to job functions
- Original access permissions shall be revoked for transferred personnel
- Before equipment disposal, confidential or sensitive data and copyrighted software shall be removed or overwritten
- Remote login to management information systems shall receive appropriate approval

(3) Contingency Recovery Mechanisms

- Regular review of emergency response plans
- Annual system recovery drills
- Establishment of system backup mechanisms and implementation of off-site

backups

- Regular review of computer network security control measures

(4) Promotion and Inspection

- Continuous promotion of information security information to enhance employees' cybersecurity awareness
- Annual cybersecurity inspections and reporting to responsible supervisors

(5) To implement information security management, the Company has established internal control systems – electronic computer cycle and information management regulations. Through the joint efforts of all employees, the Company aims to achieve the following policy objectives:

- Ensure the confidentiality and integrity of information assets.
- Ensure data access in accordance with departmental functional authorizations.
- Ensure the continuous operation of information systems.
- Prevent unauthorized modification or use of data and systems.
- Conduct regular information security audit operations to ensure effective implementation of information security.

(6) Participation in TWCERT/CC.

- Obtain real-time security threat information to strengthen corporate cybersecurity.
- Obtain professional technical support and consultation services, and share information with other members.
- Regularly participate in cybersecurity-related training and educational activities organized by the center.

3. Cybersecurity Education, Training, and Maintenance

In 2025, the Company's cybersecurity resources and maintenance included AD domain controller maintenance, electronic social engineering drill programs, anti-tampering backup storage implementation projects, Fluid Power Association corporate cybersecurity ratings, HPE Simplivity expansion projects, firewall warranty and license renewals, Group information equipment replacement, renewal of Group fiber optic leased lines, corporate cybersecurity protection, various software and hardware maintenance contracts, and the implementation of the Digiwin browser upgrade project, totaling NT\$4,199 thousand.

The Company conducts annual employee information security education and training. In 2025, the total number of participants was 31, with a total of 186 training hours. External cybersecurity instructors were invited to the plant to explain methods used in external hacker intrusions and fraud schemes, as well as prevention awareness. At the same time, the latest cybersecurity concepts were promoted to employees to reduce risks, aiming to enhance cybersecurity awareness among all personnel. In addition, external email filtering mechanisms, cybersecurity protection software deployed on Company computers, network firewall mechanisms, and antivirus

software deployed on Company computers are used to safeguard the Company's interests at all times.

- (II) Losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the reasons why it cannot be made shall be provided: None.

VII. Important Contracts

The Company's currently effective and outstanding major contracts, as well as major contracts that expired during the most recent fiscal year, including supply and sales contracts, technical cooperation contracts, engineering contracts, long-term loan agreements, and other important contracts sufficient to affect shareholders' rights and interests, are as follows:

| Type of Contract | Party Involved | Contract Term | Major Contents | Restrictive covenants |
|--------------------------------|---------------------------------------|--------------------------------------|--|-----------------------|
| Shareholder services agency | Yuanta Securities Co., Ltd. | July 2013–until contract termination | Agency service agreement | None |
| Technology licensing | National Chiao Tung University | February 18, 2014–completion | Technology licensing agreement for “Pulse Radar Principles and Technology” | None |
| Comprehensive credit facility | Mega International Commercial Bank | July 26, 2025–July 25, 2026 | Credit facility amount of NT\$100 million | None |
| Comprehensive credit facility | Taiwan Business Bank | October 29, 2025~October 29, 2026 | Credit facility amount of NT\$100 million | None |
| Comprehensive credit facility | Yuanta Commercial Bank | January 21, 2026~January 20, 2027 | Credit facility amount of NT\$120 million | None |
| Directors' liability insurance | AIG Asia Pacific Insurance | October 20, 2025~October 20, 2026 | Directors and managerial officers liability insurance agreement | None |
| Software maintenance | I.E MIS CONSULTANT CO., LTD. | December 1, 2025~October 31, 2026 | Software maintenance agreement | None |
| Software maintenance | Data Systems Co., Ltd. | March 01, 2026~March 31, 2027 | Software maintenance agreement | None |
| Software licensing | Acer E-Enabling Service Business Inc. | March 30, 2021 ~ perpetual buyout | Microsoft perpetual licensing purchase agreement | None |

Five. Review and analysis of financial position, financial performance, and risk matters

I. Financial Position

Major reasons for significant changes in assets, liabilities, and equity during the most recent two years and their impact:

Unit: NT\$ thousand

| Item | Year | 2024 | 2025 | Difference | |
|--|------|-----------|-----------|------------|----------|
| | | | | Amount | % |
| Current assets | | 1,772,523 | 1,640,900 | (131,623) | (7.43) |
| Property, plant and equipment | | 730,605 | 719,582 | (11,023) | (1.51) |
| Intangible assets | | 52,611 | 67,333 | 14,722 | 27.98 |
| Other assets | | 145,763 | 219,789 | 74,026 | 50.79 |
| Total assets | | 2,701,502 | 2,647,604 | (53,898) | (2.00) |
| Current liabilities | | 211,799 | 186,327 | (25,472) | (12.03) |
| Non-current liabilities | | 525,993 | 542,029 | 16,036 | 3.05 |
| Total liabilities | | 737,792 | 728,356 | (9,436) | (1.28) |
| Share capital | | 558,848 | 570,025 | 11,177 | 2.00 |
| Additional paid-in capital | | 445,121 | 445,121 | 0 | - |
| Retained earnings | | 990,744 | 940,249 | (50,495) | (5.10) |
| Other equities | | (31,102) | (36,242) | (5,140) | 16.53 |
| Non-controlling interests | | 99 | 95 | (4) | (4.04) |
| Treasury shares | | - | - | - | - |
| Total equity | | 1,963,710 | 1,919,248 | (44,462) | (2.26) |
| Explanation of items with significant changes (changes between periods reaching more than 20% and with an absolute change amount of more than NT\$10 million): | | | | | |
| (1) Increase in intangible assets: mainly due to the increase in intangible assets acquired through business combinations in 2025. | | | | | |
| (2) Increase in other assets: mainly due to an increase of NT\$33,381 thousand in long-term receivables in 2025. | | | | | |

II. Financial Performance

(I) Comparative Analysis Table of Financial Performance

Unit: NT\$ thousand

| Item | Year | | Amount of increase (decrease) | Percentage of change % |
|--|-----------|-----------|-------------------------------|------------------------|
| | 2024 | 2025 | | |
| Operating revenues | 1,280,299 | 1,235,729 | (44,570) | (3.48) |
| Operating costs | 581,359 | 581,306 | (53) | (0.01) |
| Gross profit | 698,940 | 654,423 | (44,517) | (6.37) |
| Operating expenses | 428,265 | 474,749 | 46,484 | 10.85 |
| Operating profit | 270,675 | 179,674 | (91,001) | (33.62) |
| Non-operating income and expenses | 60,404 | 49,129 | (11,275) | (18.67) |
| Income before tax | 331,079 | 228,803 | (102,276) | (30.89) |
| Income tax expense | 67,334 | 39,681 | (27,653) | (41.07) |
| Current net income | 263,745 | 189,122 | (74,623) | (28.29) |
| Other comprehensive income for the current period (net of tax) | 25,018 | (4,457) | (29,475) | (117.82) |
| Total comprehensive income for the period | 288,763 | 184,665 | (104,098) | (36.05) |
| <p>Explanation of items with significant changes (changes between periods reaching more than 20% and with an absolute change amount of more than NT\$10 million):</p> <p>(1) Decrease in operating profit, profit before tax, and net profit for the current period: mainly due to a decrease of NT\$44,517 thousand in gross operating profit, followed by increased operating expenses resulting from factors such as tariffs and exchange rate impacts, as well as one-time acquisition expenses arising from the acquisition of DYNA Company.</p> <p>(2) Decrease in income tax expense: mainly due to the decrease in profit before tax.</p> <p>(3) Decrease in other comprehensive income for the current period (net of tax): mainly due to exchange rate fluctuations, whereby 2024 recorded exchange gains from the translation of foreign operating entities' financial statements, while 2025 recorded exchange losses.</p> <p>(4) Decrease in total comprehensive income for the current period: mainly due to decreases in net profit for the current period and other comprehensive income for the current period.</p> | | | | |

(II) Expected sales volume and its basis, potential impact on the Company’s future financial performance and business operations, and response plans

1. Expected sales volume and its basis: The Company establishes annual targets based on customers’ estimated demand, overall market conditions, capacity planning, and past operating results. In response to diversified market demand, the Company will continue to devote efforts to the R&D of new products, and sales volume is expected to grow compared to the previous year.
2. Possible impact on the Company’s future financial and business operations and response plans: The Company will devote efforts toward the effective utilization of production capacity and financial resources in response to business growth needs.

III. Cash Flow

(I) Analysis and Explanation of Changes in Cash Flow for the Most Recent Fiscal Year

Unit: NT\$ thousand

| Beginning cash balance ^① | Net cash flow from operating activities for the year ^② | Net cash flow from investing activities for the year ^③ | Net cash flow from financing activities for the year ^④ | Cash surplus (deficit) ①+②+③+④ | Remedial measures for cash deficit | |
|-------------------------------------|---|---|---|-----------------------------------|------------------------------------|----------------------------|
| | | | | | Investment plans | Financial management plans |
| 1,058,388 | 146,882 | (167,768) | (203,887) | 833,615 (Note) | — | — |

Note: The difference from the ending cash balance of NT\$840,267 thousand was due to the “effect of exchange rate changes on cash and cash equivalents of NT\$6,652 thousand.”

1. Operating activities: Net cash inflow from operating activities was mainly due to continued profitability in 2025.
2. Investing activities: Net cash outflow from investing activities was mainly due to cash outflow of NT\$34,171 thousand from business combinations in 2025 and net acquisition of financial assets measured at amortized cost amounting to NT\$99,539 thousand.
3. Financing activities: Net cash outflow from financing activities was mainly due to the distribution of cash dividends amounting to NT\$229,127 thousand.

(II) Corrective measures to be taken in response to illiquidity: not applicable.

(III) Liquidity analysis for the coming year

Unit: NT\$ thousand

| Beginning cash balance ^① | Net cash flow from operating activities for the year ^② | Cash outflow for the year ^③ | Cash surplus (deficit) ①+②-③ | Remedial measures for cash deficit | |
|-------------------------------------|---|--|---------------------------------|------------------------------------|----------------------------|
| | | | | Investment plans | Financial management plans |
| 840,267 | 300,000 | 210,000 | 930,267 | — | — |

IV. Effect upon financial operations of any major capital expenditures during the most recent fiscal year: No material impact.

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

(I) Reinvestment policy

The Company's reinvestment policy is based on balancing the developmental needs of its core business and long-term strategic investments, rather than focusing on short-term financial investments, while also aligning with customers' global supply chain deployment to expand the Group's operational scale.

(II) Main reasons for the profits/losses generated thereby, the plan for improving reinvestment profitability

In 2024 and 2025, the Company recognized net investment income under the equity method of NT\$57,171 thousand and NT\$19,074 thousand, respectively, mainly derived from investments in subsidiaries engaged in the manufacturing and sales of related products. The subsidiaries reporting losses in 2025 were Accurtech Co., Ltd., Golden Land International Corp. (abbreviated as Golden), Aplus Finetek Sensor Inc. (abbreviated as Aplus), Finetek GmbH, and Mütec Instruments GmbH (abbreviated as Mütec). Accurtech Co., Ltd. was established in December 2024 and remains in the initial stage of operations. As it has not yet generated revenue to cover establishment expenses, it recorded a loss of NT\$820 thousand for the current period. Profitability is expected after formal operations commence. Golden is the parent company of Aplus Finetek Sensor Inc., which is the U.S. subsidiary. Golden recorded a loss of NT\$5,071 thousand in 2025, mainly due to reduced order volumes from major customers and the impact of U.S. tariffs, resulting in lower profitability. Revenue is expected to recover in 2026 due to optimistic shale oil market performance, and there are currently no concerns regarding its ability to continue operations. Finetek GmbH is the parent company of Mütec Instruments GmbH. Finetek GmbH recorded a loss of NT\$3,598 thousand in 2025. Mütec acquired DYNA Instruments GmbH in 2025, resulting in relatively high one-time expenses. Revenue

growth is expected in 2026, while expenses are expected to decrease. The remaining subsidiaries maintained stable operations and were all profitable.

(III) Investment plans for the coming year

Continue seeking European and U.S. technology cooperation partners or acquisition targets to introduce more advanced precision measurement solutions and technologies, serving both vertical and horizontal integration of the product line and strengthening the competitive advantages of the Company's products.

VI. Risks

(I) Effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future

1. Interest rate fluctuations

A. Effect upon the company's profits (losses)

The Company's net interest expenses for 2024 and 2025 were NT\$5,065 thousand and NT\$13,227 thousand, respectively, accounting for 1.53% and 5.78% of profit before tax, respectively. The increase in the interest expense ratio in 2025 was mainly due to higher interest expenses from convertible bonds. Interest rate fluctuations did not have a material impact on the Company's profit and loss.

B. Specific response measures

The Company regularly evaluates bank borrowing interest rates and maintains good relationships with banks to obtain more favorable borrowing rates and reduce interest expenses. The Company continuously monitors the impact of changes in financial market interest rates on its funds so that responsive measures can be adopted at any time. Therefore, interest rate fluctuations have not had a material impact on the Company's profit and loss.

2. Exchange rate fluctuations

A. Effect upon the company's profits (losses)

The Company's export products are primarily priced in U.S. dollars. Net foreign exchange gains (losses) for 2024 and 2025 were NT\$17,891 thousand and NT\$1,395 thousand, respectively, accounting for 1.40% and 0.11% of net operating revenue, respectively, and accounting for 5.40% and 0.74% of profit before tax, respectively. Due to the following response measures adopted by the Company, exchange rate fluctuations have not had a material impact on the Company's revenue and profitability.

B. Specific response measures

- (A) When business units provide quotations to customers, exchange rate trends are incorporated into pricing decisions, and quotations are dynamically adjusted to avoid material impacts from exchange rate fluctuations on Company profitability.
- (B) Natural hedging of foreign currency positions will continue to serve as the primary strategy for managing exchange rate risk in the future, and foreign currency asset and liability positions will be adjusted as appropriate to reduce the risks arising from exchange rate fluctuations.
- (C) The Finance Division maintains close relationships with financial institutions and continuously monitors exchange rate fluctuations, flexibly adjusting foreign currency positions in the spot market and utilizing appropriate foreign exchange hedging products to avoid risks arising from exchange rate fluctuations and reduce the impact of such fluctuations on the Company's profit and loss.

3. Inflation

A. Effect upon the company's profits (losses)

According to the annual increase rate of 1.75% in the Consumer Price Index for February 2026 announced by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, there has not been significant inflation. As of the date of publication of the annual report, the Company's profit and loss had not been materially affected by inflation.

B. Specific response measures

- (A) The Company continuously monitors fluctuations in upstream raw material market prices and maintains strong interactive relationships with suppliers and customers to anticipate raw material market trends, predetermine procurement quantities, and adjust procurement pricing currencies to weaker ones to reduce the impact of price increases.
- (B) Based on changes in raw material costs, when fluctuations exceed the preset tolerance range, the Company dynamically adjusts selling prices to customers to avoid material impacts on the Company arising from inflation.

- (II) The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future

The Company has consistently adhered to the principles of focusing on its core business and pragmatic operations. Its financial policies are based on prudence and conservatism, and the Company has not engaged in high-risk or highly leveraged investments. The Company's activities involving loans to others, endorsements and guarantees, and derivative product transactions are conducted in accordance with the policies and response measures set forth in the Company's "Procedures for Lending Funds to Others," "Procedures for Endorsements and Guarantees," and "Procedures for Acquisition or Disposal of Assets." Should the Company engage in derivative product transactions in the future, it will continue to uphold prudent and conservative principles, primarily for the purpose of hedging risks arising from fluctuations in actual foreign exchange transactions.

- (III) Research and development work to be carried out in the future, and further expenditures expected for research and development work

The development of the Company's products and technologies has always been aligned with customer and market demands, while closely monitoring future industry trends and developments to develop products and technologies with market growth potential and strong future prospects. For future annual R&D plans, please refer to "IV. Operational Overview – 1. Business Overview – (3) Technology and R&D Overview" of this annual report. The Company expects to continue investing approximately 5%–10% of net operating revenue in R&D expenses in 2026 to support future R&D plans and enhance the Company's market competitiveness.

- (IV) Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response

The Company's daily operations are conducted in compliance with relevant domestic and international laws and regulations. The Company also continuously monitors domestic and international policy trends and regulatory changes, collects relevant information for management decision-making reference, and adjusts related operational strategies accordingly. As of the date of publication of the annual report, the Company has not experienced any material impact on its financial or business operations due to major changes in domestic or international policies or laws.

- (V) Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response

The Company's principal products are the most fundamental and indispensable components of measurement devices. Along with technological advancements, the Company actively and continuously develops products with new applications to maintain its competitive advantages in the market. At the same time, the Company

monitors cybersecurity information, industry trends, and peer market data; evaluates their impact on Company operations; makes corresponding adjustments; and adopts prudent financial management strategies to maintain market competitiveness.

- (VI) Effect on the company’s crisis management of changes in the company’s corporate image, and measures to be taken in response

Since its establishment, the Company has focused on operating its core business, complied with relevant laws and regulations, actively strengthened internal management, and enhanced management quality and performance to continuously maintain an excellent corporate image and increase customer trust. During the most recent fiscal year and up to the date of publication of the annual report, there have been no incidents in which changes in the corporate image caused operational crises for the Company. However, the occurrence of corporate crises may cause considerable damage to an enterprise. Therefore, the Company will continue implementing various corporate governance requirements to reduce the occurrence of corporate risks and their impact on the Company.

- (VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken

On February 14, 2025, the Board of Directors resolved to acquire the assets of the German company DYNA Instruments GmbH through the German sub-subsidiary Mütec Instruments GmbH. The purpose of the acquisition was to increase sales channels, expand business operations in Europe, enrich the Company’s product portfolio, and integrate the industrial supply chain. The transaction price was EUR 950 thousand, and the agreement was completed with payment made in accordance with the contract by the end of February 2025. The Company handled the transaction in accordance with the “Procedures for Acquisition or Disposal of Assets” to ensure the interests of the Company and all shareholders.

- (VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken

In 2025, the Company carried out additional routine maintenance and repairs to provide employees with a better working environment. These expenditures were all completed using internal funds; therefore, there is no risk associated with borrowing funds.

- (IX) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken

(1) Purchasing

The primary raw materials for the Company’s products include electronic active components, passive components, machined parts, plastic injection molded

parts, metal tubing, hardware parts, motors, junction boxes, and others. The raw material procurement strategy comprehensively evaluates factors such as supplier quality, pricing, delivery schedules, and cooperation level. Currently, procurement sources are diversified between domestic and overseas suppliers. In addition to continuously maintaining good relationships with existing suppliers, the Company actively seeks and develops high-quality suppliers, ensuring that each type of raw material is sourced from more than two suppliers. Furthermore, the Company ordinarily maintains appropriate inventory levels of major raw materials, which should provide support in the event of force majeure or unexpected incidents. Therefore, the Company should not face risks associated with concentrated purchasing or unstable supply sources.

(2) Sales

The Company has more than 7,000 sales customers annually, with customers located worldwide, thereby diversifying regional sales risks. The Company also maintains ongoing communication with customers and regularly monitors each customer's credit and payment status to avoid material risks arising from sales concentration.

- (X) Effect on and risk to the company in the event that a major quantity of shares belonging to a director or a shareholder holding more than a 10 percent stake in the company has been transferred or otherwise changed hands, and the mitigation measures being or to be taken:

As of January 2026, Chairman and President Wu Ting-Kuo held 3,446 thousand shares, representing a decrease of 20.94% compared to the 4,359 thousand shares held at the time of election. The primary reason was the transfer of shares under a trust arrangement to a bank. The nature of the transaction was a trust transfer in which decision-making rights over the shares were retained; therefore, it did not have a material impact on the Company.

- (XI) Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: None.

- (XII) Litigious and non-litigious matters:

Major litigious, non-litigious, or administrative disputes that: (1) involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, the amount of money at stake, the date of litigation commencement, the

main parties involved, and the status of the dispute as of the date of publication of the annual report: None.

(XIII) Other important risks, and mitigation measures being or to be taken: None.

VII. Other important matters: None.

Six. Special items to be included

I. Information related to the company's affiliates

(I) Consolidated business report

In accordance with Article 22-1 of the “Regulations Governing Information to be Published in Annual Reports of Public Companies,” the index for inquiry regarding information disclosed in the annual report is as follows:

- Inquiry path: Public Information Observatory > Individual Company > Electronic Document Download > Related Enterprise Statements Section.
- Inquiry : https://mopsov.twse.com.tw/mops/web/t57sb01_q10

(II) Consolidated financial statements: Please refer to the 2025 consolidated financial statements and independent auditors' report.

(III) Affiliation report: Not applicable.

II. Private placement of securities in the most recent fiscal year and up to the date of annual report publication: None.

III. Other matters that require additional description: None.

Seven. If any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, have occurred during the most recent fiscal year or the current fiscal year up to the date of publication of the annual report:

None.

FineTek Co., Ltd.

Chairman: Wu Ting-Kuo