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Gallant Precision Machining Co., Ltd.

Annual Report 2025

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I. Letter to Shareholders

Dear Shareholders: :

First of all, we would like to thank you for your continuous and unwavering support to Gallant Precision Machining Co., Ltd. ("GPM" or "the Company"). Hereafter is the financial performance of 2025.

1. 2025 Business Report

The parent company operating income of GPM in 2025 was NT\$1,963,447 thousand, representing an increase of 5.90% from the preceding year. The consolidated operating income of the Group was NT\$4,669,827 thousand, representing an increase of 5.30% from the preceding year. In terms of profit, the parent company only net profit after tax of GPM was NT\$416,948 thousand, representing an increase of 40.51%. The gross profit margin increased by 18.40% over the previous year, and net profit per share was NT \$2.59.

1.1 The overview of receipt/expense and profitability of Gallant Precision Machining Group ("GPM Group"):

Financial analysis data		2025
Debt to asset ratio (%)	(%)	41.03
Long-term Fund to Property, Plant and Equipment (%)	(%)	831.30
Return on total assets	(%)	3.92
Return on Equity Attributable to Shareholders of the Parent (%)	(%)	6.03
Percentage of paid-in capital (%)	Operating profit	29.16
	Pre-tax net profit	39.07
Net profit margin	(%)	11.25
Earnings Per Share	(NT\$)	2.59

1.2 Products that have been developed by the Company in 2025

R&D accomplishments (Technology)	Product
	High Speed 3D Metrology for Advanced Package
	Glass Substrate Grinder
	Intelligent Quality Prediction System for Grinder Process Control
	Die Bonder with Laser Assisted
	Panel Level Face Down Die Bonder
	High Accuracy & Cleanliness Chip Sorter
	Wafer to Wafer Chip Sorter with STLP
	Wafer to Wafer Chip Sorter with 6S AOI for Large Die
	High-Precision Die Shift Measurement Machine for 3um Die Bond
	High-Precision Die Bonder (Face Down)

2.Future Plans

2.1 Operating Policy in 2026

2.1.1 Business Activities

- Refine, combine, focus and innovate semiconductor industry.
 - Differentiation, diversification, expansion next generation display industry.
 - Extend, promote and branding intelligent automation industry.
- (1) The Company adopts “ethics” as its core and adheres to the corporate culture of “teamwork, innovation, responsibility, and learning” to focus on the automated optical testing, measurement, grinding, polishing, and other core technologies in the long run with the attitude of constant advances and continuous innovations so as to provide advanced packaging and recycled wafer smart solutions for the semiconductor industry and provide high-quality equipment and excellent services with customer-first as the philosophy in order to create values for customers.
 - (2) We focus on core semiconductor technology, innovation and connection of international research and development resources. We understand Taiwan semiconductor market and provide customers with process solutions. Quality is the priority to us. We improve the overall competitiveness and grasp the market trends in order to improve customer competitiveness and differentiation.
 - (3) To provide high-quality equipment and services to customers and improve the information security protection ability of tools, we introduced the SEMI E187 compliance development in the stage of product design. In 2023, we successfully passed the certification by Bureau Veritas, a third-party notarization department, and expanded the applications to equipment related to semiconductors. In 2023, we were commended by the Administration for Digital Industries, and we promoted information security awareness within the supply chain of the industry through benchmark learning.
 - (4) Through technology introduction/cooperation and the connection to the requirements of partners and customers, we forcefully entered the advanced testing technology development and innovation in the front end of the semiconductor industry and developed the testing, measurement, grinding, polishing, and other procedure equipment in the mid-to-back-end packing procedures to improve the product performance in the existing advanced packaging, wafer recycling, and IC substrate fields so as to focus on the product lines and expand customer groups.
 - (5) The foundation of the company is the research and development technology of the existing display equipment. The foreign technical cooperation, focus and deeply development of FPD next generation high value-added equipment drive the company to diversify and manage in a sustainable way in order to expand the future in the display industry innovation and progress.
 - (6) Continue to allow the differentiation of existing products (i.e., the introduction of AI and energy conservation technologies) and optimize cost strategies to improve product competitiveness and profits. Continue to upgrade the existing core technologies and expand into the next-generation display market (i.e., Micro/Mini-LED) to extend the niche in the next-generation display market.
 - (7) We take profit as the priority and master the current key advanced technology. Based on our electromechanical and software integration technology and QDTCSS, the intelligent production management system is the backbone to build a quality production system in the smart factory, intelligent logistics and intelligent dynamic process equipment. We continue to expand the results of intelligent automation, and pool our resources to provide strategic partners and key industry representative customers with intelligent automation integration solutions to help them achieve their smart manufacturing goals.
 - (8) For smart logistics, improve developing potential customers and promote to customers for their other requirements. Strengthen the promotion of AI system products for various industries, introduce key industrial equipment, and provide AOI + AI service solutions to improve our brand image and customer value.
 - (9) We have passed the ISO 9001 (Quality Management System), ISO 45001 (Occupational Health and Safety Management Systems), ISO 27001 (Information Security Management System) and ISO 14064 (greenhouse gas management system) certifications to accurately comply with international management procedures and standards, protect customers’ interests with a higher

level of standard for the quality management, overall safety and occupational management of plants, and information security management, regulate employees' behaviors and execution capacity, and provide for the overall quality of suppliers.

- (10) We use the company's professional manufacturing brand image and popularity, and through effective management, to develop OEM/ODM services, win international orders, reduce the impact of industrial cycle, promote customer alliance to other industrial areas and expand revenue sources.
- (11) We make good use of the existing after-sales service mechanism, deepen the relationship with customers, help improve the production efficiency of the factory, achieve long-term business opportunities with value-added services, and seek a win-win strategy for customers and companies.
- (12) Continue to expand and have cross-industry alliances with top-notch companies worldwide to become their long-term cooperation partners, accelerate the R&D of new products, assist the customers in the fast launches and entrance into new markets of new products, and build a long-term, stable, and profitable system.
- (13) For our sustainable development, we make arrangements in three major aspects of environmental, social, and governance. GPM adheres to the sustainable operating philosophy and aims at realizing sustainable corporate operations, long-term partnerships with customers and communities, and the performance of responsibilities as a corporate citizen. We established solar power generation systems, made use of green energy for energy saving and carbon dioxide reduction, and applied for the ISO 14064 (Greenhouse Gases Management System) to further align ourselves with the goal of "Carbon Neutral & Net Zero Emission." Meanwhile, we established the Corporate Sustainability Committee in charge of the promotion of matters related to corporate social responsibility (CSR) and ethical corporate management. GPM will continue focusing on sustainable operations and implementing its responsibilities as a corporate citizen and grow together with its employees by emphasizing people-oriented ideas to jointly create maximum value for the Company, customers, and shareholders.
- (14) The company has strengthened internal information security by establishing a cybersecurity committee to promote and implement security operations. Additionally, it has obtained ISO 27001 international information security certification and SEMI E187 cybersecurity certification. These measures effectively mitigate the risks of external intrusion and internal data breaches, safeguarding the interests of all employees and protecting R&D confidentiality.

2.1.2 R&D Aspect

Develop the in-depth core technologies (equipment & procedures), including (1) au-tomated optical testing technology, (2) automated optical measuring technology, (3) grinding technology, (4) polishing technology, (5) smart automation technology, and (6) AI technology and other core technologies.

Expand the core technologies into the integrated applications and development of cross-field products and their value-added applications in the fields of semiconductor procedure and testing equipment, IC substrate, next-generation display procedure equipment, smart factories, and smart logistics.

The Company's plans to develop following products in 2026:

R&D Project (Technology)	Product
	Co-Packaged Optics Test Equipment Development
	Panel Polisher
	Development of Digital Twin for Process Equipment
	Panel to Wafer Chip Sorter with 6S AOI
	CPO Chip Sorter

	Hybrid Die Bonder(3D IC)
	Chip Sorter with 6S AOI for Probe Tester inline
	CPO Module Sorter
	High-Precision Die Bonder (Face Up)
	Ultra High-Precision Die Shift Measurement Machine for 1um Die Bonder
	Sorter with High Resolution 6S Inspection
	Thermo-Compression Die Bonder

2.2 The Company's forecast on sales volume and its basis for 2026:

Main products	unit: set
	2026 budget
Semiconductor Process Equipment	714
Display Process Equipment	14
Intelligent automation equipment	-
Other equipments	5

Note: The forecast is based on the customers' forecast and taking into account the market conditions.

2.3 Important production and marketing policies

1. Integrating operations, talent, and resources across the Taiwan Strait, we aim to strengthen customer management, sales, and efficiency integration to maximize overall effectiveness and expand into markets in mainland China, the United States, Japan, and Southeast Asia.
2. Conduct strategic alliance with industry-university-research units and end customers, continuously improve system integration capability and develop new products and technologies in new fields such as display, semiconductor and intelligent automation, to improve marketing efficiency and achieve differentiated niche.
3. Strengthen product cost control mechanism, together with design improvement, efficiency improvement and supply chain management, increase orders of high-gross margin products, and ensure reasonable profit of products.
4. Continuously promote the intelligence, modularization and standardization of major products, simplify the manufacturing process, improve product function and reliability, and reduce costs.
5. Collecting the Company's various real-time production data, analyzing and integrating it with the internal system, and providing information to the decision-making supervisors as a reference for performance.
6. To meet the customer demand for fast delivery, effectively control quantity and amount of raw materials and inventory, reduce inventory turnover days and reduce loss on inventory falling price.
7. Accelerate installation and acceptance efficiency, improve after-sales service quality to ensure customer satisfaction, establish a win-win service system with customers and continuously strengthen accounts receivable and cash flow management.
8. We introduced energy policies related to green energy and carbon emission reduction. We built a solar farm in our plant to sell the power generated to Taipower and establish the energy-saving and environmental image of the Company, making contributions to the sustainability and renewal of the

earth.

3.Strategies for Future Development

- (1) Adopt innovation transformation, market extension, sustainable development as the guiding principle of development strategy.
- (2) Business Aspect
 - Deepen promotion of development of the Semiconductor industry, display industry and intelligent automation industry.
 - Extend related products to other foreign markets for business promotion.
 - Enhancing the business opportunities of Taiwanese businessmen returning and decentral-ized production by international manufacturers.
 - Deeply cultivate the after-sales service market of equipment and components, and grow together with customers.
- (3) Product Aspect
 - Deeply develop core technologies (equipment & processes).
 - Extend core technology for cross-industrial product integration application development.
- (4) Internationalization strategy of diverse talents cultivation
- (5) GPM formed a G2C business strategic alliance with its partners, C. Sun and GMM, to provide one-stop services for smart production. By integrating the human resources, material resources, and technical resources of multiple companies, we established a robust supply chain system and customer service system that connect all production equipment from upstream to downstream to assist customers in creating maximum value, and in turn, achieving the common belief of price fortification by securing costs, joint creation through mutual efforts, harmony and sharing, and long-term partnerships.

4.Impact from Competition, Legislation and Overall Business Environment

4.1 The impact of the external competitive environment

International tensions, industrial and economic cycle changes, exchange rate fluctuations and geopolitical evolutions have resulted in industry environment changing rapidly. Market and product trends have also become diverse. With slowing capacity expansion in the global display industry, intense competition, and the Chinese government pushing for equipment localization, our primary business sector has become more and more competitive and challenging. These factors continue to test the flexibility and problem-solving skills of our management team. GPM will continue to strengthen its proprietary product technology, complemented by the introduction of advanced foreign technologies, to enhance product functionality, quality, and sophistication, thereby moving away from price-based competition. Additionally, we will explore opportunities in industries such as semiconductors, Micro/Mini LED, and smart manufacturing, while expanding into international markets. In response to changes in the industry and operating environment, we will demonstrate stability, precision, and rapid response capabilities, while establishing a diversified business layout and development goals for the industry.

4.2 Regulatory Environment:

Integrity is deep rooted in the Company's core culture. As a result, the Company has been complying with legal norms, honest, and self-disciplined in its business. In addition to collecting information concerning external regulatory changes at any time for the management's reference, the Company is establishing, reviewing, updating and adjusting its

internal management and operational rules and regulations in order to actively respond to various changes in the regulatory environment.

4.3 Overall Business Environment:

- (1) The machinery industry in Taiwan secured a seat in the global semiconductor equipment market. In recent years, emerging drivers have been brought by the rapid development of smart robots, drones, Digital Twin, and generative AI technologies. According to IEK, ITRI, regarding the semiconductor equipment industry, the global semiconductor market is likely to record booming results for two consecutive years with the uprising requirements for AI computing, HBM, and equipment in Mainland China. SEMI estimates that, driven by advancements in AI and other leading-edge technologies, the global semiconductor equipment market will grow by 7.4% in 2025, reaching a market value of US\$125.5 billion. Supported by demand in advanced logic, memory, and ongoing technology transitions, the market is expected to expand further in 2026, with its value projected to reach US\$138.1 billion and over 50% of them are in Mainland China, Taiwan, and the U.S.. In particular, Mainland China expands investment in mature procedures while facing the restriction of export control for advanced equipment; the changes in the policy for trade between the U.S. and Mainland China in the following are closely related to the development of the equipment market.

According to IEK, ITRI, AI will be the main pushing force for the growth in the semiconductor market in the following decade, and relevant applications will bring about the heterogeneous integration of the front-end wafer manufacturing and the back end (i.e., CoWoS procedures, TSV, RDL, and other equipment requirements for advanced packaging). It is estimated that the advanced packaging market will achieve US\$786 billion by 2028. The silicon photon technology with high speed and low energy consumption will start to develop, which will also bring challenges to manufacturing and packaging. The Company will keep abreast of relevant equipment requirements, grasp relevant business opportunities, and allow diversified business order-taking and flexible manufacturing speed to welcome the challenges through the combination of its forceful internal production and marketing functions and the long-term external supplier chain system so as to create a greater future.

- (2) According to the Taiwan Economic Outlook 2026 published by the Taiwan Institute of Economic Research (TIER), Taiwan's economic performance in 2025 benefited from the continued expansion of the global artificial intelligence (AI) wave, which drove strong demand for ICT and electronics-related products. As a result, export performance significantly exceeded original expectations. On the domestic front, local enterprises were likewise driven by demand for AI and emerging technology applications, prompting continued capacity expansion and increased investment. This has enabled private investment to maintain steady growth. As a key hub in the global supply chain for semiconductors, servers, and AI hardware, Taiwan's export structure and industrial development are directly affected by changes in the international trade

environment and geopolitical risks. Looking ahead to 2026, Taiwan faces a critical juncture where challenges and opportunities coexist. Whether it can sustain its growth model—centered on AI technologies and semiconductor exports, with support from private investment—remains to be seen. The outlook for major industries and the sustainability of overall economic momentum will require close monitoring. In recent years, the Company has actively engaged in research and development while collaborating closely with partner companies. It is expected to achieve solid results this year in the semiconductor, display, and intelligent automation sectors. In response to these evolving trends, the Company will further strengthen its development in high-tech equipment and position itself as a key player in customers' equipment supply chains.

- (3) Geopolitics and the US-China trade war made partial enterprises in Mainland China move out, return to Taiwan, or choose to establish plants in Southeast Asian countries to separate risks. However, Southeast Asian countries have insufficient technicians and rising labor costs have become inevitable in the region. With the requirements of local manufacturing plants for constant improvement in the overall quality, smart auto systems and equipment are required in place of labor production. Leveraging the long-term development in the equipment manufacturing field and the advantageous position of Taiwan in the wave of supply chain readjustment, Taiwanese businesses and large-scale international companies will choose GPM as the cooperating partner.
- (4) GPM, C.Sun, and GMM joined hands and formed the G2C alliance in 2020 for joint creation. The companies have their own expertise in the equipment for semiconductor procedures; through technological connection and integration, the alliance becomes a material force to drive the continual advances in wafer production, allowing the outstanding performances recorded by the Company in terms of its operating income.
- (5) In addition, AI, 5G, AR/VR, Metaverse, IoT, and Big Data facilitated a more comprehensive smart auto application. GPM possesses technologies for the solutions of automated equipment application procedures that span across diverse technology industries. In recent years, GPM joined forces with a world-renowned manufacturer in major industries and gained substantial achievements in terms of the integration of smart auto solutions.
- (6) GPM adheres to the spirit of corporate sustainability, gradually entering the ESG field and establishing future sustainability goals for GPM based on the United Nations SDGs in the categories of Environment, Social, and Governance. GPM has completed the ISO14064-1:2018 verification and hopes to collaborate with partners worldwide to address the challenges of climate change, particularly in key areas such as greenhouse gas and carbon management. Looking ahead, with an excellent management team and professional technical capabilities, GPM is confident that it can achieve its goals and attain the best operational results through the concerted efforts of all employees.

Last but not least, we wish our shareholders health and success!



Jason Chen
Chairman

II. Corporate Governance

1. Directors and Management Team

1.1 Information Regarding Board Members

As of March 22, 2026.;Unit:Shares

Title/Name	Nationality or Registry	Date Elected	Gender Age	Term (Yrs)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Selected Education & Experiences	Selected Current Positions at GPM and Other Companies
						Shares	%	Shares	%	Shares	%	Shares	%		
Chairman Junpeng Investment Co., LTD. Represented by: Jason Chen (Note 1)	R.O.C.	2023/06/19	Male 62	3	2023/06/19	500,000	0.3%	500,000	0.3%	0	0%	0	0%	Master of Mechanical Engineering, National Sun Yat-sen University Director of Design Department, Chunghwa Picture Machinery Works Vice General Manager of Gallant Precision Machining Co., Ltd. Legal director representative of Gallant Micro. Machining CO., Ltd. Director of C SUN Mfg., Ltd.	Chairman and General Manager of Gallant Precision Machining Co., Ltd. Director of Shinyu Light Co., LTD. Chairman of Apex-I International Co., Ltd. Chairman of Gallant-Rapid Corporation Limited Chairman and General Manager of Gallant Precision Industries (Suzhou) CO., Ltd. Chairman of Junpeng Investment Co., LTD. Vice Director of ESGWD Vice Chairman of TEEIA Vice Chairman of TAIROA Independent Director of TONGTAI MACHINE & TOOL CO., LTD.

Title/Name	Nationality or Registry	Date Elected	Gender Age	Term (Yrs)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Selected Education & Experiences	Selected Current Positions at GPM and Other Companies
						Shares	%	Shares	%	Shares	%	Shares	%		
Vice Chairman C SUN MFG. LTD. Represented by: FRANK, LIANG	R.O.C.	2023/06/19	Male 49	3	2014/06/20	44,758,827	27.1%	44,697,827	27.13%	0	0%	0	0%	Class 40, Department of Business Administration, National Chengchi University Being granted the degree of Master of Business Administration (MBA), Washington State University (WSU) Being granted the degree of Master of Laws, Northwestern University Completed the Business Administration Courses at Northwestern University Chairman and Director of GALLANT MICRO. MACHINING CO., LTD. Special assistant to the Chairman, C SUN Mfg., Ltd. Chairman of Suzhou Chuangfeng Optoelectronic Technology Co., LTD. Chairman of Wat Sun. Intelligent Technology Co., Ltd. Director and Supervisor of VIEWMOVE TECHNOLOGIES, INC. Director of UTRON TECHNOLOGIES CORP.	Vice Chairman and CEO of Gallant Precision Machining Co., Ltd. Chairman and CEO of GALLANT MICRO. MACHINING CO., LTD. General Manager of C SUN Director of TPCA. Supervisor of Guangxin Venture Capital Co. Ltd. Chairman of TOP CREATION MACHINES CO., LTD. Chairman of POWER EVER ENTERPRISES LIMITED, TAIWAN BRANCH (SAMOA) Director of Suzhou Top Creation Machines Co., Ltd. Chairman of Good Team International Enterprise Limited Director of Nantong Top Creation Photoelectric Equipment Co., Ltd. Legal director representative of Phoenix Silicon International Corporation. Legal director representative of Navigation Technology Co., Ltd. Independent Director of Yu-chen system Technology Co.,LTD. Legal director representative of Dunpin No.1 Innovation Investment Co., Ltd. Legal director representative of NTU Alumni Ventures Co.,Ltd.

Director Hsu, Hung- Ming(Note 2)	R.O.C.	2023/06/19	Male 58	3	2017/06/16	1,000	0.00%	1,000	0.00%	0	0%	0	0%	Graduated from Department of Electronic Engineering Technology, National Taiwan University of Science and Technology Director of Quality Assurance Department, Director of Engineering Department, GALLANT PRECISION MACHINING CO., LTD. General Manager of GALLANT MICRO. MACHINING CO., LTD. Director of GALLANT MICRO. MACHINING CO., LTD. Director of Gallant Micro. Machining (Suzhou) Co., Ltd. Director of Gallant Micro Machining (M) Sdn. Bhd. Chairman of UTRON TECHNOLOGIES CORP.	None
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Independent Director MA, CHIEN-YUNG	R.O.C.	2023/06/19	Male 68	3	2023/06/19	0	0%	0	0%	0	0%	0	0%	Doctors of metallurgy, Universität Stuttgart Chief of National ChungShan Institute of Science&Technology General Manager of TOUCH MICRO-SYSTEM TECHNOLOGY CORP. General Manager / Chairman of SOLAR APPLIED MATERIALS TECHNOLOGY CORP. Director / Chairman of HTC & SOLAR TECH SERVICE LIMITED Director of YU TAY VACUUM CO., LTD. Independent Director of ADVANCED WIRELESS SEMICONDUCTOR COMPANY	Director of SOLAR APPLIED MATERIALS USA, INC. Director of HIGHLIGHT TECH CORP. Independent Director of Sino-American Silicon Products Inc. Director of EASY FIELD CORPORATION
Independent Director TSANG, KWOK-AH	R.O.C.	2023/06/19	Male 65	3	2023/06/19	0	0%	0	0%	0	0%	0	0%	Bachelor of Accountancy, National Chengchi University Executive Master of Business Administration, National Chiao Tung University Auditing department, Partner accountant of PwC Taiwan	Partner accountant of Sunwise CPA Firm Independent Director of SIGURD MICROELECTRONICS CORP. Independent Director of Fortune Information Systems Corp. Independent Director of Polaris Group.

Independent Director Chen, Yi-Mei	R.O.C.	2023/06/19	Female 76	3	2020/06/17	0	0%	0	0%	0	0%	0	0%	0%	Master of Computer Science, University of Oregon President of American Guifen International Enterprise Co., LTD. President of the United States Texas Win-Win Credit Brokerage Company and Xun'an Credit Audit Document Review Company CEO of Credit Branch, Wells Fargo, Austin, Texas Instructor (Adjunct) of National Tsing Hua University Co-Founder and President of StarFab Accelerator Independent Director of TALIANG TECHNOLOGY COMPANY LIMITED	Distinguished Researcher of ITRI
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Independent Director Lo, Wei	R.O.C.	2023/06/19	Male 68	3	2020/06/17	0	0%	0	0%	0	0%	0	0%	PhD in Management Science, National Chiao Tung University Supervisor of ZYTPE COMMUNICATIONS CORPORATION Representative of Zyxel Networks Corporation Independent Director of TAI-TECH Advanced Electronics Co., Ltd. Senior Vice General Manager /Financial Accounting Supervisor/Spokesperson of Unizyx Holding Corporation Senior Vice General Manager /Financial Accounting Supervisor of Zyxel Communications Corp. Senior Vice General Manager /COO/Financial Accounting Supervisor of MitraStar Technology Corp. Legal representative of Wuxi Alliance Network Technology Co., LTD. Representative of Bluebell Overseas Ltd. Supervisor of Wuxi Yanqin Information Technology Co., LTD Representative of MitraStar Technology Corp. Legal representative of Shanghai Montenke Communication Equipment Trading Co., LTD. Representative of MitraStar Technology Corp. Supervisor of Beijing Huaqin Tiandi Technology Co., LTD. Representative of Wuxi Yanqin Information	Independent Director of Gallant Precision Machining Co., Ltd.
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Major shareholders of institutional shareholders

Names of institutional shareholders	Main shareholders of the institutional shareholders
C SUN Mfg., Ltd.	Gallant Precision Machining Co., Ltd. (12.73%) Haihsing Investment Co. (11.37%) Pinchin Investment Co. (7.91%) Mao-Chung Liang (4.39%) Mao-Sheng Liang (2.92%) Treasury Share Special Account of C Sun(2.81%) Citibank Manages Investment Accounts at the Norwegian Central Bank(2.30%) Standard Chartered Entrusted with the SPDR Profile Emerging Market ETF Special Account (2.19%) HSBC Bank (Taiwan) Limited in custody for Goldman Sachs International Investment Account (1.90%) Chin-Tu Chien (1.79%) Zhen Sheng Co., Ltd.(1.63%)

Note 1: Data is based on March 24, 2026, the book closure date of the Company.

Major Shareholders of Institutional Shareholders

Name of corporate shareholders	Major shareholders of institutional shareholders
Haihsing Investment Co.	Liang, Pi-Chen, Liansheng Co., Ltd. (19.53%) Chun-Mei Tsou (16.67%) Mao-Sheng Liang (16.67%) Liang, Pi-Ju, Pinchin Investment Co. (12.79%) Mao-Chung Liang (9.68%) Liang, Yeh-Chin-Chih (9.68%) Chang Liang, Hsiu-Chieh (5.22%) Fu Liang, Hsiu-Hung (5.22%) Liang, Yu-Wen (1.35%) Chen Liang, Chin-Jung (1.18%)
Pinchin Investment Co.	Pi-Ju Liang (33.33%) Liang, Pi-Yin (33.33%) Liang, Yu-Wen (33.33%)
Zhen Sheng Co., Ltd.	Liang Bi-zhen (25.00%) Leung Ching Man (25.00%) Liang You-yuan (25.00%) Liang You-feng (25.00%)

1.2 Directors' Professional Qualifications and Independent Directors' Independence Status

Criteria Name	Professional Qualification and Experience	Independent Directors' Independence Status	Number of Other Taiwanese Public Companies Concurrently Serving as an Independent Director
Jason Chen	<p>For Directors' professional qualification and experience, please refer to "Information Regarding Board Members" on page 8-14 of this Annual Report.</p> <p>None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.</p>	Not Applicable	1
Frank Liang			2
Hsu, Hung-Ming(Note 1)			0
MA, CHIEN-YUNG		<p>All of the following situations apply to each and every of the Independent Directors:</p> <ol style="list-style-type: none"> 1. Satisfy the requirements of Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by Taiwan's Securities and Futures Bureau 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any shares 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service" 	1
TSANG, KWOK-AH			3
Lo, Wei			0
Chen, Yi-Mei			0

Note 1 : Director Hsu, Hung-Ming resigned on August 11, 2025.

Diversity and independence of the Board of Directors:

(1) In addition to the Company's articles of association, the Company has also established the "Standard Procedure for Accepting Shareholders' Proposals and Reviewing Director Nominations" that clearly specifies the qualifications for directors; Board of Directors shall pass the Procedure and submit it to the shareholders' meeting for directors selection. The association of the Board of Directors should consider the diversification, and set proper diversification policy according to the operation, running type and development needs of Board of Directors, which should include but not limited to the following two aspects:

A. Basic conditions and values: Gender, age, nationality and culture, etc.

B. Professional knowledge and skills: Professional background (law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

The Company's current board members are specialized in the areas of financial accounting, law, electronics and electrical, and chemistry. Among the board members, there is one female director, accounting for 14% of all directors; one director is age under 50 years old, 5 directors are 50-70 years old, and 1 directors are over 70 years old.

Name	Diversified core projects	Gender	Age Under 50	Age 50-70	Age Over 70	Operational judgments	Accounting and financial analysis	Management administration	Conduct crisis management	Knowledge of the industry	International market perspective	Lead	Law
Junpeng Investment Co., LTD. Represented by: Jason Chen		Male		✓		✓	✓	✓	✓	✓	✓	✓	
C SUN MFG. LTD. Represented by: FRANK, LIANG		Male	✓			✓	✓	✓	✓	✓	✓	✓	✓
Hsu, Hung-Ming		Male		✓		✓		✓	✓	✓		✓	
MA, CHIEN-YUNG		Male		✓		✓		✓	✓	✓	✓	✓	
TSANG, KWOK-AH		Male		✓			✓	✓	✓	✓	✓	✓	
Lo, Wei		Male		✓			✓	✓	✓		✓	✓	
Chen, Yi-Mei		Female			✓		✓	✓	✓	✓	✓	✓	

C. The Company's current board of directors consists of seven directors. The specific management objectives and achievements of its board diversity policy are as follows:

(a) The number of independent directors is not lower than 1/3 of the total number of directors, and their continuous tenure shall not exceed three terms.

(b) The board of directors shall include at least one director of a different gender.

(c) Focusing on operational judgment, operational management and crisis response capabilities, more than 2/3 of the board members have the capabilities for relevant core items.

D. If the number of directors of the listed company's board of directors of any gender does not reach one-third, state the reasons and measures planned to be taken to improve the gender diversity of the board of directors: The Company currently has one female director, which does not reach the required ratio of one third of the total number of directors. The reason lies in that it is uneasy to find talents with industrial characteristics. In the future, the Company will continuously recruit female

professionals through diverse channels to gradually increase the number of female directors and implement the diversity of the Board of Directors.

(2) Independence of the Board of Directors:

There are currently 7 board directors in the Company's Board of Directors, including 4 independent directors (accounting for 57.14% of all directors and more than 1/2 of the seats of Board of Directors) and 3 directors with employee status (accounting for 42.86% of all directors); The four independent directors have been the independent director for less than 6 years. All independent directors comply with the regulations of the Securities and Futures Bureau, Financial Supervisory Commission for independent directors, and there is no case for the directors and independent directors stipulated in Items 3 and 4, Article 26.3 of the Securities and Exchange Act, and they have no internal kinship including spouse or second-level relatives.

1.3 Management Team :

As of March 22, 2026.;Unit:Shares

Title/Name	Nationality or Registry	Date Elected	Gender	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Selected Education & Experiences	Selected Current Positions at GPM and Other Companies	Managers Who are Spouses or within Second-degree Relative of Consanguinity to Each Other		
				Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman & President Jason Chen	R.O.C.	2006/10/01	Male	786,146	0.48%	173,000	0.11%	500,000	0.3%	Master of Mechanical Engineering, National Sun Yat-sen University Director of Design Department, Chunghwa Picture Machinery Works Vice General Manager of Gallant Precision Machining Co., Ltd. Legal director representative of Gallant Micro. Machining CO., Ltd. Director of C SUN Mfg., Ltd.	Chairman and General Manager of Gallant Precision Machining Co., Ltd. Director of Shinyu Light Co., LTD. Chairman of Apex-I International Co., Ltd. Chairman of Gallant-Rapid Corporation Limited Chairman and General Manager of Gallant Precision Industries (Suzhou) CO., Ltd. Chairman of Junpeng Investment Co., LTD. Vice Director of ESGWD Vice Chairman of TEEIA Vice Chairman of TAIROA Independent Director of TONGTAI MACHINE & TOOL CO., LTD.	None		
Vice Chairman and CEO FRANK, LIANG	R.O.C.	2025/01/10	Male	0	0%	0	0%	0	0%	Class 40, Department of Business Administration, National Chengchi University Being granted the degree of Master of Business Administration (MBA), Washington State University (WSU) Being granted the degree of Master of Laws, Northwestern University Completed the Business Administration Courses at Northwestern University Chairman and Director of GALLANT MICRO. MACHINING CO., LTD. Special assistant to the Chairman, C SUN Mfg., Ltd. Chairman of Suzhou Chuangfeng Optoelectronic Technology Co., LTD. Chairman of Wat Sun. Intelligent Technology Co., Ltd. Director and Supervisor of VIEWMOVE TECHNOLOGIES, INC. Director of UTRON TECHNOLOGIES CORP.	Vice Chairman and CEO of Gallant Precision Machining Co., Ltd. Chairman and CEO of GALLANT MICRO. MACHINING CO., LTD. General Manager of C SUN Director of TPCA. Supervisor of Guangxin Venture Capital Co. Ltd. Chairman of TOP CREATION MACHINES CO., LTD. Chairman of POWER EVER ENTERPRISES LIMITED, TAIWAN BRANCH (SAMOA) Director of Suzhou Top Creation Machines Co., Ltd. Chairman of Good Team International Enterprise Limited Director of Nantong Top Creation Photoelectric Equipment Co., Ltd. Legal director representative of Phoenix Silicon International Corporation. Legal director representative of Navigation Technology Co., Ltd. Independent Director of Yu-chen system Technology Co.,LTD. Legal director representative of Dunpin No.1 Innovation Investment Co., Ltd. Legal director representative of NTU Alumni Ventures Co.,Ltd.	None		

Title/Name	Nationality or Registry	Date Elected	Gender	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Selected Education & Experiences	Selected Current Positions at GPM and Other Companies	Managers Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			
				Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Senior Associate Vice President Mufa Chien (Note 1)	R.O.C.	2013/07/01	Male	38,105	0.02%	11,000	0.01%	0	0%	Master's graduate. Senior engineer, Chunghwa Picture Tubes Ltd. Associate Vice President, Gallant Precision Machining Co., Ltd. President, SuZhou Gallant Precision Intelligence Technology Co., Ltd Legal director representative of Gallant Micro. Machining CO., Ltd. Legal director representative of Ohmplus Technology Inc.	None	None			
Senior Associate Vice President H.M. Lee (Note 1)	R.O.C.	2013/07/01	Male	447	0%	0	0%	0	0%	Master's graduate. Engineer, Chunghwa Picture Tubes Ltd. Associate Vice President, Gallant Precision Machining Co., Ltd. Director, Apex-I International Co., Ltd. Director, Gallant Precision Industries (Suzhou) Co., Ltd. Legal director representative of OPXION Technology Inc.	None	None			
Associate Vice President Chen- Shun Hsu	R.O.C.	2018/07/01	Male	100,000	0.06%	0	0%	0	0%	Master's graduate. Supervisor, Lingsen Precision Industries ,Ltd. Associate Vice President, Gallant Precision Machining Co., Ltd.	None	None			
Associate Vice President Shu-Sheng Chang (Note 1)	R.O.C.	2021/07/01	Male	0	0%	0	0%	0	0%	Master of National Centry University Director, Gallant Precision Machining Co., Ltd. YU JING TECHNOLOGY CO., LTD., Assistant Manager Grand Process Technology Corp., R&D Engineer	None	None			
Chief Financial Officer Sheng-Hung, Huang	R.O.C.	2024/08/07	Male	1,000	0%	0	0%	0	0%	Department of Finance and Accounting, Tunghai University Assistant vice president, PwC Taiwan Special assistant to the president, Xu Yuan Packaging Technology Co., Ltd. Special assistant, Gallant Precision Machining Co., Ltd.	Representative of the corporate director, Ohmplus Technology Inc. Corporate Governance Officer of the Company	None			

Note 1 : Senior Assistant Vice President H.M. Lee retired on June 30, 2025; Senior Assistant Vice President Mufa Chien and Associate Vice President Shu-Sheng Chang retired on November 30, 2025.

2. Remunerations Paid to Directors, President and Vice President

2.1 Remunerations Paid to Directors

Unit: NT\$ thousands/%

Title/Name	Remunerations Paid to Directors								Total Compensation (A+B+C+D) & a % of 2025 Net Income		Employees' Profit Sharing Bonus								(A+B+C+D+E+F+G) & % of Net Income		Other Compensations from non-subsidiary affiliates	
	Salary (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances (D)				Salary, Bonus, etc. (E)		Severance Pay and Pensions (F)		Employee Compensation (G)							
	From GPM	From All Consolidated Entities	From GPM	From All Consolidated Entities	From GPM	From All Consolidated Entities	From GPM	From All Consolidated Entities	From GPM	From All Consolidated Entities	From GPM	From All Consolidated Entities	From GPM	From All Consolidated Entities	From GPM		From All Consolidated Entities		From GPM	From All Consolidated Entities		
															Cash	Stock	Cash	Stock				
Chairman Junpeng Investment Co., LTD. Represented by: Jason Chen										4,832	9,048									11,159	19,035	
Vice Chairman C SUN MFG. LTD. Represented by: FRANK, LIANG	1,579	1,579	0	0	3,145	7,307	108	162	1.16%	2.17%	5,021	8,181	18	18	1,288	0	1,788	0	2.68%	4.57%	0	
Director Hsu, Hung-Ming																						
Independent Director Lo, Wei																						
Independent Director Chen, Yi-Mei	0	0	0	0	6,427	6,427	162	162	1.58%	1.58%	0	0	0	0	0	0	0	0	1.58%	1.58%	0	
Independent Director MA, CHIEN-YUNG																						
Independent Director TSANG, KWOK-AH																						
<p>1. Please specify the policies, programs, standards, and structure of the remuneration payment of the independent directors, and relate the amount of remuneration to the responsibilities, risks, time invested, and other factors:</p> <p>(1) The Company's policies, programs, standards, and structure of the performance evaluation and remuneration payment of the directors and managers are formulated and reviewed regularly by the Remuneration Committee. It will be submitted to the Board of Directors for discussion.</p> <p>(2) The remuneration to directors and independent directors is paid in accordance with the Company's Articles of Association and regulations. It positively correlates with the operating performance and is adjusted properly according to the potential risks.</p> <p>2. Other than disclosure in the above table, Directors remunerations earned by providing services (i.e. non-employee consulting services) to companies which are listed in financial reports in 2025: None.</p>																						

Remunerations Paid to Directors

Range of Remuneration	Name of Directors			
	Compensation Paid to Directors (A+B+C+D)		Total Compensation Paid to Directors (A+B+C+D+E+F+G)	
	From GPM	From All Consolidated Entities	From GPM	From All Consolidated Entities
NT\$0 ~ NT\$1,000,000	Jason Chen / Hsu, Hung-Ming	Jason Chen/ Hsu, Hung-Ming	Hsu, Hung-Ming	Hsu, Hung-Ming
NT\$1,000,001 ~ NT\$2,000,000	Frank Liang/C SUN MFG. LTD/ Junpeng Investment Co., LTD./ Lo, Wei/ Chen, Yi-Mei/ MA, CHIEN- YUNG/ TSANG, KWOK-AH	C SUN MFG. LTD/ Junpeng Investment Co., LTD./ Lo, Wei/ Chen, Yi-Mei/ MA, CHIEN-YUNG/ TSANG, KWOK-AH	Frank Liang/ C SUN MFG. LTD/ Junpeng Investment Co., LTD./ Lo, Wei/ Chen, Yi-Mei/ MA, CHIEN- YUNG/ TSANG, KWOK-AH	C SUN MFG. LTD/ Junpeng Investment Co., LTD./ Lo, Wei/ Chen, Yi-Mei/ MA, CHIEN-YUNG/ TSANG, KWOK-AH
NT\$2,000,001 ~ NT\$3,500,000				
NT\$3,500,001 ~ NT\$5,000,000		Frank Liang		
NT\$5,000,001 ~ NT\$10,000,000			Jason Chen	Jason Chen / Frank Liang
NT\$10,000,001 ~ NT\$15,000,000				
NT\$15,000,001 ~ NT\$30,000,000				
NT\$30,000,001 ~ NT\$50,000,000				
NT\$50,000,001 ~ NT\$100,000,000				
Over NT\$100,000,000				
Total	9(Contains 2 legal entities)	9(Contains 2 legal entities)	9(Contains 2 legal entities)	9(Contains 2 legal entities)

2.2 Remuneration of the President and Vice President

Unit: NT\$ thousands/%

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Salary, Bonus, etc. (C)		Employees' Profit Sharing Bonus (D)				(A+B+C+D) & % of Net Income		Other Compensations from nonsubsidiary affiliates
		From GPM	From All Consolidated Entities	From GPM	From All Consolidated Entities	From GPM	From All Consolidated Entities	From GPM		From All Consolidated Entities		From GPM	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
President	Jason Chen	5,153	7,779	176	176	3,112	3,646	1,830	0	2,330	0	10,271	13,931	0
CEO	FRANK, LIANG													
Senior Assistant Vice President	Mufa Chen													
Senior Assistant Vice President	H.M. Lee													

Compensation Paid to President & CEO and Vice Presidents

Range of Remuneration	Name of President and Vice President	
	From GPM	From All Consolidated Entities
NT\$0 ~ NT\$1,000,000	H.M. Lee	H.M. Lee
NT\$1,000,001 ~ NT\$2,000,000	Frank Liang / Mufa Chen	Mufa Chen
NT\$2,000,001 ~ NT\$3,500,000		
NT\$3,500,001 ~ NT\$5,000,000		Frank Liang
NT\$5,000,001 ~ NT\$10,000,000	Jason Chen	Jason Chen
NT\$10,000,001 ~ NT\$15,000,000		
NT\$15,000,001 ~ NT\$30,000,000		
NT\$30,000,001 ~ NT\$50,000,000		
NT\$50,000,001 ~ NT\$100,000,000		
Over NT\$100,000,000		
Total	4	4

2.3 Employees' Profit Sharing Bonus Paid to Management Team :

Unit: NT\$ thousands/%

Title	Name	Stock (Fair Market Value)	Cash Total Employees' Profit Sharing Bonus	Cash Total Employees' Profit Sharing Bonus	Cash Total Employees' Profit Sharing Bonus(%)
President	Jason Chen	0	2,419	2,419	0.58%
CEO	Frank Liang				
Associate Vice President	Chen- Shun Hsu				
Chief Financial Officer	Sheng-Hung, Huang				

2.4 Comparison of Remuneration for Directors, Supervisors, Presidents and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, Presidents and Vice Presidents

Year	Ratio of total remuneration paid to directors to net income (%)		Ratio of total remuneration paid to presidents and vice presidents to net income (%)	
	From GPM	From All Consolidated Entities	From GPM	From All Consolidated Entities
2024	2.79%	4.49%	3.86%	4.10%
2025	2.74%	3.75%	2.46%	3.34%

Note 1: The above remuneration to directors and supervisors includes salary, remunerations and allowances (excluding compensations earned as employee of GPM or of GPM Affiliates); The remuneration to president and vice president includes salary, bonus, pension, and employee compensation.

- In accordance with Article 30 (1) of the Articles of Association, the Company shall allocate remuneration to employees and directors based on the profit in the current year not less than one percent and not more than twelve percent, provided that, any accumulated losses of the Company shall be covered.
Compensation may be in the form of stock or cash, which may include employees of affiliated companies who meet certain conditions. Among the remuneration of employees above, no less than 20% shall be appropriated as the remuneration to be distributed to non-executive employees.
The profit in the current year as mentioned under Paragraph 1 refers to the profit in the current year before deducting the compensation of employees and directors.
The remuneration of the employees and the remuneration of the directors shall be distributed by the Board of Directors with a resolution of more than two-thirds of the directors present and with the consent of a majority of the directors present and reported to the shareholders' meeting.
- The remuneration of directors of the Company shall be assessed in accordance with the Organizational Regulations of the Remuneration Committee and the Guidelines on Compensation and Remuneration of Directors. Performance evaluation and compensation shall be based on the usual compensation level across the industry, and consider the rationality of the correlation with individual performance, company performance and future risks. The relevant performance assessment and compensation rationality are reviewed by the compensation committee and the Board of directors, and the compensation system, standard and structure are reviewed at any time according to the actual business situation, future risks and relevant laws and regulations, so as to strike a balance between the Company's sustainable operation and risk control.
- The remuneration paid to the General Manager and Deputy General managers shall include salary, bonus, employee compensation and mid- and long-term incentives for talent retention. Among them, the remuneration shall be decided by the Compensation Committee by considering the scope of power and responsibility of the title, rank, responsibility and other positions as well as the

contribution to the Company's operating objectives, as well as the Company's annual operating performance, future risks and the industry level. Bonus and compensation are mainly linked to managers' performance evaluation items, including financial indicators (such as profitability, operating profit, annual strategy and other standard attainment rate, etc.) and enterprise ESG sustainable operation related indicators (such as corporate governance, risk management construction, environmental resources, supply chain management and talent development and care). In addition, remuneration system shall be reviewed timely and from time to time based on the actual business situation, future risks and relevant laws and regulations. The remuneration of the Company's managers shall be reviewed by the Remuneration Committee and submitted to the Board of directors for resolution.

Remuneration of Senior Managers and the Policy on the Linkage to ESG-related

Performance Evaluation

To encourage senior managers to attach attention to long-term comprehensive performance for the achievement of sustainable management, nine material topics were identified among sustainability issues in 2022 to be linked to the long-term incentive remuneration of the Chairman, who is concurrently the President. The weights of the sustainable development performance indicators are as follows:

Performance indicator (weight)	Implementation method
Financial performance (30%)	The financial performance of the Company and the comparison with the performance level of peers (i.e., budget achievement rate, total assets, and operating income performance)
Strategy and management (40%)	<ol style="list-style-type: none"> 1. Targets commenced for the mid-to-long-term strategies in the future (i.e., digital transition, achievement of sustainability commitments, and adaptation behaviors in response to material topics) 2. Talent development and occupational safety and health promotional behaviors
Sustainability and internal control (30%)	Strive to implement the three major sustainability commitments, value ethical corporate management, legal compliance, and risk control, and realize ESG highlight works (including focusing on climate risks and promoting net zero behavior indicators to 10%)

3. Corporate Governance Report :

3.1 Operation of the Board

3.1.1 Board of Directors' Meeting Status :

The Company's shareholders elected the 16th Board of Directors in Annual General Meeting on June 19, 2023, effective immediately. (From June 19, 2023 to June 18, 2026)

The Board of Directors held 7 sessions in 2025. The attendance of the Directors is shown in the following table:

Title	Name	Attendance in Person	By Proxy	Attendance Rate in Person (%)	Notes
Chairman	Junpeng Investment Co., LTD. Represented by: Jason Chen	7	0	100%	
Vice Chairman	C SUN MFG. LTD. Represented by: Frank Liang	7	0	100%	
Director	Hsu, Hung-Ming	4	1	80%	Resigned on August 11, 2025.
Independent Director	Lo, Wei	6	1	86%	
Independent Director	Chen, Yi-Mei	7	0	100%	
Independent Director	MA, CHIEN-YUNG	7	0	100%	
Independent Director	TSANG, KWOK-AH	7	0	100%	

Other Required Notes for the Board Meetings:

- (1) Items listed in Article 14-3 in Securities and Exchange Act or Board resolutions independent directors have dissenting opinions or qualified opinions with notes in minutes of the directors meetings:
- A. The Company has set up audit committee, therefore, Article 14-3 in Securities and Exchange Act is not applicable. Regarding Article 14-5 in Securities and Exchange Act, please refer to "Audit Committee Meeting Status" on page 29 of this Annual report.
- B. Besides items listed in Article 14-3 in Securities and Exchange Act, board resolutions that independent directors have dissenting opinions or qualified opinions with notes in minutes of the directors meetings: None.
- (2) For execution status regarding matters bearing on the personal interests and recusal of directors due to conflict of interests, the name of the director, proposal, the reason for recusal and board resolution shall be stated:

Date	Name of Director	Agenda	Reason for recusal	Voting results	Resolution
2025.01.10	Frank Liang	Appointment of the Chief Executive Officer	Also be the Company's manager	Did not vote	Other attending directors agreed accordingly
2025.05.02	Jason Chen	Remuneration of directors, high-level managers and employees	Also be the Company's manager	Did not vote	Other attending directors agreed accordingly
2025.08.07	Jason Chen	Manager salary adjustment	Also be the Company's manager	Did not vote	Other attending directors agreed accordingly
2025.12.10	Jason Chen	Year-end bonus distribution for managers	Also be the Company's manager	Did not vote	Other attending directors agreed accordingly

2025.12.10	Frank Liang	Year-end bonus distribution for managers	Also be the Company's manager	Did not vote	Other attending directors agreed accordingly
2025.12.10	Jason Chen	Proposal for the Issuance of Restricted Stock to Employees	Also be the Company's manager	Did not vote	Other attending directors agreed accordingly
2025.12.10	Frank Liang	Proposal for the Issuance of Restricted Stock to Employees	Also be the Company's manager	Did not vote	Other attending directors agreed accordingly

(3) The TWSE/TPEX listed companies shall disclose the cycle, period, scope, and methods of the self- (or peer-) evaluation of the Board of Directors. The information about the evaluation of the Company is provided in Attachment 1

(4) For the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, Measures taken to strengthen the functions of the Board (such as setting up Audit Committee, improve information transparency) and the results:

A. The Company is endeavoring to improve the transparency of information. GPM discloses real-time information MOPS website to maintain shareholder equity.

B. The Company set up Remuneration Committee on December 22, 2011. Remuneration Committee is in charge of assisting Board Meeting in reviewing the performance evaluation and remuneration policy, standard, system and framework for board of directors and officers.

C. Four of the Seven Directors are Independent Directors. The Independent Directors have expertise in different areas, in accordance with the policy of diversification.

D. The Company voluntarily set up Audit Committee. The Audit Committee's primary duty is to supervisor the fair presentation of financial statement, the hiring, dismissal, independence and performance review of the independent auditor, effectiveness of internal control, compliance of law and regulations, and risk control of existing or potential risk factors.

E. The Company set up Corporate Sustainability Committee in 2016 August. Corporate Sustainability Committee is in charge of promoting CSR, ethical management and corporate governance affairs and reports to Board of Directors periodically.

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Aspect
Annual	January 2025 - December 2025	Performance Assessment of Board of Directors and Individual Director Members	Internal Self-Assessment of Board of Directors, Self-Assessment of Director Members	Performance Assessment Content of Board of Directors: Participation in the company's operations, improving the decision-making quality of the Board of Directors, composition and structure of the Board of Directors, selection and continuing education of directors, internal control, etc. Performance Assessment Content of Individual Director Members: Mastering the company's objectives and tasks, directors' responsibilities, participation in the company's operations, internal relations management and communication, directors' professional and continuing education, internal control, etc.
Once every three years		External Performance Evaluation of the Board of Directors	Engage an external professional and independent institution to distribute evaluation questionnaires to all Directors for completion and select Board members	Include five major aspects of the level of participation in the Company's operations, improvement in the quality of the decision-making of the Board, Board composition and structure, selection and continuing education of Directors, and internal control. The Board performance evaluation is performed based on the following four major aspects: The professional functions of the Board, the level of attention attached to the internal control and monitoring by the Board, the decision-making function of the Board, and the attitude of the Board

			to carry out interviews.	toward sustainable management.
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Attachment 2 The directors' attendance status for 2025

V: Attendance in Person © : By Proxy

2025	The first meeting	The second meeting	The third meeting	The fourth meeting	The fifth meeting	The sixth meeting	The seventh meeting
Lo, Wei	©	V	V	V	V	V	V
Chen, Yi-Mei	V	V	V	V	V	V	V
MA, CHIEN-YUNG	V	V	V	V	V	V	V
TSANG, KWOK-AH	V	V	V	V	V	V	V

3.2 Operation of Audit Committee

3.2.1 Audit Committee Meeting

The Audit Committee held 7 sessions in 2025. The attendance of the Independent Directors is shown in the following table:

Title	Name	Attendance in Person	By Proxy	Attendance Rate in Person (%)	Notes
Independent Director	Lo, Wei	6	1	86%	
Independent Director	Chen, Yi-Mei	7	0	100%	
Independent Director	MA, CHIEN-YUNG	7	0	100%	
Independent Director	TSANG, KWOK-AH	7	0	100%	

Other Required Notes for Audit Committee Meeting

- Any action regulated by Securities and Exchange Act 14-5, or any resolution not approved by the Audit Committee but approved by two thirds or more of all directors instead:
 - Any action regulated by Securities and Exchange Act 14-5: Audit Committee's opinion or resolution on material items, please see Attachment 1.
 - There was no other resolution which was not approved by the Audit Committee but was approved by two thirds or more of all directors in 2025.
- Any recusal of Independent Directors due to conflicts of interests: None
- Descriptions of the communications between the independent directors, the internal auditors, and the independent auditors (which should include the material items, channels, and results of the audits on the corporate finance and/or operations, etc.):
 - The Company convenes Audit Committee regularly and invites external auditors, chief internal auditor and relevant person in charge if necessary.
 - According to annual internal audit plan, the internal auditor officer reports to Audit Committee periodically.
 - The member of Audit Committee make periodic communications regarding quarterly review or audit of financial statements and other discussion required by laws and review the selection and independence of independent auditor.
 - For the communication history between audit committee, external auditor, and internal audit supervisor:

Summary of communication between Audit Committee members and accountants

The audit committee and accountants meet at least once a quarter. The accountants report to the audit committee on the financial status of the company, the financial status of domestic and overseas subsidiaries, the overall operation, internal control audits, and whether there are major adjustment entries or legal amendments that affect the accounting situation. Comprehensive meetings can be held at any time in case of major abnormalities.

Session	Meeting Date	Communicated Matters	Suggestions and Results
12 th Meeting of the 4 th Term (Audit Committee)	2025/02/26	1. The CPAs clarified the 2024 Financial Report and profit or loss, and discussed and communicated the questions raised by participants. 2. The CPAs communicated with the corporate governance unit (discussions on key audit items).	No comments were raised in this meeting
14 th Meeting of the 4 th Term (Audit Committee)	2025/05/02	1. The CPA clarified the financial report for 2025 Q1 and profit or loss, and discussed and communicated the questions raised by the participants. 2. The CPAs communicated with the corporate governance unit.	No comments were raised in this meeting
15 th Meeting of the 4 th Term	2025/08/07	1. The CPA clarified the financial report for 2025 Q2 and profit or loss, and discussed and communicated the	No comments were raised in this meeting

(Audit Committee)		questions raised by the participants. 2. The CPAs communicated with the corporate governance unit.	
16 th Meeting of the 4 th Term (Audit Committee)	2025/11/06	1. The CPA clarified the financial report for 2025 Q3 and profit or loss, and discussed and communicated the questions raised by the participants. 2. The CPAs communicated with the corporate governance unit.	No comments were raised in this meeting

Summary of communication between Audit Committee members and internal auditors

The audit supervisor and the audit committee meet at least once a quarter to review last month's audit report and loss-tracking report before the end of each month. This includes the report on the annual audit plan implementation status and loss-tracking improvement. In case of major abnormalities, a meeting can be held at any time.

Session	Meeting Date	Communicated Matters	Suggestions and Corrections
12 th meeting of the 4 th Term (Audit Committee)	2025/02/26	1. Internal Audit Implementation Report for 2025 Q1 2. Statement of Internal Control System in 2025 3. Proposal to Amend the Payroll Cycle.	No comments were raised in this meeting
14 th meeting of the 4 th Term (Audit Committee)	2025/05/02	1. Internal Audit Implementation Report for 2025 Q1~Q2	No comments were raised in this meeting
15 th meeting of the 4 th Term (Audit Committee)	2025/08/07	1. Internal Audit Implementation Report for 2025 Q3	No comments were raised in this meeting
16 th meeting of the 4 th Term (Audit Committee)	2025/11/06	1. Internal Audit Implementation Report for 2025 Q3~Q4 2. Proposal to Add the Rules Governing Financial and Business Matters Between this Corporation and its Related Parties and Risk Management Policies and Procedures	No comments were raised in this meeting
17 th meeting of the 4 th Term (Audit Committee)	2025/12/20	1. Internal Audit Implementation Report for 2025 Q4 2. Audit Plan for the Year 2026	No comments were raised in this meeting

4. Annual work key-points:

- (1) Regularly communicating the audit report results with the internal audit supervisor according to the annual audit plan.
- (2) Reviewing the financial report.
- (3) Assessing the effectiveness of internal control system.
- (4) Independence assessment of certified accountants.
- (5) Reviewing the amendment of the Company's "Procedure for Acquiring or Disposing of Assets", "Procedure for Endorsement and Guarantees", and "Procedures for Lending Money to Others".
- (6) Compliance with laws and regulations.

Attachment 1: Any action regulated by Securities and Exchange Act 14-5: Audit Committee's opinion or resolution on material items

The date of Audit Committee meeting	Proposals and Follow-up Actions	Any resolution not approved by the Audit Committee but approved by two thirds or more of all directors instead
11 th Meeting of the 4 th Audit Committee	1.Appointment of the Chief Executive Officer. 2.Increasing the Company's investment in securities. Resolution: Adopted by all attending members of the Audit Committee. Action taken by GPM in response to the Audit Committee's resolution: After being proposed in the Board meeting for discussion, the resolution was adopted by all attending directors.	None
12 th Meeting of the 4 th Audit Committee	1. Approval of 2024 examination on effectiveness of internal control system and Statement of Internal Control System. 2. Approval of the distribution of directors' remuneration of 2024. 3. Approval of the 2024 Business Report and Financial statements. 4.Proposal for the Amendment to Define the Company's Non-Managerial Employees and the Compensation Cycle. 5.Proposal for the amendments to the "Articles of Incorporation" of the Company, submitted for determination.. 6.Amendments to the Regulations for the First Repurchase of Shares for Transfer to Employees in 2020 of the Company. 7.Amendments to the Regulations for the First Repurchase of Shares for Transfer to Employees in 2024 of the Company. Resolution: Adopted by all attending members of the Audit Committee. Action taken by GPM in response to the Audit Committee's resolution: After being proposed in the Board meeting for discussion, the resolution was adopted by all attending directors.	None
13 th Meeting of the 4 th Audit Committee	1. Approval of the 2024 Annual Earnings Distribution Proposal. 2. Proposal for the Distribution of Cash from the Company's Capital Surplus. 3. Proposal for Issuance of Restricted Stock Rewards to Employees. Resolution: Adopted by all attending members of the Audit Committee. Action taken by GPM in response to the Audit Committee's resolution: After being proposed in the Board meeting for discussion, the resolution was adopted by all attending directors.	None
14 th Meeting of the 4 th Audit Committee	1.Proposal for the Company's First Repurchase and Transfer of Ordinary Shares to Employees in 2020. 2.Proposal for the Company's Cancellation of Corporate Shares First Purchased in 2020 and Establishment of Base Date for Capital Decrease and Cancellation of Treasury Stocks. 3.2025 Q1 consolidated financial statements. Resolution: Adopted by all attending members of the Audit Committee. Action taken by GPM in response to the Audit Committee's resolution: After being proposed in the Board meeting for discussion, the resolution was adopted by all attending directors.	None
15 th Meeting of the 4 th Audit Committee	1. 2025 Q2 consolidated financial statements. Resolution: Adopted by all attending members of the Audit Committee. Action taken by GPM in response to the Audit Committee's resolution: After being proposed in the Board meeting for discussion, the resolution was adopted by all attending directors.	None
16 th Meeting of the 4 th Audit Committee	1. 2025 Q3 consolidated financial statements. 2.Approval of the provided endorsement guarantee for the subsidiary "Apex-I International Co., Ltd." 3.Proposal to Add the "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties". 4. Proposal to Add the "Enterprise Risk Management Policies and Procedures". 5. Proposal to Amend Rules Governing Restricted Stock Awards in 2025. Resolution: Adopted by all attending members of the Audit Committee. Action taken by GPM in response to the Audit Committee's resolution: After being proposed in the Board meeting for discussion, the resolution was adopted by all attending directors.	None
17 th Meeting	1. Proposal for the First Issuance of the Company's Restricted Stock Awards in 2025.	None

of the 4 th Audit Committee	2. Approval of 2026 internal audit plan.	
	3.The assessment of the independence and suitability of accountants (including AQIs indicators) and appointment.	
	Resolution: Adopted by all attending members of the Audit Committee.	
	Action taken by GPM in response to the Audit Committee's resolution: After being proposed in the Board meeting for discussion, the resolution was adopted by all attending directors.	

3.3 Taiwan Corporate Governance Implementation as Required by Taiwan Financial Supervisory Commission

Evaluation Item	Implementation Status			Reasons for the Deviations from "Corporate Governance Best Practice Principles for TWSE/TPE x Listed Companies"
	Yes	No	Brief Description	
Does the Company establish and disclose the corporate governance best practice in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPE x Listed Companies"?	√		The Company have established the "Corporate Governance Best Practice" on June 17, 2015, and disclosed it on the Company's website: https://www.gpmcorp.com.tw/about_governance_regulations.php	None
Shareholding Structure and Shareholders' equity		√	The Company has established the "Corporate Governance Best Practice" and a spokesperson system in accordance with the regulations. The affairs are assigned to the stock affair specialists and agencies and the contact person is disclosed on the Company's website.	None
Does the Company retain a list of the main shareholders who possess the controlling power, and the persons who have the ultimate control over the said shareholders?	√		The company announces the shareholdings of the insiders every month in accordance with the regulations and has the changes in hand to maintain a list of the main shareholders who possess the controlling power, and the persons who have the ultimate control.	None
For the affiliates, does the Company establish and implement a risk control and firewall mechanism?	√		For the affiliates, the Company has established the "Procedures for Related Party Transactions", "Regulations Governing the Management and Operation of Subsidiaries", etc. to set up a risk control and firewall mechanism. The implementation of the above-mentioned regulations is audited by the audit unit once a year in accordance with the audit plan.	None
Does the Company establish an internal regulation to forbid the insider to use undisclosed information on the market in marketable securities exchange?	√		The Company has set up the "Procedures for Processing the Internal Major Information and Preventing Insider Trading" to prohibit the insiders from using unpublished information on the market in marketable securities exchange. It is available on the Company's internal website and website. The promotion course is provided once a year as needed.	None

Evaluation Item	Implementation Status			Reasons for the Deviations from "Corporate Governance Best Practice Principles for TWSE/TPE x Listed Companies"
	Yes	No	Brief Description	
The composition and responsibilities of the Board of Directors	√		Our company has established the "Corporate Governance Best Practice Principles," which stipulate that the composition of the Board of Directors should consider diversity. Currently, all members of our Board possess operational judgment, management, leadership, decision-making abilities, accounting, financial analysis skills, international market perspective, and industry knowledge. They have diverse expertise from various industry backgrounds. For example: Lo Wei, Independent Director, serves as the CFO of Zyxel and holds a Ph.D; Chen Yi-Mei, Independent Director, was specially appointed by the ITRI; Ma Chien-Yung, Independent Director, has experience as an industry board member/chairman and holds a Ph.D; Tseng Guo-Hua, Independent Director, has a background as a certified public accountant. This diversity in our Board of Directors is in line with the principles of corporate governance. For more details on the educational and professional backgrounds of our board members, please refer to pages 8-14 of this annual report. https://www.gpmcorp.com.tw/about_governance_boardofdirectors.php	None
In addition to the Remuneration Committee and Audit committee established in accordance with the laws, does the Company voluntarily set up other types of functional committees?	√		In addition to setting up the Remuneration Committee in accordance with the laws, the Company also voluntarily established an Audit Committee, and both committees are composed of all independent directors. Furthermore, the Company's Enterprise Sustainability Committee consisted of the management personnel reports to the Board of Directors from time to time on the implementation status and results. For the responsibilities of the Enterprise Sustainability Committee, please refer to page 112 of this annual report.	None

<p>Does the Company formulate the rules and methods for evaluating the performance of the Board of Directors, implement regular evaluation and report the results to the Board of Directors for reference and being used as the basis when evaluating the remuneration and considering the nomination of the individual directors?</p>	√	<p>The Company has established the "Measures for the Performance Evaluation of the Board of Directors" and the "Measures for Directors' Remuneration and Remuneration Payments" to regularly evaluate the performance of the Board of Directors every year.</p> <p>The measurement items of the performance evaluation on the Board of Directors of the Company include the following five aspects:</p> <ol style="list-style-type: none"> 1. Participating degree on the Company's operations 2. Improving the decision-making quality of the Board of Directors 3. Board composition and structure 4. Selection of directors and continuing education 5. Internal Control <p>The measurement items for the performance evaluation on the individual directors of the Company include the following six aspects:</p> <ol style="list-style-type: none"> 1. Mastering the Company's goals and tasks 2. Awareness of directors' responsibilities 3. Participating degree on the Company's operations 4. Management and communication on internal relationship 5. Professional and continuing education for directors 6. Internal Control <p>The measurement items of the performance evaluation on the audit committee of the Company include the following four aspects:</p> <ol style="list-style-type: none"> 1. Participating degree on the Company's operations 2. Awareness of the responsibilities of the audit committee 3. Improving the decision-making quality of the audit committee 4. Internal Control <p>The measurement items for the performance evaluation of the Remuneration Committee of the Company include the following five aspects:</p> <ol style="list-style-type: none"> 1. Participation in the Company's operation; 2. Understanding of the responsibilities of the Remuneration Committee; 3. Improvement of the decision-making quality of the Remuneration Committee; 4. Composition and member election of the Remuneration Committee; 5. Other items. <p>The evaluation process is completed after the end of the evaluation year and before the latest board meeting; the scoring and performance evaluation results are reported to the Board of Directors, and are used as a reference for individual directors' remunerations and nomination for re-appointment, in the perspective of improving the functions of operations of Board of Directors. In February 2026, the Company completed the performance evaluation of the Board of Directors, the Audit Committee and the Remuneration Committee, and reported it to the meeting of the Board of Directors held on February 26, 2026.</p> <p>The measurement items for the content of the external evaluation: Professional functions of the Board, decision-making functions of the Board, the level of attention attached to internal control and monitoring by the Board,</p>	None
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Evaluation Item	Implementation Status			Reasons for the Deviations from “Corporate Governance Best Practice Principles for TWSE/TPE x Listed Companies”
	Yes	No	Brief Description	
			and the attitude toward sustainable management. The external evaluation report for 2024 was issued after the implementation by the Taiwan Institute of Ethical Business on December 31, 2024, and the report was made at the Board meeting on February 26, 2025. https://www.gpmcorp.com.tw/about_governance_boardofdirectors.php	

The composition and responsibilities of the Board of Directors	Does the Company regularly assess the independence of the certifying accountant?		<p>Our company has established the "Regulations for the Appointment and Review of Certifying Accountants." Each year, the Audit Committee and the Board of Directors evaluate the independence and suitability of the current accountants. Before appointing accountants, the accountants must provide an "Independence Declaration" and "Audit Quality Indicators (AQIs)." The company's finance department confirms that the certifying accountants, apart from fees for certification and tax cases, have no other financial interests or business relationships. The company's shareholding agency is also asked to confirm the accountants' shareholding status. Once the finance department has verified the accountants' independence and suitability, the Audit Committee reviews and submits the findings to the Board of Directors for resolution. The most recent accountant review and evaluation report was submitted to the Audit Committee and Board of Directors on December 10, 2025. The key criteria for evaluating the independence and suitability of accountants are as follows:</p> <ul style="list-style-type: none"> ➤ The accountant or their spouse and minor children do not have any investment or financial interest sharing relationship with the company. ➤ The accountant or their spouse and minor children do not have any loan relationships with the company, except for normal business relationships with financial institutions. ➤ The accounting firm does not issue assurance service reports on the design or effective operation of financial information systems. ➤ The accountant or audit service team members have not served as a director, manager, or held a significant position influencing the audit case at the company within the past two years. ➤ Non-audit services provided to the company do not directly impact significant audit items. ➤ The accountant or audit service team members do not promote or broker the company's issued stocks or other securities. ➤ Except for legally permissible services, the accountant or audit service team members do not represent the company in legal cases or other disputes with third parties. ➤ The accountant or audit service team members do not have a marital, direct blood relative, direct in-law, or close relative relationship within two degrees with the company's directors, managers, or significant persons influencing the audit case. ➤ Within one year of leaving their position, co-practicing accountants do not serve as directors, managers, or hold significant positions influencing the audit case at the company. ➤ The accountant or audit service team members do not receive significant gifts or special favors from the company, directors, managers, or major shareholders. ➤ The accountant is not currently employed by the client or the entity being audited, receiving a regular salary or serving as a director or supervisor. <p>The accountant has not provided audit services to the company for seven consecutive years.</p>	
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None

Evaluation Item	Implementation Status			Reasons for the Deviations from “Corporate Governance Best Practice Principles for TWSE/TPE x Listed Companies”
	Yes	No	Brief Description	
Does the TWSE/TPE listed company deploy qualified and sufficient management personnel and appoint directors to handle governance-related matters (including but not limited to providing directors and supervisors with the necessary information to perform their duties, assisting directors and supervisors complying with laws and regulations, handling matters related to the holding of board and shareholder meetings according to law, and preparing minutes for board and shareholder meetings, etc.)?	√		The board of directors appointed the financial and accounting supervisor of the Company as the director of corporate governance, and set up the corporate governance team under the Corporate Sustainability Committee to promote corporate governance related matters, which are supervised by the senior manager, including handling the relevant matters of the board of directors and shareholders' meetings in accordance with the law, making the proceedings of the board of directors and shareholders' meetings, handling the Company registration and change registration, and arranging the directors' training courses. Please refer to attachment 2 for the training of corporate governance supervisor in 2025. The Company has established "Standard Operating Procedure for Handling Directors' Requests" to assist directors in complying with laws and responding to directors' questions.	None
Does the Company establish communication channels with stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.), set aside a stakeholder area on the Company's website, and properly respond to the issues concerning corporate social responsibility in which the stakeholders may have a stake?	√		The Company has set aside a stakeholder area on the website, and, according to the type of stakeholders (employees, customers, suppliers, investors, government and society, etc.), disclosed and listed the communication channels and the issues concerning the performance of corporate social responsibility.	None
Does the Company appoint a professional stock affair agency to handle the matters related to the holding of the shareholders meeting?	√		The Company has appointed a professional stock affair agency - the stock agency department of President Securities Corporation, to handle the matters related to the stocks and holding of the shareholders meeting.	None
Information disclosure Does the Company set up a website to disclose information about financial business and corporate governance?	√		The company has disclosed information about financial business and corporate governance on the Company's website (https://www.gpmcorp.com.tw/index.php).	None

Evaluation Item	Implementation Status			Reasons for the Deviations from “Corporate Governance Best Practice Principles for TWSE/TPE x Listed Companies”
	Yes	No	Brief Description	
Does the Company adopt other approaches to disclosing information (e.g. setting up an English website, designating a person dedicated to the collection and disclosure of the Company's information, implementing a spokesperson system, publishing the proceedings of investor conferences on the Company's website, etc.)?	√		<p>1. Disclosure of financial information On the website, the Company has set aside a stakeholder area (https://www.gpmcorp.com.tw/investors_finance.php) on which the Company's financial information in Chinese, English, and Japanese is regularly updated for investors' reference.</p> <p>2. Disclosure of business information The web pages of the company profile, product introduction, and core competency provide the public with up-to-date information about the products, operations, and activities in Chinese and English.</p> <p>3. Disclosure of corporate governance The Company has disclosed important internal regulations, such as the organization and operation of internal audits, the Articles of Association, the procedures for acquiring/disposing of assets, the operating procedure for endorsement and fund lending, and the organic rules of the Audit Committee and Remuneration Committee on the website, implemented a spokesperson system, and designated a person responsible for collection and disclosure of the information and the announcement of the disclosure in accordance with the regulations.</p>	None
Does the Company announce and report the annual financial statements within two months of the end of the fiscal year, and announce and report the first, second, and third-quarter financial statements and the monthly operating results ahead of time and within the specified time limit.	√		The Company announced and declared its annual financial report for 2025 on February 26, 2026, and declared its quarterly financial report and operating situation before the prescribed deadline. For disclosure of the foregoing information, please refer to the Public Information Observatory.	None

<p>Does the Company provide other important information to facilitate the understanding of the corporate governance (including but not limited to employee rights, employee welfare, investor and supplier relations, stakeholder rights, retraining courses for directors and supervisors, the implementation of risk management and customer policies, and risk measurement standards, the purchase of liability insurance for directors and supervisors, etc.)?</p>	√	<p><u>Employee rights and employee welfare</u> Our company values the rights and future development of our employees. We have established various welfare plans and set up an Employee Welfare Committee to implement diverse employee welfare measures. Additionally, we have created the "Education and Training Quality Manual" to provide employees with various training and skills development opportunities, as well as the " Regulations for Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace." We prioritize employee communication and work-life balance, organizing a variety of physical and mental well-being activities. For more information, please refer to the "Career Life" and "Corporate Sustainability - Friendly Workplace" sections on our company's website: https://www.gpmcorp.com.tw/index.php</p> <p><u>Investor relationship</u> Refer to the "Investor Zone" on our website.</p> <p><u>Supplier relationship</u> The Company has established the "Supplier Management Procedure" and "Contractor Management Measure" to restrict the business behavior of suppliers and the Company, avoiding damage to the reputations and interests of both parties. Non-Disclosure Agreements (NDA) are signed to protect the rights and obligations of both parties. And propagandize the sustainable concepts and goals of GPM in four aspects: The quality improvement, cost reduction, delivery assurance, and sustainable performance. The Company regularly holds agreement organization meetings for contractors, conducts two-way communication and coordination, and signs a " Letter of Undertaking for Safety, Health, Sustainability, and Information Security by Contractor " with the contractors to ensure and specify the contractor's construction safety at the client and factory sites. Refer to the "Corporate Sustainability - Sustainable Supply Chain" zone on our website.</p> <p><u>Rights of stakeholders</u> The Company provides various communication channels for various stakeholders, regularly discusses the feedback and improvement of stakeholders internally, and has established a "Contract Review Procedure" to protect the Company's interests and take into account the rationality of the contracts; and will also report to the Board of Directors on the results of communication with various stakeholders. Refer to "Corporate Sustainability - Stakeholders Zone" on our website.</p> <p><u>Directors' training</u> The directors of the Company continue to study in accordance with the "Measure Driving the Training for Directors and Supervisors of Listed OTC Companies". The training status is announced on the Open Information Observatory Station and disclosed in Attachment 1.</p> <p><u>Implementation of risk management policies and risk measurement standard</u> Refer to page 112 of this Annual Report.</p> <p><u>Implementation of Customer Policy</u> The Company usually maintains close contact with customers, and builds a professional customer service team and perfect sales service system to provide full-scale and high-quality services to help customers improve their</p>	None
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Evaluation Item	Implementation Status			Reasons for the Deviations from “Corporate Governance Best Practice Principles for TWSE/TPE x Listed Companies”
	Yes	No	Brief Description	
			<p>competitiveness and create higher added value.</p> <p><u>Purchase of liability insurance for directors</u> The Company has bought the directors, supervisors and managers liability insurance for all directors to reduce and disperse the risk of serious damage to the Company and shareholders caused by the wrong or negligent behavior made from the directors, and has announced it on the Open Information Observatory Station. The respective insurance was reported to the Board of Directors on February 26, 2026.</p> <p><u>Intellectual Property Management Plan and Implementation Status</u> To improve and protect the Company’s technical strength and benefit the Company to effectively integrate its technical capabilities and foster its market competitiveness, relevant rules on patent management have already been established and a patent management system has been set up. As of 2025, the Company accumulatively owned nearly 200 patents. Trade secrets are not only included in the legal practical training courses and newcomer training courses, but also publicized at the staff assembly on a quarterly basis. In 2025, the newcomer education and training and legal practical courses were attended by 384 person-times, with total duration of 384 hours. Relevant implementation status of work related to intellectual property, trade secrets, etc. was reported to the Board of Directors on December 10, 2025. Please refer to the dedicated section of “Intellectual Property Management” on the Company’s website.</p>	
<p>Based on the results of the most recent corporate governance evaluation conducted by the Corporate Governance Center, Taiwan Stock Exchange Co., Ltd, please describe the improvement has been made and the priority of and the measures for items to be improved.</p> <p>In the 11th governance evaluation, the Company was evaluated as the top 6%~20% of the entries by the Corporate Governance Center, Taiwan Stock Exchange Co., Ltd.</p> <p>The Company sticks to the concept of sustainable operation, and, in order to develop a sustainable business, build a long-term partnership with customers and social communities, and fulfill the corporate citizenship responsibilities, an Enterprise Sustainability Committee is set up in 2016 to take the responsibilities and attain ethical corporate management. The implementation and results would be reported to the Board of Directors every year.</p> <p>For the results of corporate governance evaluation, the intended corrections and measures for items to be improved are described as below:</p> <p>The company has implemented the following measures to address the areas for improvement identified in the corporate governance evaluation:</p> <ul style="list-style-type: none"> ➤ The written rules established by the Company to govern the financial and business matters between the Company and its related parties shall include management procedures for transactions including purchasing and sales, acquisition or disposal of assets, etc. Besides, related major transactions shall be submitted to the Board of Directors for resolutions and approval, and presented to the Shareholders’ Meeting for consent or reporting. 				

Evaluation Item	Implementation Status			Reasons for the Deviations from “Corporate Governance Best Practice Principles for TWSE/TPE x Listed Companies”
	Yes	No	Brief Description	
<ul style="list-style-type: none"> ➤ The sustainability report prepared by the Company obtained third-party verification. ➤ The Company disclosed the categories of greenhouse gas emissions of Scope 3 as well as annual emission volume in the previous year. ➤ The Company has established an employee training and development plan intended to improve employees’ career capabilities, and disclosed its content as well as implementation status. ➤ The Company conducts employee satisfaction surveys on a regular basis, and discloses the implementation status thereof as well as improvement plans. ➤ The Company has established a personal data protection policy and disclosed its content and implementation status. 				

Attachment 1: Training Record of Directors and Independent Directors in 2025

Title	Name	Date of Training	Organized by	Name of Course	Training Hours	Total Training Hours in 2025
Chairman	Jason Chen	2025.03.25	ESG World Citizens&Digital Governance Foundation	Development, Evaluation, and Regulatory Compliance Cases of Corporate Governance.	3	6
		2025.08.22	Taiwan Corporate Governance Association	Operation of the Remuneration Committee and Performance-Based Compensation System for Directors and Managerial Officers.	3	
Vice Chairman	Frank Lian	2025.09.18	Securities&Futures Institute	Trends and Risk Management of Digital Technology and Artificial Intelligence.	3	6
		2025.10.31	Securities&Futures Institute	2025 Seminar on Legal Compliance for Equity Transactions by Insiders.	3	
Director	Hsu, Hung-Ming	2025.03.25	ESG World Citizens&Digital Governance Foundation	Development, Evaluation, and Regulatory Compliance Cases of Corporate Governance.	3	6
		2025.07.04	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation.	3	
Independent Director	TSANG, KWOK-AH	2025.10.29	Taiwan Corporate Governance Association	Development of Net-Zero Pathways and Carbon Management Strategy.	3	6
		2025.10.29	Taiwan Corporate Governance Association	Groundbreaking AI Advancement and Commercial Applications.	3	
Independent Director	MA, CHIEN-YUNG	2025.10.21	Accounting Research and Development Foundation	Practical Applications and Risk Analysis in the AI.	3	6
		2025.10.21	Accounting Research and Development Foundation	Corporate Sustainability and Legal Compliance Practices: Insider Trading.	3	

Independent Director	Lo, Wei	2025.01.16-2025.01.17	Accounting Research and Development Foundation	Common Internal Management Deficiencies of Enterprises and Case Analysis	12	24
		2025.02.20-2025.02.21	Accounting Research and Development Foundation	Continuing Education Courses for Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	12	
Independent Director	Chen, Yi-Mei	2025.09.18	Securities&Futures Institute	Trends and Risk Management of Digital Technology and Artificial Intelligence.	3	6
		2025.12.05	Taiwan Corporate Governance Association	Legal Liability Analysis of Greenwashing/Misleading Sustainability Disclosures.	3	

Attachment 2: Training Record of Chief Corporate Governance in 2025

Title	Name	Date of Training	Organized by	Name of Course	Training Hours	Total Training Hours in 2025
Chief Corporate Governance	Sheng-hong Huang	2025.03.18	Taipei Exchange	Resilient Taiwan: Taipei Exchange Sustainable Bonds & ETF Forum.	3	21
		2025.05.28-2025.05.29	Securities&Futures Institute	Workshop on Sustainability Disclosure Practices for Listed Companies.	9	
		2025.06.30	Taipei Exchange	Investor Relations Management Sharing Session.	3	
		2025.07.04	Accounting Research and Development Foundation	Internal Control and Internal Audit Focus and Case Studies on Sustainability Information Management.	6	

3.4 Operation of the Company's Remuneration Committee

3.4.1 Information Regarding Compensation Committee Members

March 31, 2026

Title/Name		Criteria	Professional Qualification and Experience	Independent Directors' Independence Status	Number of Other Taiwanese Public Companies Concurrently Serving as a Compensation Committee Member	Notes
Independent directors	TSANG, KWOK-AH (Chairperson)	GPM's Compensation Committee is comprised of all three independent directors. For members professional qualification and experience, please refer to "Information Regarding Board Members" on page 8-14 of this Annual Report.		All the Compensation Committee members meet any of the following situations: 1. Satisfy the requirements of Article 14-6 of "Securities and Exchange Act" and the requirements of "Regulations Governing the Appointment and Exercise of Powers by the Compensation Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" issued by Taiwan's Securities and Futures Bureau	2	
Independent directors	Chen, Yi-Mei				0	
Independent directors	Lo, Wei				0	

Independent directors	MA, CHIEN-YUNG		2.Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any GPM shares 3.Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service“	1	
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3.4.2 Remuneration Committee Meeting Status

The tenure of the Company’s 5th remuneration committee is from June 29, 2023 to June 18, 2026. The convener, Mr. TSANG, KWOK-AH held five meetings in 2025 and the attendance of members is shown in the following table:

Title	Name	Attendance in Person	By Proxy	Attendance Rate in Person (%)	Notes
Independent Director	TSANG, KWOK-AH	5	0	100%	
Independent Director	Chen, Yi-Mei	5	0	100%	
Independent Director	Lo, Wei	4	0	80%	
Independent Director	MA, CHIEN-YUNG	5	0	100%	

- (1) In cases the Board doesn’t adopt or revise Remuneration Committee’s proposals, the Company shall list date/number of the Board meeting, agenda, the Board’s resolution and the Company’s response to Remuneration Committee’s proposal: Attachment 1.
- (2) In cases Remuneration Committee members have dissenting opinions or qualified opinions against the resolution and recorded with notes in paper, the Company shall list date, number of the Remuneration Committee meeting, agenda, all members’ opinion and the follow-up of the members’ opinion: None.

Attachment 1: Remuneration Committee's Resolutions on Major Proposals and Action Taken by GPM in Response to the Remuneration Committee's Resolutions

The date of remuneration committee Meeting	Proposals and Follow-up Actions
The 7 th time of the 5 th session	1.Proposal for the Deliberation of the Remuneration of the Newly Appointed Chief Executive Officer of the Company.
	Resolution Result: Cases were passed without objection, except those members and senior managers who did not participate in the discussion and voting according to law.
	The company's handling of the opinions of the remuneration committee; After being submitted to the board of directors for discussion, it was approved by all the directors present.
The 8 th time of the 5 th session	1.Employees' remuneration and directors' remuneration of the Company in 2024 are submitted for deliberation.
	Resolution Result: Cases were passed without objection, except those members and senior managers who did not participate in the discussion and voting according to law.
	The company's handling of the opinions of the remuneration committee; After being submitted to the board of directors for discussion, it was approved by all the directors present.
The 9 th time of the 5 th session	1. Submitted to review the distribution of directors' remuneration and managers' remuneration of the Company in 2024.
	Resolution Result: Cases were passed without objection, except those members and senior managers who did not participate in the discussion and voting according to law.
	The company's handling of the opinions of the remuneration committee; After being submitted to the board of directors for discussion, it was approved by all the directors present.
The 10 th time of	1. Proposal for the Deliberation of the Retroactive Recognition of the Pension Application by Senior

the 5 th session	Assistant Vice President H.M. Lee a Managerial Officer of the Company. 2. To request the review on the Company's adjustment to manager' salary in 2025.
	Resolution Result: Cases were passed without objection, except those members and senior managers who did not participate in the discussion and voting according to law.
	The company's handling of the opinions of the remuneration committee; After being submitted to the board of directors for discussion, it was approved by all the directors present.
The 11 th time of the 5 th session	1. Proposal for the review and discussion of the 2025 year-end bonus distribution for managers. 2. Proposal for the Deliberation of the Company's First-time Distribution of Restricted Stock Awards to Directors and Managerial Officers in 2025. 3. Proposal for the Deliberation of the Retroactive Recognition of the Pension Application by Managerial Officers of the Company.
	Resolution Result: Cases were passed without objection, except those members and senior managers who did not participate in the discussion and voting according to law.
	The company's handling of the opinions of the remuneration committee; After being submitted to the board of directors for discussion, it was approved by all the directors present.

3.5 Sustainable Development Implementation Status as Required by the Taiwan Financial Supervisory Commission :

Assessment Item		Implementation Status			Non-implementation and Its Reason(s)
		Yes	No	Summary	
Does the Company have a governance structure for sustainability development and a dedicated (or ad-hoc) sustainable development organization with Board of Directors authorization for senior management, which is reviewed by the Board of Directors?		√		GPM has established a dedicated Corporate Sustainability Committee to drive its sustainability initiatives, chaired by President Jason Chen. Under this committee, several sub-committees have been formed: Corporate Governance Committee Risk Management Committee Environmental Sustainability Committee Sustainable Supply Chain Committee Social Inclusion Committee The responsibilities of the Integrity Management Committee have been integrated into the Corporate Governance Committee, and the Information Security Committee has been incorporated into the Risk Management Committee. The Corporate Sustainability Committee reports to the Board of Directors annually on its performance and outcomes. The 2025 performance report was presented at the Board meeting on December 10, 2025. For more information, please visit the "Corporate Sustainability - Sustainability Management" section on our company website. Sustainability Management and Strategy.	None
Does the Company follow materiality principle to conduct risk assessment for environmental, social and corporate governance topics related to company operation, and establish risk management related policy or strategy?		√		The company has set up a "Corporate sustainability Committee" as a full-time unit to promote corporate sustainability, and its risk assessment boundary covers all the GPM Factory. We will launch a mentoring program for sustainable reports and select nine major topics based on the principle of significance, including corporate governance, energy management and labor relations. In addition, risk assessment is carried out for each major subject, and improvement measures are proposed. Details regarding the Board of Directors' supervision and strategic objectives for sustainable development are disclosed on the company website under "Corporate Sustainability - Sustainability Management."	None
Environmental Topic	Does the company establish an appropriate environmental management system according to its industrial characteristics?	√		Implement green supply chain management, improve energy efficiency, and reduce the harm to the environment during operation. Wastewater generated from the process is properly treated by wastewater treatment facilities, which meets the discharge water standard. The Company takes "waste reduction and resource recovery" as its goal, and the packaging materials used take resource recovery as the priority treatment method, so as to improve the efficiency of waste management and reduce the environmental impact caused by waste treatment. The rest wastes are incinerated in consideration of their nature, and they are cleared and disposed of or recycled by qualified manufacturers. For manufacturers of general wastes, the compliance of laws and regulations shall be audited when signing contracts or as appropriate.	None

Assessment Item		Implementation Status			Non-implementation and Its Reason(s)
		Yes	No	Summary	
Environmental Topic	Does the Company commit to improving the utilization efficiency of various resources and using recyclable materials with low impact on the environment?	√		When designing, the Company chose smaller power transmission components to lighten the machine and high-efficiency power supply components (e.g. converter) to save energy; the cooling water source configuration is adopted for the water circulation system, the designing of shared filters for multiple machines can incorporate one manufacturing process with another and reuse the water resource by repouring the water filtered by the cleaner back to the system, and in turn to save up to 60% of water.	None
Environmental Topic	Does the company assess the potential risks and possibility of climate change and its impact on the Company now and in the future, and take corresponding measures to address the said issues?	√		As the issue of extreme weather emerges, the issue of greenhouse gases is getting more and more attention, and it is also the issue that mankind must work together to reduce. In order to avoid the risk of entering into extreme climate, the Company had accepted the guidance for greenhouse gas inventory under ISO14064-1: 2018 since 2021, and officially introduced greenhouse gas inventory in 2022, set up low-carbon emission policies to achieve carbon neutrality first, aiming at net zero emissions ultimately. The Company passed the external GHG inventory verification for 2022~2025. Please refer to the "Energy Saving and Carbon Reduction-Greenhouse Gas" section on our website. In response to the impact of climate change, the Company implements green supply chain management to improve energy efficiency and reduces environmental damage during operations, and actively drives greening works inside and outside the plant. The Company is dedicated to the effective use of chemicals, hydropower resources consumed in the process. The wastewater generated in the process is properly treated by wastewater treatment facilities, which meet the effluent standards. The generated waste is legally discharged after being treated by complete pollution prevention and control equipment.	None

<p>Environmental Topic</p>	<p>Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set greenhouse gas emissions reduction, water usage reduction and other waste management policies?</p>	<p>√</p>	<p>In the face of climate change, the Company has accepted the guidance for greenhouse gas inventory under ISO14064-1: 2018 since 2021, and officially introduced into ISO14064-1:2018 in 2022 and passed the external examination for greenhouse gas inventory in 2022, and will conduct greenhouse gas inventory annually, and make review and improvement based on the inventory results. The Greenhouse Gas (GHG) Inventory included in the inventory are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), nitrogen trifluoride (NF₃), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs). The inventory falls under Categories I, II and III, and the base year is 2021. In addition, the Company has set up energy-saving efficiency improvement programs, such as: lighting management, energy management, water resources management and waste management, monthly reviews electricity and water consumption and implements improvement measures, and publishes the water consumption, electricity consumption and waste volume in the recent three years on the official website. Please refer to "Annual Report - V. Operations Overview - (V) Information on Labor Relations - Corporate Sustainability in Performance "and "Energy Saving and Carbon Reduction-Greenhouse Gas" on the company website.</p> <p>The company began to accept counseling on greenhouse gas inventory under GHG Protocol since August 2025. It is expected that the Company will pass the external greenhouse gas verification under GHG Protocol in 2026. The inventory categories include Scope 1, Scope 2 and Scope 3. Among them, 15 major categories in Scope 3 will go through more detailed inventory. However, since the Company does not have items corresponding to categories 14 and 15 in Scope 3, no detailed inventory is required.</p> <p><u>Carbon reduction program</u></p> <p>In respect of energy saving and carbon reduction management, the Company is committed to use of power-efficient lamps to reduce the consumption of fossil fuels.</p> <ul style="list-style-type: none"> • In 2025, the total purchased electricity reached 2,772,343kWh, the CO₂ emissions reached 1,314,091kg. The consumption of diesel (direct energy) reached 4.38GJ, accounting for 0.04% of the total energy consumption; the consumption of purchased electricity (indirect energy) reached 9,982.71GJ, accounting for 99.96% of the total energy consumption. • In 2024, the total purchased electricity reached 2,616,195kWh, the CO₂ emissions reached 1,240,076kg. The consumption of diesel (direct energy) reached 4.37GJ, accounting for 0.05% of the total energy consumption; the consumption of purchased electricity (indirect energy) reached 9,420.44GJ, accounting for 99.95% of the total energy consumption. 	
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Assessment Item		Implementation Status			Non-implementation and Its Reason(s)
		Yes	No	Summary	
				<ul style="list-style-type: none"> The electricity consumed in 2025 increased by 156,148kWh compared to that in 2024. In 2025, the Company spent approximately NT\$ 2.1 million in the energy-saving improvement project of the air-conditioning system, which reduced the electricity consumption of the system by 55,357kWh in total, with the CO2 emissions as 26,239.218kg. <p>Waste control The Company has always given continuous efforts for sustainability, focusing on energy conservation, carbon reduction, and waste reduction and takes "waste reduction and resource recovery" as the management goal, and puts priority to waste recycling to improve the management efficiency of waste and reduce the impact of waste treatment on the environment. In 2025, the Company generated 25.03 tons of general industrial waste and 2.35 tons of hazardous industrial waste regarding the waste generation volume. Details on the handling and execution of waste management measures are disclosed on the company's website.</p>	

Social Topic	Does the Company formulate relevant management policies and procedures in accordance with applicable regulations and the "International Bill of Human Rights"?	√	<p>The Company duly observes relevant labor regulations and respects basic labor human rights principles that are internationally recognized to protect the legal rights and interests of employees and implement the employment policy with fairness and no differentiated treatment, and the Company has established appropriate management systems for supervision and management. In 2025, the Company promoted various human rights policies in the newcomer education and training, involving a total of 31 person-times, so that colleagues can understand their human rights and interests.</p> <p>The Company recognizes and follows international human rights conventions such as “ Universal Declaration of Human Rights of the United Nations” , the “United Nations Global Compact”, the “United Nations Guiding Principles on Business and Human Rights”, and the “International Labor Organization”, for the purposes of avoiding any acts that infringe upon and violate human rights, and clearly states that all colleagues shall be treated with justice, fairness and respect.</p> <p>The scope of application includes the Company’ s operation sites, suppliers, all employees, and the overall operating activities.</p> <p>The Corporate Sustainability Committee is the highest authority of the human rights governance organization, and the social inclusion team under the committee is the responsible unit for coordinating management affairs related to human rights and convening meetings according to project needs. The issues discussed include workers’ human rights, talent recruitment and cultivation, employee health and safety, etc. Furthermore, the strategic direction and action plans are revised based on the actual circumstances and then regularly presented to the Corporate Sustainability Committee. Please refer to the dedicated section of “Human Rights Management” on the Company’s website.</p> <p>The Company has established a human rights due diligence process based on the EU’ s “Corporate Sustainability Due Diligence Directive ” and OECD “Due Diligence Guidance for Responsible Business Conduct”. Through risk identification and assessment of human rights issues, the Company proposes remedial measures and risk mitigation actions and conducts improvements and follow-ups, to effectively reduce the influence and impact from risks of human rights.</p> <p>Scope of Investigation Covering the Company’ s own operations and suppliers.</p> <p>Investigation Process (1) Risk identification of issues: Establish a list of human rights issues. (2) Risk assessment of issues: Distribute questionnaires for assessment. (3) Identification of issues of high concern: Identify high-risk issues. (4) Establishment of mitigation and remedial measures: Terminate or prevent risks.</p>	None
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		<p>(5) Disclosure and follow-up: Disclose and follow up the implementation status.</p> <p>With respect to employees, the Company identified two human rights issues in 2025, namely, diversity and equal opportunities and non-discrimination.</p> <p>With respect to suppliers, the Company identified one human rights issue in 2025, i.e., human rights assessment.</p> <p>The Company has summarized a list of human rights issues with reference to local and international standards related to human rights and based on the human rights issues concerned by peers and other benchmark enterprises. Furthermore, the Company has distributed questionnaires to its employees and suppliers for investigation purposes and identified degree of concern/emphasis and risk levels as basis for sequence of issues included in due diligence. Specifically, the Company deals with highly emphasized and high-risk issues with priority.</p> <p>Mitigation and Remedial Measures</p> <p>In 2025, the Company assessed the risks of human rights issues related to its employees and suppliers, sorted them according to the level of impact, included the investigation results into relevant functions and processes, and proposed mitigation and remedial measures for material human rights issues, to reduce the risks of human rights.</p> <p>Employees' Human Rights Issues</p> <p>(1) Diversity and equal opportunities</p> <p>Remedial measures:</p> <ul style="list-style-type: none"> • The Company has completed the signing of the declaration of diversity, equity and inclusion. • The Company has provided complaint channels such as complaint hotline, anti-bullying mailbox and employee suggestion box. <p>Risk mitigation:</p> <ul style="list-style-type: none"> • The Company has promoted courses and activities on the culture of diversity and equity to improve all employees' understanding of diversity, equity and inclusion. <p>(2) Non-discrimination</p> <p>Remedial measures:</p> <ul style="list-style-type: none"> • The Company has signed a statement on zero tolerance for unlawful workplace infringements. • The Company has provided complaint channels such as complaint hotline, anti-bullying mailbox and employee suggestion box. <p>Risk mitigation:</p> <ul style="list-style-type: none"> • The Company has provided education and training courses on unconscious bias to promote a work environment of non-discrimination and zero tolerance for unlawful workplace infringements. <p>Suppliers' Human Rights Issues</p> <p>(1) Human rights assessment</p> <p>Remedial measures:</p> <ul style="list-style-type: none"> • The Company included the sustainability self-evaluation questionnaires for supplier evaluation into the self-evaluation in the aspect of human rights. <p>Risk mitigation:</p> <ul style="list-style-type: none"> • The Company regularly audits the suppliers' 	
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Assessment Item		Implementation Status			Non-implementation and Its Reason(s)
		Yes	No	Summary	
Social Topic	Does the Company formulate and implement reasonable employee welfare measures (including remuneration, vacation, and other benefits), and appropriately reflect the operating performance or results in the employee's remuneration?	√		<p>human rights management systems and implementation status thereof.</p> <p>Employee Remuneration The Company has formulated various employee remuneration and welfare measures in accordance with the Labor Standards Act and other relevant laws and regulations, and established a competitive remuneration policy. The Company regards the retention of excellent talents as one of its vital human resources strategies. The Company conducts industry salary surveys annually to develop a reasonable and competitive remuneration system. Additionally, the Company will grant differentiated bonuses to its employees based on its business performance and employees' actual contributions. Furthermore, the Company has established employee incentives, such as innovative research bonus, proposal improvement bonus, excellent team bonus for special performance, and bonuses for excellent employees for the purposes of inspiring employees' work passion and teamwork spirit and enabling them to share the fruits of their collective efforts.</p> <p>Business Performance Reflected in Employee Remuneration In accordance with the provisions of Article 30-1 of the Articles of Incorporation, the Company allocates no less than 1% and no more than 12% of its profit as employee reward after compensating for the accumulated losses using the profit in the current year (the profit referring to the pre-tax income before the distribution of employee reward and director reward in the current year). The employee reward is also granted to eligible employees from the Company's subsidiaries. For information on other leaves and welfare measures, please refer to "Information on Labor Relations-Employee Welfare Measures" on page 98 of the Annual Report" .</p>	None

Assessment Item		Implementation Status			Non-implementation and Its Reason(s)
		Yes	No	Summary	
Social Topic	Does the Company create a safe and healthy working environment for employees, and regularly provide safety and health education courses for the staff?	√		<ul style="list-style-type: none"> The Company provides comfortable and worry-free workplaces that comply with the Occupational Safety and Health Act, has introduced and obtained the ISO 45001:2018 occupational safety and health management system certification, and the valid date of the certification is from January 2, 2024 to January 1, 2027. The Company carries out hazard risk assessments each year and continues to make improvements to minimize environmental risks while organizing occupational safety and health education and training courses and health improvement activities. GPM has regularly organized occupational safety and health education, specific emergency response drills (including emergency response, comprehensive fire drills, chemical leakage response, CPR first-aid wound dressing course, etc.), health lectures and a series of health promotion and physical and mental stress relief activities, to jointly promote and maintain a healthy, safe, and high-quality work environment. Provide premium working environments: <ol style="list-style-type: none"> (1) Continue to improve the work environment and provide a friendly workplace: <ul style="list-style-type: none"> Conduct power panel lock improvement works across the plant to enhance electrical safety. Improve the lighting fixtures in the stairwells of the plant, replace them with LED downlights, and use extension poles to replace the light sources, thereby reducing the risk of workers engaging in high-altitude work. (2) Working environment: We continue to carry out the operational environment monitoring every six months to evaluate personal exposure to serve as the basis for improvements in workplace environments. In 2025, no disabling injury incidents occurred to the Company's employees and contractors; one employee died at the customer's site, and the comprehensive injury index was 5.34%. Fire Safety: In 2025, GPM reported no fire incidents, and therefore, no casualties or injuries occurred. <p>For more detailed information, please refer to page 98 of the annual report under "Labor Relations Information - Employee Work Safety and Health" and visit the "Corporate Sustainability - Friendly Workplace - Occupational Safety and Health" section on our company website.</p>	None

Assessment Item		Implementation Status			Non-implementation and Its Reason(s)
		Yes	No	Summary	
Social Topic	Does the Company establish effective career development training programs for employees?	√		The Company has created a good environment for facilitating the career development of employees and established effective career development training programs. For the implementation of the education and training, please refer to page 100 of this annual report	None
Social Topic	When providing products and services, does the company pay attention to customers' health, safety, and privacy, conduct the marketing and labeling in accordance with relevant regulations and international standards, and formulate policies and grievance procedures to protect consumers' rights?	√		The Company conducts the marketing and labeling in accordance with relevant regulations and international standards without any deceptive, misleading, fraudulent, or other behavior that may undermine customers' trust or damage customers' rights and interests. For many years, Gallant sticks to our quality policy - "Quality First, Customer Foremost, Keep Improving and Creating Value" to build a professional customer service team and a comprehensive sales and service system. To provide quality services, we have set up a 24 hours hotline - 0800-387-387 and disclosed the dedicated mailboxes of the business center and customer service center on the website, through the said channels, the complaint about the products and services can be appropriately and explicitly addressed. The personal data provided by customers will be handled in accordance with the Company's "Measures for Personal Data Management" and applicable regulations to protect customers' privacy.	None
Social Topic	When providing products and services, does the company pay attention to customers' health, safety, and privacy, conduct the marketing and labeling in accordance with relevant regulations and international standards, and formulate policies and grievance procedures to protect consumers' rights?	√		The Company is responsible for our products and services. We pay much attention to marketing ethics and does not engage in any form of unfair business activities. Through the stages of research and development, procurement, production, operation, and service, the transparency and safety of information about products and services are always kept in our mind. In order to prevent consumers' rights from being damaged by the products or services and help customers to enhance competitiveness and increase the added value, the Company has formulated and disclosed the customer right policy, and implement it in the daily operation.	None

Social Topic	Does the Company formulate and implement supplier management policies, by which the suppliers are required to follow relevant regulations on environmental protection, occupational safety and health or labor human rights?	√	<p>Compliance with Regulations</p> <p>The Company is dedicated to driving a positive cycle for the industry and the supply chain. We actively cooperate with suppliers, engage in the sustainable development of the supply chain, and confirm that the supply chain sustains a safe work environment, dignified labor relations, and ethical business operations. Furthermore, the Company is committed to promoting environmental protection. The Company has established the “Supplier Management Procedure” and suppliers are required to follow and sign the “Commitment Letter on Supplier Social Responsibility and Integrity” as the implementation status. This commitment letter covers human rights (including working conditions), ethics (including intellectual property and information security), and occupational safety and environment. The following regulations have been established with respect to environment:</p> <ol style="list-style-type: none"> 1. Waste management procedures and standards: The disposal and removal of chemicals and other hazardous substances (including industrial waste) must comply with or exceed the minimum legal requirements, to ensure that such substances are safely treated, transported, stored, used, recycled or reused, and disposed of. Additionally, proper evaluation standards must be set for waste clearance contractors. 2. Adverse impact on the environment and natural resources must be minimized during manufacturing process, and the public health and safety shall be guaranteed. Adequate and effective plans must be made to ensure that the control of hazardous substances becomes part of the formal requirements in procurement and manufacturing processes. 3. Relevant regulations governing noise control zones shall be followed. Furthermore, efforts shall be made to effectively monitor water discharge and control pollution. 4. Suppliers shall implement cost-effective measures to improve energy efficiency and minimize energy consumption and emission of all related greenhouse gases (GHG). <p>Implementation status</p> <ol style="list-style-type: none"> 1. In 2025, a total of 113 suppliers of the Company signed the commitment letter, and 33 suppliers were evaluated. 2. The Company implemented the due diligence on suppliers’ human rights for the year 2025, and included human rights, ethics, intellectual property, information security, and environmental items into the sustainability self-evaluation questionnaire. 3. The Company invited suppliers to participate in two-way communication. Specifically, we conducted two-way communication with a total of 6 suppliers regarding supplier workplace safety, carbon inventory, climate change, regulatory risks, and advocacy and promotion of business ethics. 4. Classified management of audit findings: The quality conditions were notified to specific suppliers together with reject ratio and non-conformity data according to “Notification of Supplier Quality 	None
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Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
	√		Grades” and relevant personnel were assigned to audit required quality improvements and conduct subsequent follow-up and management.	
Does the Company refer to international reporting rules or guidelines to publish Sustainability Report to disclose non-financial information of the Company? Has the said Report acquire third party verification or statement of assurance?	√		The sustainability report published by the Company has been prepared primarily in accordance with the GRI Standards 2021 published by the Global Reporting Initiative (GRI) in 2021. The report had been approved by the Board of Directors before publication, and PwC Taiwan was entrusted to implement independent limited assurance for the indicators selected according to Assurance Standard No. 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” of the Republic of China. The assurance report is attached to the Company’s sustainability report as an appendix.	None
<p>If the Company has established its sustainable development code of practice according to “Listed Companies Sustainable Development Code of Practice,” please describe the operational status and differences. The Company has established a "Standards for Corporate Social Responsibility", and there is no significant deviation from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies". It is available on the Company's website or Market Observation Post System. For the performance of corporate social responsibilities, please refer to this annual report or Company's website.</p>				

Other important information to facilitate better understanding of the Company's implementation of sustainable development:

(1) Environmental Sustainability

- The general domestic water equipment in the plants adopts water-saving appliances to reduce the waste of water resources, and the lighting devices in the plants are replaced to power-saving type to reduce CO₂ emissions.
- The energy-saving improvement project of the air-conditioning system reduced the electricity consumption of the system by 55,357kWh in total, with the CO₂ emissions as 26,239.218kg.
- Continue to promote office greening and green plant coverage in each factory area.

(2) Social co-prosperity

- Care for public welfare
 - * Totally 5 schools are sponsored: Including Taoshan Elementary School, Huayuan Elementary School, Wufeng Junior High School, Jianshi Junior High School and Fuguang Junior High School. Student who meets the standard in elementary school will receive a subsidy of NT\$ 600 each, and student who meets the standard in the junior high school will receive a subsidy of NT\$ 1,000 each. There are 190 students in total under the subsidy; the greatest progress has been made. However, there were 18 students who did not meet the standard of progress in the semester, with a total of NT\$ 170,400 subsidy received.
 - * Held the activity of "Donating Invoices to Help the Public Welfare" and donated all the invoices to the "Creation Foundation" to take care of vegetative people.
 - * Donated to the "Love Without Borders Caring Association", joined the "Ailin New Seed Sponsorship Program" to support the education project for poor children in Burkina, West Africa, and cared for disadvantaged children, adopted two children, and spent NT\$ 36,000 in total.
 - * Sponsored the "ESG Global Citizenship Digital Governance Foundation", assisted listed companies in the incubation and training of directors, and provided propaganda for ESG, climate change, international planning concepts and activities, in the perspective of enhancing the concept of ESG in various companies; and spent NT\$ 200,000 in total.
 - * Support the "ESG World Citizens & Digital Governance Foundation - Million Elementary Students - World Citizen Competencies Education Plan" to improve the sense of recognition of Taiwanese people for their linkage to world citizens through promoting the concept of world citizen and K12 children literacy education. A total of NT\$80,000 was invested.
 - * GPM employees voluntarily donated coffee materials and packaging supplies, while other employees acted as volunteers to package the coffee into drip bags for sale. The initiative allows employees to enjoy coffee while contributing to charity. In 2025, approximately 1,035 packs of coffee were sold, with the proceeds donated to those in need.
 - * Encouraged employees to continue joining the line of volunteers. In 2025, three sessions of volunteer activities were organized, and one session of beach cleaning activity was called upon; a total of 75 persons participated.
 - * On September 23, 2025, the breaching of the debris dam on the Mataian River, Hualien County triggered mudflows and caused severe damage to downtown Guangfu Township. Adhering to the spirit of compassion and mutual assistance, employees of Gallant spontaneously donated NT\$ 205,800, the GPM Love Charity Association Coffee Fund donated NT\$ 50,000, and the Company made an additional donation of NT\$ 244,200. The total donation amount reached NT\$ 500,000. Through concrete actions, the Company supported post-disaster relief and demonstrated the collective strength of the enterprise and its employees in caring for society.
- Incubation platform
 - * Sponsored the "Zhongping Junior Baseball Team" to drive character baseball, incubate young talents in Taiwan's baseball world; carry out a five-year long-term sponsorship plan with an annual sponsorship of NT\$ 20,000.
 - * The Company donated a total of NT\$ 583,000 to the "Fund Plan of National Taiwan University Hospital for Entrusted Training of Indonesia Physicians", which intended to expand Taiwan's influence with high-quality medical soft strength and professional networks, strengthen partnerships for the development of major medical technologies, and deepen the medical cooperation between the two sides.
 - * To support the development of local sports, the Company sponsored the newly established "Yankee Engineering Basketball Team" for the 2025/2026 season, showing its corporate spirit of supporting sports and public welfare. The Company spent NT\$ 1,000,000 in sponsoring the basketball team in 2025.
 - * The Company held cross-border cultural and festival exchange courses to promote employees to expand their international vision, foster multicultural literacy, and practice the Company's concept of workplace diversity and inclusion. The Company spent NT\$ 10,000 in two sessions.
 - * The Company hosted the screening of A Chip Odyssey, a documentary about the semiconductor industry, to enable employees to understand the history and culture of the industry and improve industrial vision in the form of technology-themed cultural activities. The Company spent NT\$ 77,890 in two sessions.
- Industry-Academic Cooperation
 - * To encourage top-notch professors in Taiwan to continue to make breakthroughs in the academic field, we donated to the "Young Researcher Achievement Award" and "Dean's Award" for the College of Engineering, NTU, while building a connection between teachers and corporate R&D. A total of NT\$320,000

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
<p>was donated.</p> <p>* To strengthen recruitment and retention of top domestic and international talent, the company donated NTD 300,000 to the College of Engineering for the "Academic Endeavor Youth Lectures." This initiative aims to bridge new faculty members with corporate R&D, addressing the talent crisis in universities.</p> <p>*.To reward overseas students at National Taiwan University to pursue continuous learning and cultivate a good learning attitude, the Company donated NT\$ 600,000 to the “Excellent Overseas Student Scholarship”, thereby achieving industry-academia alignment and performing corporate sustainability.</p> <p>* Joined the GOLF Learning and Use Integration Alliance, initiated the driving of practical training through the cloud learning platform, and promoted students to integrate with the industry early through industry-university cooperation via online professional course prerequisites and offline corporate internship visits; a total of NT\$ 50,000 was spent.</p> <p>* G2C organized a technology-themed summer camp named DIT Robotics Summer Camp at National Tsing Hua University. The camp aimed to attract and cultivate employees' children who are interested in technology, grooming them for future corporate needs. The total expenditure for the camp was NTD 486,370.</p> <p>*.The Company spent NT\$ 40,000 in sponsoring the 22nd International Conference on Automation Technology to explore the cutting-edge scientific and technological progress in academic and industrial fields.</p> <p>* Sponsored the work of 2025 thematic practice competition in Chung Yuan University, with a total spending of NT\$ 20,000.</p> <p>*Through the donation of parts and components, we hope to provide practicing opportunities to students to help them further understand the applications of the knowledge they learn and hope that students can be familiarized with the industrial applications early. To jointly cultivate excellent talent and promote the combination of knowledge and practices, we donated a total of 341 pieces of parts and components with a market value of approximately NT\$4,723,176 to the Scientific Instrument Center at NTHU ,National Cheng Kung University,National Chung Hsing University and National Tsing Hua University.</p> <p>*Providing internship opportunities for students in school, using the characteristics and abilities of young people to increase the vitality and creativity of the organization; meanwhile, supplementing the human resources of enterprises in the short term to explore future talents, total of 7 people.</p> <p>* The Company received one external group for site visit and arranged dedicated personnel to introduce the industry overview and contents related to intelligent manufacturing. By assisting the social group in understanding the development status of the semiconductor equipment industry, the Company has fulfilled its corporate social responsibility and sustainability development concept.</p> <p>*To encourage domestic college students to invest in the cross-field design and practical implementation of intelligent automation, and to inherit the spirit of the original Ministry of Education's incubation program on industrial state-of-the-art equipment and talents, the Company hosted the Intelligent Automation Creation Award to assist college youths in the field of smart manufacturing, to incubate outstanding smart manufacturing talents and design energy for the country and enhance industrial competitiveness, with a total spending of NT\$ 1,574,743.</p> <p>(3) Accolades</p> <ul style="list-style-type: none"> • The 21st Taiwan Golden Root Award • 2025 Hsinchu City Government ESG Excellent Matching Commendation • 2025 Excellent Enterprise in Voluntary Evaluation of Occupational Health and Safety Performance Disclosed in Corporate Sustainability Reports • In 2025, the Company passed the review of the workplace health promotion independent evaluation system and obtained the “Qualified” certification. 				

Climate-Related Information for Listed Companies
Climate-Related Information Implementation Status

Item	Implementation Status
1.Oversight and Governance of Climate-Related Risks and Opportunities by the Board and Management	GPM’s highest climate governance body is the Board of Directors. The Board is responsible for setting the company's climate-related strategic direction, regularly proposing comprehensive response strategies and targets for key climate risks, and delegating the Corporate Sustainability Committee to implement various action plans. Climate governance and sustainable development oversight are ensured through annual sustainability performance

<p>2.Explanation of How Identified Climate Risks and Opportunities Affect Business, Strategy, and Financials (Short, Medium, and Long Term)</p>	<p>reports to the Board.</p> <p>The Corporate Sustainability Committee convenes relevant executive units to assess and identify four key climate risks and opportunities: changes in precipitation (water) patterns and extreme climate variations, changes in customer behavior, costs of transitioning to low-carbon technologies, and the development and/or expansion of low-carbon products and services.</p>
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Aspects	Climate Risks / Opportunities	Affected Schedules	Financial Impacts	Strategies and Management Responses
Physical Risks	Precipitation (water) pattern changes and extreme climate variations	Mid-term (3-10yrs)	<ul style="list-style-type: none"> ■ Rising raw material costs cause higher operational costs ■ Higher electrical consumption cause higher operational costs ■ A lack of employee attendance, water and power supply, and material, etc. disrupt operations and lower revenues 	<ol style="list-style-type: none"> 1. To address drought, GPM regularly holds joint meetings across plants to review water supply priorities, minimizing the impact on production lines. 2. GPM plans to develop solar power plants for self-use, creating a secondary power source. This initiative aims to reduce power outages due to climate impacts and enhance the stability of electricity supply while achieving energy-saving and carbon reduction goals. 3. Supply Chain Adjustments and Alternative Raw Materials <ul style="list-style-type: none"> • Processing Parts: If central regions experience water restrictions, the backup supply chain will be activated, shifting processing to the northern regions. • Procurement Parts: Develop alternative raw materials and source from overseas or other local brands to avoid operational disruptions due to material shortages. 4. In response to the power outage, adopt shifting for handling in the short run to reduce the impacts on shipping/delivery terms.
Transformation Risks	Changes in customer behavior	Mid-term (3-10yrs)	<ul style="list-style-type: none"> ■ Failure to satisfy customer needs causes lower market sales and lower revenues ■ R&D investment leads to higher operational costs 	<ol style="list-style-type: none"> 1. When developing products and equipment, GPM evaluates the consumption of energy resources (water and electricity) alongside cost estimates to enhance product competitiveness and market share. 2. GPM establishes two-way communication channels with customers, providing feedback mechanisms to understand customer requirements for product specifications, enabling design adjustments accordingly. 3. Improve technologies, products, and product and service quality through cross-industry cooperation. 4. Provide comprehensive products and services and improve order-securing abilities through the help of the G2C+ Strategic Alliance to further expand operating income.
Transformation Risks	costs of transitioning to low-carbon technologies	Mid-term (3-10yrs)	<ul style="list-style-type: none"> ■ R&D materials and human resources contribute to higher operational costs ■ A failed transformation 	<ol style="list-style-type: none"> 1. GPM aims to reduce product carbon footprint through digitization and intelligent manufacturing. This includes introducing IDMS for equipment health diagnostics and troubleshooting, enhancing energy efficiency.

			loses orders, lowers market shares, and contributes to lower revenues	<p>2. Through regular R&D meetings, Junhao focuses on:</p> <ul style="list-style-type: none"> Improving processing methods for higher efficiency Multifunctional equipment capabilities Increasing machines' energy efficiencies Utilizing smart operation control's automatic detection to reduce standby time and minimize waste <p>GPM's finished development projects in recent years include:</p> <ul style="list-style-type: none"> ➤ Cooling Water Recycling: Implementing a dual system that uses a collection tank to mix cooling liquid, filters and recycles cooling water to save water. ➤ Green Idle Control: Automatically reducing equipment frequency during non-production periods to save energy. <p>3. 3R Concept in Product Design: Incorporating recyclable and reusable materials in procurement, and reusing by-products in production processes.</p>
Opportunities	the development and/or expansion of low-carbon products and services.	Mid-term (3-10yrs)	<ul style="list-style-type: none"> Provide low-carbon products to increase competitiveness, market share, and raise revenue 	<p>1. GPM adopts the following measures to reduce product carbon footprint:</p> <ul style="list-style-type: none"> Prioritize domestically produced raw materials (localization). Integrate GPM-exclusive designs to accurately list commonly-used materials, monitor material levels continuously, and reduce transportation carbon emissions. <p>2. IDMS Smart Monitoring: During equipment testing, IDMS and electricity meters capture energy consumption data, aiding R&D in design decisions.</p> <p>3. Actively pursue raw materials featuring energy conservation, carbon reduction or energy storage to optimize the processes or develop low-carbon products. The Company will successively engage well-known suppliers of air compressor components/motor components/inverter components, etc. to conduct on-site sharing on energy-saving and low-carbon products.</p> <p>4. GPM fosters transparent and shared information with suppliers, aiming for a green supply chain and mutual business opportunities.</p>
3. Detail how extreme climate events and transition actions affect the company's financials.		GPM evaluates the timing of climate change risks and opportunities, considering the likelihood and impact on the company. This process identifies key climate change risks and opportunities and analyzes their potential operational and		

	financial impacts, as detailed in point 2.
4. Explain how the processes for identifying, assessing, and managing climate risks are integrated into the company's overall risk management framework.	The Risk Management Committee conducts an annual review following TCFD guidelines, industry reports, and international trends to gather relevant climate issues for GPM. They collect annual climate risk response information from various facilities and departments. Interviews are conducted with relevant units to assess the impact and likelihood of climate issues, identifying GPM's annual key climate risks and opportunities. The committee then establishes mitigation measures. This process and its results are reported to the Corporate Sustainability Committee and presented to the Board of Directors annually.
5. If scenario analysis is used to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analysis factors, and major financial impacts used.	Under planning
6. If there are transition plans for managing climate-related risks, describe the content of these plans and the indicators and targets used to identify and manage physical and transition risks.	Under planning
7. If internal carbon pricing is used as a planning tool, explain the basis for setting the price.	Under planning
8. If climate-related goals are set, explain the activities covered, the scope of greenhouse gas emissions, the planning period, annual progress, and other relevant information. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these goals, explain the sources and quantities of offsets and RECs.	Under planning
9. GHG Inventory and Assurance, Reduction Targets, Strategies, and Action Plans.	(Detailed in 1-1 and 1-2)

1-1 The Company's GHG inventory and assurance statuses for the last two years

1-1-1 GHG Inventory Data

Statement of GHG emissions, intensity, and their data coverages for the last two years		
Since 2021, GPM has established a GHG inventory mechanism in accordance with the ISO 14064-1:2018 standard issued by the International Organization for Standardization (ISO). This mechanism involves the annual verification of greenhouse gas emissions from the company's individual entities and obtaining third-party assurance. The greenhouse gas emissions, intensity, and data coverage for GPM's individual entities over the past two years are detailed in the table below:		
	2024(ISO 14064-1)	2025(GHG Protocol)
Scope 1 Emissions (tons CO ₂ e)	95.08	156.39
Scope 2 Emissions (tons CO ₂ e)	1,234.02	1,313.58
Total	1,329.10	1,469.97
Revenue (million NTD)	1,854	1,963
Intensity (tons CO ₂ e per NT\$ million)	0.71	0.74
Data Coverage	GPM Individual Company 100%	GPM Individual Company 100%

1-1-2 GHG Assurance

Description of assurance status for the most recent two years as of the annual report printing date, including assurance scope, assurance institute, and assurance opinion.
As of the publication date of the annual report, the Company has individually obtained a reasonable assurance opinion for the year 2024 as issued by BSI (British Standards Institution) in accordance with ISO 14064-3:2018 published by the International Organization for Standardization (ISO). In 2025, the Company adopted GHG Protocol for greenhouse gas inventory and completed the internal audit. It was expected to be verified by the BSI in May 2025. The complete verification information would be disclosed in the sustainability report.

Note 1: This should be handled according to the schedule prescribed by the order in Article 10, Paragraph 2 of these guidelines. If the company does not obtain a complete greenhouse gas assurance opinion by the printing date of the annual report, it should be noted that "complete assurance information will be disclosed in the sustainability report." If the company does not prepare a sustainability report, it should be noted that "complete assurance information will be disclosed on the Market Observation Post System," and complete assurance information should be disclosed in the annual report of the following year.

Note 2: The assurance institution should comply with the relevant regulations on assurance institutions for sustainability reports set by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

Note 3: Disclosure content can refer to the best practice reference examples on the Taiwan Stock Exchange Corporate Governance Center website.

1-2 GHG Reduction Goals, Strategies, and Specific Actions

Description of the GHG reduction base year and its data, reduction goals, strategies, specific actions, and the goal achievement process.
To plan for the GHG reduction strategy, GPM set 2021 (in which the first inventory was completed) as the base year for GHG reduction (total of Scope 1 and Scope 2: 1,527.02 tCO ₂ e) and set the target of a reduction of 5% by 2026 from the base year, a reduction by 10% by 2028 from the base year, and the net zero emissions by 2050. It will continue to promote various energy conservation measures and formulate the self-generation and self-consumption of solar power to examine the reduction results and target achievements of the Company and fulfill the reduction targets.

Note 1: This should be handled according to the schedule prescribed by the order in Article 10, Paragraph 2 of these guidelines.

Note 2: The base year should be the year in which the inventory is completed within the scope of the consolidated financial report. For example, according to the order under Article 10, Paragraph 2 of these guidelines, companies with capital of over 10 billion NTD must complete the inventory for the consolidated financial report of the 2024 fiscal year by 2025. Therefore, the base year is 2024. If a company completes the inventory of the consolidated financial report earlier, that earlier year can be used as the base year. Additionally, the data for the base year can be calculated based on a single year or an average of multiple years.

Note 3: Disclosure content can refer to the best practice reference examples on the Taiwan Stock Exchange Corporate Governance Center website.

3.6 Taiwan Corporate Conduct and Ethics Implementation as Required by the Taiwan Financial Supervisory Commission :

Evaluation Item	Implementation Status			Reasons for the Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"	
	Yes	No	Brief Description		
Formulating policies and plans for ethical management	Does the Company formulate an ethical corporate management policy approved by the Board of Directors, and specify the policies and practices of ethical management and the Board of Directors and top executives' commitment to actively implement the policies in the regulations and external documents?	√		The Company established the "Rules for Ethical Corporate Management" and "Code of Conduct" to incorporate the provisions must be followed by the Company and employee on December 17, 2014 and carried out the promotion activities from time to time. For the year 2025, the implementation of the rules and provisions were reported to the Board of Directors on December 10, 2025 and disclosed on the Company's website.	None

Evaluation Item	Implementation Status			Reasons for the Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"
	Yes	No	Brief Description	
	√		<p>The "Rules for Ethical Corporate Management" of the Company specifies the precautionary measures for dishonesty, such as providing illegal political contributions, offering or accepting inappropriate gifts, services, and other improper benefits, and infringing business secrets and intellectual property rights.</p> <p>Employees are required to sign a "Non-Disclosure and Digital Data Authorizing Agreement" to prevent business secrets. In addition to the "Rules of Ethical Corporate Management", the Company also formulate the "Procedures for Acquisition or Disposal of Assets", "Procedures for Endorsement and Guarantee", "Procedures for Loan to the Third Party", "Procedures for Related Person Transaction", etc...</p>	None
	√		<p>The company has formulated a "Regulations for Reporting and Handling Illegal, Unethical or Dishonest Behavior" and regularly reports to the Board of Directors on the implementation every year. For the year 2025, the implementation of the rules and provisions were reported to the Board of Directors on December 10, 2025 and disclosed on the Company's website.</p>	None
Implementing ethical management	√		<p>The Company sticks to the commitment to fairness and transparency when engaging in business activities. Before entering into a partnership, we will carefully investigate the counterparty to avoid cooperating with a company engaging in dishonest activities.</p> <p>When entering into a commercial contract with the counterparty, the terms and conditions will be reviewed by the legal unit to avoid cooperating with a company engaging in dishonest activities. For the course for employees on ethical management, please refer to page 53 of this annual report.</p> <p>The Company's suppliers are required to sign the "Social Responsibility, Probity and Integrity Commitment". If the supplier violates its commitment of ethical conduct, it will be subject to a penalty for the bribery and improper benefit, and, in this case, the Company has the right to terminate, suspend or cancel the transaction at its sole discretion.</p>	None

Evaluation Item	Implementation Status			Reasons for the Deviations from “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”	
	Yes	No	Brief Description		
Does the Company set up a unit subordinate to the Board of Directors and dedicated to facilitating and monitoring the implementation of ethical management, and the unit is required to report to the Board of Directors regularly (at least once a year) on the implementation of ethical management policy and dishonesty prevention plan?	√		The Company's Enterprise Sustainability Committee is responsible for the implementation of ethical management, and an audit office subordinate to the Board of Directors is established to detect the internal and external violations. Serious violations will be reported to the Board of Directors in accordance with relevant laws and procedures. The implementation will be reported to the Board of Directors once a year (during the fourth quarter). For the year 2025, the implementation was reported to the Board of Directors on December 10, 2025.	None	
Does the Company formulate and implement policies to prevent conflicts of interest and build accessible communication channels?	√		The internal regulations and employee code of conduct is disclosed on the Company's internal website, and the staff will be notified of any revision. Externally, a stakeholder area is set aside on the website of the Company (https://www.gpmcorp.com.tw/enterprise_stakeholder_contact.php).	None	
Implementing ethical management	Does the Company establish an effective accounting system and internal control system for the implementation of ethical management, and the internal audit unit formulates relevant audit plans based on the results of the risk assessment of dishonesty, and, according to the plans, carries out the audit of the compliance with the procedures or appoints an accountant to do so?	√		The company has established an internal control system, detailed rules of internal audit, accounting system, and various management regulations, the above-mentioned regulations are implemented and help the Company to attain ethical management. A report produced by the annual internal audit of implementation will be delivered to each independent director before the end of the following month, and the results will be regularly reported to the Audit Committee and the Board of Directors.	None

Evaluation Item	Implementation Status			Reasons for the Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"
	Yes	No	Brief Description	
Does the Company regularly carry out internal and external education and training on ethical management?	√		The Company regularly carries out relevant education and training of ethical management. In 2025, the Company carried out relevant internal and external education and training of ethical management for employees (including courses on laws and regulations of ethical management, legal practice, advanced financial management, laws and regulations of insider trading and returning rights, accounting system, and internal control). The total class hours and number of participants of the course are 436 students and 616 class hours respectively. Relevant operating procedures and guidelines have been published on the company's internal website.	None
Implementation of the reporting system of the Company	√		The Company has formulated the "Regulations for Handling the Reported Illegal and Unethical or Dishonest Behaviors" established reporting and complaint channels, such as reporting hotline and e-mail address and related disciplinary measures. The channels will be regularly reviewed and revised in order to enable effective and full communication of and quick response to the issues, and promptly assign appropriate personnel to investigate the alleged perpetrator.	None
Does the Company establish the standard operating procedures for the investigation of alleged violations, the follow-up measures to be taken after the investigation, and the relevant confidentiality mechanism?	√		The Company has formulated the reporting procedures and provided a "complaint channel for violation of professional ethics" and an address on the Company's website for reporting the violations. The identity of the informer and content of the report will be treated as strictly confidential. The investigation results will be provided through E-mail.	None
Does the Company take measures to protect the informer from improper treatment or reprisal?	√		The Company is responsible for the confidentiality of the informer and has taken measures to informer from improper treatment or reprisal.	None
Enhance information disclosure Does the Company disclose the content of the "Rules of Ethical Corporate Management" and information about the implementation on the website and the web page of the Market Observation Post System?	√		The "Rules of Ethical Corporate Management" of the Company has been uploaded to the web page of the Market Observation Post System and disclosed on the Company's website https://www.gpmcorp.com.tw/enterprise_honesty.php	None

Evaluation Item	Implementation Status		Reasons for the Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"
	Yes	No	
<p>If the Company has formulated its code of ethical corporate management based on the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please specify the implementation and its deviations from the official requirements:</p> <p>The Company acts in compliance with the domestic laws and regulations and requests the employees to comply with relevant internal regulations. The implementation of ethical management is grounded on the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".</p>			
<p>Other important information that helps to understand the implementation of ethical management : (such as reviewing and revising the code of ethical management):</p> <ol style="list-style-type: none"> 1. The Company has established the "Procedures for Handling Internal Material Information Preventing Insider Trading" to stipulate that, a natural person designated as the proxy according to Article 27 of the Company Act to exercise the directors and managers' duties and other persons exposed to material information due to his/her identity, occupation or control relationship, shall be loyal and on good faith and trust, and exercise the due care of a good administrator when conducting the business operation as well as sign a non-disclosure agreement. Directors, managers, and employees exposed to the Company's internal material information shall not reveal any information to the third party. 2. The Company's certifying accounting firm is PricewaterhouseCoopers Taiwan. The accountant does not serve as a director of the Company and maintains both professional and independence, which is reviewed by the Audit Committee and the Board of Directors every year and supported by a "Declaration of Independence" and "Audit Quality Indicators (AQIs)" presented by the accountant; the accountant is responsible for regularly auditing each major cycles and internal controls, and providing advice on the internal controls and accounting matters. 3. The Company's suppliers are required to sign the "Social Responsibility, Probity and Integrity Commitment" to specify its commitment concerning the working condition, morality and environment, such as anti-discrimination, prohibiting from hiring child labor, sticking to high moral standards, being prudent when handling the personal data of customers, protecting intellectual property rights, stating the metals used in the products or components are not banned by the procedures and standards for conflict minerals and waste management. If any violations, the supplier will be subject to a penalty for the bribery and improper benefit, and, in this case, the Company has the right to terminate, suspend or cancel the transaction at its sole discretion. 			

3.7 Other Important Corporate Governance Information

The Company established "Handling of Internal Material Information and Prevention of Insider Trading Management Procedure" as a reference for handling of material information and disclosure. Depending on situation, the above procedure is subject to review from time to time in matching current laws and management needs. This procedure is also available in the internal document management system for managers and employees.

3.8 Internal Control System Execution Status

3.8.1 Statement of Internal Control System

Gallant Precision Machining Co., Ltd.

Statement of Internal Control System

Date: February 26, 2026

Gallant Precision Machining Co., Ltd. has conducted internal audits in accordance with its Internal Control Regulations for the period ended December 31, 2025, and hereby declares the following:

1. The Company acknowledges and understands that the establishment, enforcement, and preservation of internal control systems are the responsibility of the Board and that the managers and the Company have already established such systems. The purpose is to reasonably ensure the effectiveness (including profitability, performance, and security of assets), the reliability, timeliness, transparency of financial reporting, and legal and regulation compliance.
2. Internal control systems have limitations, no matter how perfectly they are designed. As such, effective internal control systems may only reasonably ensure the achievement of the aforementioned goals. Further, the operation environment and situation may vary, and hence the effectiveness of the internal controls systems. The internal control systems of the Company feature certain self-monitoring mechanisms.
The company will take immediate corrective actions once any shortcomings are identified.
3. The Company judges the effectiveness of the internal control systems in design and enforcement according to the "Criteria for the Establishment of Internal Control Systems of Public Offering Companies" (hereinafter referred to as "the Criteria"). The Criteria is instituted for judging the effectiveness of the design and enforcement of internal control systems. There are five components for effective internal control as specified by the Criteria with which the procedures for effective internal controls are composed: (1) Control environment, (2) Risk evaluation, (3) Control operation, (4) Information and communication, and (5) Monitoring. Each of the elements in turn contains certain audit items, and the Criteria shall be referred to for details.
4. The Company has adopted the aforementioned internal control systems for an internal assessment of the effectiveness of internal control design and enforcement.
5. Based on the aforementioned audit findings, the Company holds that within the aforementioned period, its internal control procedures (including the procedures to monitor subsidiaries), effectiveness and efficiency of operations, reliability, timeliness, transparency of reporting, and compliance with relevant legal regulations, and design and enforcement of internal controls, are effective. The aforementioned goals can be achieved with reasonable assurance.
6. This statement of declaration shall form an integral part of the annual report and prospectus of the Company and shall be made public. If there is any fraud, concealment, or unlawful practices discovered in the content of the aforementioned information, the Company shall be liable to legal consequences under Article 20, 32, 171, and 174 of the Securities and Exchanges Act.
7. This statement of declaration has been approved by the Board on February 26, 2026 with all Directors in session under unanimous consent.

Gallant Precision Machining Co., Ltd.



Jason Chen
Chairman



Jason Chen
President



Frank Liang
President

3.8.2 If CPA was Engaged to Conduct a Special Audit of Internal Control System, Provide Its Audit Report:None.

3.9 Major Resolutions of Shareholders' Meeting and Board Meetings

Meeting Title	Meeting Date	Important Resolutions and Implementation
Shareholders' Meeting	2025.06.03	<p>Important Resolution:</p> <ol style="list-style-type: none"> 1. Acknowledged the business report and financial statements in 2024. 2. Acknowledged the proposal for the distribution of 2024 earnings. 3. Passed the proposal for the cash dividends distributed from earnings and the capital reserve in 2024. 4. Passed the proposal for the amendments to the "Procedures for the Acquisition or Disposal of Assets" of the Company, submitted for determination. 5. Passed the proposal for the amendments to the "Articles of Incorporation" of the Company, submitted for determination. 6. Passed the proposal for Issuance of Restricted Stock Rewards to Employees. 7. Passed the proposal for removal of the Restrictions on Non-Competition against Directors and Their Representatives. <p>Implementation:</p> <ol style="list-style-type: none"> 1. On May 2, 2025, the Board of Directors decided to set June 25, 2025 as the base date of exdividend. The cash dividend of surplus distribution (NT \$1.8 per share) and the cash distribution of capital reserve (NT \$0.2 per share) were paid to shareholders on July 11, 2025. The amount of distribution is not different from the resolution of shareholders at the general meeting. 2. The change registration regarding the amendment to the Articles of Incorporation was approved on June 6, 2025 in accordance with Chu-Shang-Tzu No. 1140017529 Letter issued by the Hsinchu Science Park Bureau, National Science and Technology Council.

Name of meeting	Date of meeting	Important Resolutions
Board of Directors	2025.01.10	<ol style="list-style-type: none"> 1. Passed the proposal for the appointment and the remuneration of the new CEO. 2. Passed the securities investment increase plan adopted.
Board of Directors	2025.02.26	<ol style="list-style-type: none"> 1. Passed the effectiveness assessment and declaration of internal control system of the Company in 2024. 2. Passed the submitted deliberation through the distribution of employees' remuneration and directors' remuneration in 2024. 3. Passed the 2024 annual financial report. 4. Passed the 2024 business report of the Company. 5. Passed the proposal for the definition of non-executive employees and the amendments to the payroll and personnel cycle. 6. Passed the Amendments to the Articles of Association. 7. Passed the amendments to the Regulations for the First Repurchase of Shares for Transfer to Employees in 2020 of the Company. 8. Passed the amendments to the Regulations for the First Repurchase of Shares for Transfer to Employees in 2024 of the Company. 9. Passed the relevant matters of convening the 2025 Annual General Meeting and accept the relevant contents of shareholders' proposals.
Board of Directors	2025.04.10	<ol style="list-style-type: none"> 1. Passed the 2024 Annual Earnings Distribution Proposal. 2. Passed for the distribution of cash from the capital reserve. 3. Passed the proposal for lifting the non-competition restriction on Directors and their representatives. 4. Passed the proposal for the issuance of restricted stock awards to employees. 5. Passed matters related to the convening of the 2025 annual shareholders' meeting.
Board of Directors	2025.05.02	<ol style="list-style-type: none"> 1. Passed the proposal for the distribution of directors' remuneration and employees' compensation for managers for the year 2024. 2. Passed the First Repurchase of Shares for Transfer to Employees in 2020 of the Company. 3. Passed the Proposal for the Company's Cancellation of Corporate Shares First Purchased in 2020 and Establishment of Base Date for Capital Decrease and Cancellation of Treasury Stocks. 4. To report the consolidated financial report of the company in the First quarter of 2025 and the communication between accountants and corporate governance units. 5. Passed the relevant matters of cash dividend benchmark date of the Company in 2025.
Board of Directors	2025.08.07	<ol style="list-style-type: none"> 1. Passed the salary adjustment for managerial personnel for the year 2025. 2. Passed the consolidated financial report of the company in the second quarter of 2025 and the communication between accountants and corporate governance units. 3. Passed the 2024 Sustainability Report of the Company.
Board of Directors	2025.11.06	<ol style="list-style-type: none"> 1. Passed the consolidated financial report of the company in the third quarter of 2025 and the communication between accountants and corporate governance units. 2. Passed the provided endorsement guarantee for the subsidiary "Apex-I International Co., Ltd.". 3. Passed the proposal to Add the "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties"

Name of meeting	Date of meeting	Important Resolutions
		4.Passed the proposal to Add the “Enterprise Risk Management Policies and Procedures” 5.Passed the proposal to Amend Rules Governing Restricted Stock Awards in 2025
Board of Directors	2025.12.10	1.Passed the 2025 year-end bonus distribution of managers of the Company. 2.Passed the first grant of restricted stock awards to employees for the year 2025 and the issuance of new shares. 3.Passed the Company's 2026 annual budget. 4.Passed the approval of the assessment of the independence and suitability of accountants (including AQIs indicators) and appointment.
Board of Directors	2026.02.26	1.Passed the 2025 annual financial report. 2.Passed the submitted deliberation through the distribution of employees' remuneration and directors' remuneration in 2025. 3.Passed the First Repurchase of Shares for Transfer to Employees in 2024 of the Company. 4.Passed the Proposal for the Evaluation of Salary Levels of Frontline Staff and Amendment to the Payroll Cycle. 5.Passed the effectiveness assessment and declaration of internal control system of the Company in 2025. 6.Passed the 2025 business report of the Company. 7.Passed the 2025 Annual Earnings Distribution Proposal. 8.Passed the Proposal for the Election of Directors of the Seventeenth Board of Directors of the Company. 9.Passed the relevant matters of convening the 2025 Annual General Meeting and accept the relevant contents of shareholders' proposals.

3.10 Major Issues of Record or Written Statements Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors: None.

4. Information Regarding GPM’s Independent Auditors Report

Unit: NT\$ thousands

Accounting Firm	Name of CPA	CPA’s Audit Period	Audit Fee	Non-audit Fee	Total	Remark
PricewaterhouseCoopers Taiwan	Wu, Wei-Hao	2025.01.01~2025.12.31	2,360	90	2,450	
	TSAI-YEN CHIANG	2025.01.01~2025.12.31				

Note 1: Audit remuneration is the amount paid by the Company to the contracted accountant for the audit of the annual financial statements and quarterly consolidated statements, the disclosure of IFRSs notes, the audit of income tax of profit-making undertakings and the review of the transfer valuation report.

Note 2: "Other" means consultation or study on Corporate Act or Securities and Exchange Act and integrated income tax system related service.

4.1 Non-audit fee paid to auditors, the audit firm and its affiliates accounted for more than one-fourth of total audit fee: None.

4.2 Replaced the audit firm and the audit fee paid to the new audit firm was less than the payment of previous year: Not applicable.

4.3 Audit fee reduced more than 10% year over year: None.

5. CPA's information

5.1 Former CPAs

Date of Change	January 1, 2023		
Reasons and Explanation of Changes	Due to its internal personal changes, PricewaterhouseCoopers Taiwan updated the audit partners for GPM from LI TIEN YI and TSAI-YEN CHIANG to Wu, Wei-Hao and TSAI-YEN CHIANG in 2023.		
State Whether the Appointment is Terminated or Rejected by the Consignor or CPAs	Client	CPA	Consignor
	Status	Not available	
	Appointment terminated automatically		
Appointment rejected (discontinued)			
The Opinions other than Unmodified Opinion Issued in the Last Two Years and the Reasons for the Said Opinions (Note)	None		
Is there any Disagreement in Opinion with the Issuer	Yes		Accounting principle or practice
			Disclosure of financial statements
			Auditing scope or procedures
			Others
	No	V	
	Explanation		
Supplementary Disclosure (Disclosures Specified in Article 10.6.1.4~7 of the Standards)	None		

5.2 Successor CPAs

Accounting Firm	PricewaterhouseCoopers Taiwan
Name of CPA	Wu, Wei-Hao 、 TSAI-YEN CHIANG
Date of Engagement	January 1, 2023
Prior to the Formal Engagement, Any Inquiry or Consultation on the Accounting Treatment or Accounting Principles for Specific Transactions, and the Type of Audit Opinion that Might be Rendered on the Financial Report	Not available
Written Opinions from the Successor CPAs that are Different from the Former CPA's Opinions	Not available

5.3 The Reply of Former CPAs on Article 10.6.1 and Article 10.6.2.3 of the Standards: None.

6. Changes in Shareholding of Directors, Managers and Major Shareholders

GPM's Chairman, Directors, Chief Executive Officer, Chief Financial Officer, and Managers in Charge of Its Finance and Accounting Operations did not Hold any Positions within GPM's Independent Audit Firm or Its Affiliates in the Most Recent Year.

7. Net Changes in Shareholding

7.1 Net Change in shareholdings and in shares pledged by directors, supervisors, anagement, and shareholders holding more than a 10% share in the Company

Unit: Shares

Title	Name	2025		Jan. 1 to March 31, 2026	
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged
Chairman	Junpeng Investment Co., LTD.	0	0	0	0
	Representative: Jason Chen	115,000	0	(115,000)	0
Director	C SUN MFG. LTD.	(36,000)	0	0	0
	Representative: FRANK, LIANG	135,000	0	(135,000)	0
Director	Hsu, Hung-Ming	0	0	0	0
Independent Director	MA, CHIEN-YUNG	0	0	0	0
Independent Director	Lo, Wei	0	0	0	0
Independent Director	Chen, Yi-Mei	0	0	0	0
Independent Director	TSANG, KWOK-AH	0	0	0	0
Senior Assistant Vice President	Mufa Chien	0	0	0	0
Senior Assistant Vice President	H.M. Lee	(89,000)	0	0	0
Associate Vice President	Chen- Shun Hsu	0	0	0	0
Associate Vice President	Shu-Sheng Chang	30,000	0	0	0
Chief Financial Officer	Sheng-Hung, Huang	1,000	0	0	0

7.2 Stock Trade with Related Party :

Name	Reason of the Transfer	Transfer Date	Transferee	Relation with the Transferee	Shares	Transfer Price
C SUN MFG. LTD.	donate	2025.07.15	Yu-yan	None	36,000	Not applicable

7.3 Stock Pledge with Related Party : None.

8. Top Ten Shareholders who are related parties to each other

As of March 22, 2026. Unit: Shares / %

Name	Shareholding		Spouse & Minor		Shareholding by Nominee Arrangement		The relationship between any of the Company's Top Ten Share holders		Re- marks
	Shares	%	Shares	%	Shares	%	Name	Relation	
C SUN MFG. LTD. Representative: Mao-Sheng Liang	44,697,827	27.13%	—	—	—	—	None	None	
	0	0%	—	—	—	—			
Treasury stock account of Gallant Precision Machining Co., Ltd	3,668,000	2.23%					None	None	
Micronics Japan Co., LTD Investment Account in Custody of Mega Bank	2,712,000	1.65%	—	—	—	—	None	None	
Yuanta Securities	898,003	0.55%	—	—	—	—	None	None	
Jason Chen	786,146	0.48%	173,000	0.11%	500,000	0.3%	None	None	
Investment account of J.P. Morgan Securities (Taiwan) Limited in the custody of Chase	760,000	0.46%	—	—	—	—	None	None	
Investment account of Barclays Capital Securities Limited in the custody of Citi	747,000	0.45%	—	—	—	—	None	None	
Chuo-elang	712,000	0.43%	—	—	—	—	None	None	
Investment account of Goldman Sachs International in the custody of HSBC	564,000	0.34%	—	—	—	—	None	None	
Investment account of UBS Europe SE in the custody of Citi	500,000	0.30%	—	—	—	—	None	None	

9. Long-Term Investment Ownership

As of March 31, 2026. Unit: Shares / %

Long-Term Investments	Investments by GPM (1)		Investments Directly or Indirectly Controlled by Directors, Supervisors, and Managers of GPM (2)		Total Investment (1) + (2)	
	Shares	Portion	Shares	Portion	Shares	Portion
Gallant-Rapid Corporation Limited	13,560,000	100	0	0	13,560,000	100
APEX-I INTERNATIONAL CO., LTD.	6,600,000	100	0	0	6,600,000	100
Gallant Micro. Machining Co., LTD.	16,342,750	57.81	283,000	1.00	16,625,750	58.81
OPXION Technology Inc.	12,500,000	25.46	0	0	12,500,000	25.46

III. Capital and Shares

1. Capital and Shares

1.1 Capitalization

As of March 31, 2025

Month/ Year	Issue Price (Per Share)	Authorized Share Capital		Capital Stock		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Date of Approval & Approval Document No.
06/2015	10	250,000,000	2,500,000,000	164,746,644	1,647,466,440	Restricted Stock Awards of NT\$ 2,500,000	None	12/24/2025 No. 1140041001

Capital and Shares

Unit: Share

As of March 31, 2026

Type of Stock	Authorized Share Capital			Remark
	Outstanding	Un-Issued Shares	Total	
Common Stock	164,746,644	85,253,356	250,000,000	Listed on Taipei Exchange.

Shelf Registration: None.

1.2 Major Shareholders

Common Share

As of March 22, 2026 (last record date) ; Unit: shares / %

Top 10 Shareholders	Total Shares Owned	Ownership (%)
C SUN MFG. LTD.	44,697,827	27.13%
Treasury stock account of Gallant Precision Machining Co., Ltd	3,668,000	2.23%
Micronics Japan Co., LTD Investment Account in Custody of Mega Bank	2,712,000	1.65%
Yuanta Securities	898,003	0.55%
Jason Chen	786,146	0.48%
Investment account of J.P. Morgan Securities (Taiwan) Limited in the custody of Chase	760,000	0.46%
Investment account of Barclays Capital Securities Limited in the custody of Citi	747,000	0.45%
Chuo-elang	712,000	0.43%
Investment account of Goldman Sachs International in the custody of HSBC	564,000	0.34%
Investment account of UBS Europe SE in the custody of Citi	500,000	0.30%

1.3 Dividend Policy and Distribution of Earnings

1.3.1 Dividend Policy :

Article 30-1 of the Company's Articles of Incorporation:

The Company shall distribute employees' remuneration of not less than 1 percent and not more than 12 percent of the profit of the Company for the current year, and the directors' remuneration which should not be more than 3 percent of the profit of the Company for the current year. However, if the Company still has an accumulated loss, it shall make up for the loss first.

The employees' remuneration may be paid in share or cash, and the subjects of the share or cash payment may include subsidiary employees who meet certain criteria.

Among the remuneration of employees above, no less than 20% shall be appropriated as the remuneration to be distributed to non-executive employees.

The profit for the current year in the first paragraph refers to the pre-tax profit for the current year before the deduction of the employees' remuneration and the directors' remuneration.

For the passing of the resolution in a board meeting on the distribution of the employees' remuneration and the directors' remuneration, the board meeting shall be attended by more than two-thirds of the directors, and the resolution shall be approved by more than half of the attending directors. The resolution shall be reported in the shareholders' meeting.

Article 31 of the Company's Articles of Incorporation:

If there is a surplus after the current year's accounts, the Company shall pay the tax according to law and make up for the accumulated loss in the pre-vious years, then appropriate 10% of the balance as the statutory surplus reserve. However, if the statutory surplus reserve has reached the total amount of paid-in capital of the Company, then this requirement does not apply.

The Company may, in accordance with its operational requirements and the provisions of the laws and regulations, appropriate or reverse a special sur-plus reserve. The Board of Directors shall draft a distribution proposal for the remaining balance plus the accumulated undistributed surplus for a resolution in the shareholders' meeting.

In the dividend distribution, the proportion of cash dividends shall not be less than 10% of the total dividends.

Article 31-1 of the Company's Articles of Incorporation:

The Board of Directors of the Company may, by a resolution approved by majority of the directors present at a meeting attended by more than two thirds of the directors currently in service, distribute stock dividend or legal surplus and capital reserve in cash, wholly or partly, and report it to the meeting of shareholders.

Articles of Incorporation of the Company does not clearly stated the dividend distribution ratio.

However, taking into account the capital requirement, long-term financial planning and shareholders' interest, Board of Directors is authorized to draft an appropriation plan and submit the plan for a resolution in the Shareholders' Meeting.

In the dividend distribution, the proportion of cash dividends shall not be less than 10% of the total dividends.

The status of Shareholders' Meeting on approving the proposal for the distribution of 2025 earnings: The Company's 2025 earnings distribution plan approved by the Board of Directors on February 26, 2026 proposes to distribute a cash dividend of NT\$ 2.2 per share. The total amount is NT\$354,373 thousands; it will be handled per related regulations.

1.3.2 Description shall be given when expecting a major change in dividend policy:

Not applicable.

1.4 Impact to 2025 Business Performance and EPS Resulting from Stock Dividend Distribution:

Not applicable.

1.5 Compensation to Directors and Profit Sharing Bonus to Employees :

1.5.1 Employees' Compensation and Remuneration to Directors and Supervisors as Stated in the Articles of Incorporation

Article 30-1 of the Company's Articles of Incorporation:

The Company shall distribute employees' remuneration of not less than 1 percent and not more than 12 percent of the profit of the Company for the current year, and the directors' remuneration which should not be more than 3 percent of the profit of the Company for the current year. However, if the Company still has an accumulated loss, it shall make up for the loss first.

The employees' remuneration may be paid in share or cash, and the subjects of the share or cash payment may include subsidiary employees who meet certain criteria.

Among the remuneration of employees above, no less than 20% shall be appropriated as the remuneration to be distributed to non-executive employees.

The profit for the current year in the first paragraph refers to the pre-tax profit for the current year before the deduction of the employees' remuneration and the directors' remuneration.

1.5.2 The estimated employees' compensation and remuneration to Directors and Supervisors, the calculation basis for remuneration to employees, Directors and Supervisors in the form of stocks, and Accounting treatment for any gap between estimated amounts and actual distribution resolved by the Board of Directors:

The Company accrued employees' compensation and remuneration to Directors and Supervisors based on profit of current year minus accumulated loss while the remunerations to directors and supervisors were estimated based on GPM's Articles of Incorporation. The estimated employees' bonuses and remunerations to directors and supervisors were booked as operating cost or operating expense. If stock bonuses are resolved for distribution to employees, the number of shares distributed is determined by dividing the amount of bonuses by the closing price of shares on the day preceding the shareholders' meeting. If there is difference between estimation and actual distribution, it will be treated as change of accounting estimate. The adjustment will be made at the year of distribution.

1.5.3. Profit Distribution of Year 2025 Approved in Board of Directors Meeting for Employee Bonus and Directors' Remuneration :

1. 2025 Directors' Compensation and Employees' Profit Sharing Bonus

Distribution Items	Board Resolution (February 26, 2026)
	Amount (NT\$)
Directors' Compensation (Cash)	9,572,145
Employee's Profit Sharing Bonus (Cash)	37,544,770
Total	47,116,915

2. Ratio of Recommended Employee Stock Bonus to Capitalization of Earnings : Not applicable.

1.5.4 2024 Directors' Compensation and Employees' Profit Sharing Bonus

Distribution Items	Amount (NT\$)
Directors' Compensation (Cash)	6,557,935
Employee's Profit Sharing Bonus (Cash)	22,682,647
Total	29,240,582

1.6 Buyback of Common Stock:

As of March 31, 2026

Instance	14 th Batch
Purpose	Transfer to employee
Buyback Period	2024/11/08~2024/12/27
Price Range(NT\$)	NT \$114.16~133.69
Type and Volume (shares) of the Repurchased shares	Common Stock 3,668,000 shares
Amounts of the Repurchased share (NT\$ thousands)	462,609

The ratio of the Repurchased Shares to the Planned Buyback Shares (%)	85
Cancelled and Transferred Shares	Common Stock 0 shares
Cumulated holding Volume (shares)	Common Stock 3,668,000 shares
The ratio of the Cumulated holding Volume to the total issued shares(%)	2.23

2. Issuance of Corporate Bonds : None.

3. Preferred Shares : None.

4. Issuance of GDR/ADR : None.

5. Status of Employee Stock Option Plan :

5.1 Issuance of Employee Stock Options:

Not applicable.

5.2 Employee Stock Options Granted to Management Team and to Top 10 Employees:

Not applicable.

6. Status of New Employees Restricted Stock:

6.1 Status of Employee Restricted Stock:

As of March 31, 2026

Type of restricted stock awards	The first restricted stock awards in 2025
Effective date of application and total number of shares	October 23, 2025/1,000,000 shares
Issue date	December 15, 2025
Number of restricted stock awards issued	250,000 shares
Number of restricted stock awards available for issuance	750,000 shares
Issue price	None
The percentage of newly issued restricted employee rights shares to the total number of issued shares	0.15%
Vesting conditions for restricted stock awards	Employees who remain employed by the Company for one full year from the grant date shall vest in 100% of the shares.
Restricted rights over restricted stock awards	<p>1. During the vesting period, employees shall not sell, pledge, transfer, gift, create encumbrances on, or otherwise dispose of the restricted stock awards in any manner.</p> <p>2. During the vesting period, the restricted stock awards shall still be eligible for allotment of shares, dividend distribution and subscription for shares through capital increase by cash.</p> <p>3. Upon issuance, the restricted stock awards shall be immediately placed in trust. Besides, before the vesting conditions are fulfilled, employees shall not request the return of the restricted stock awards from the trustee for any reason or by any means.</p> <p>4. Before the vesting conditions are fulfilled, the rights to attend shareholders' meetings, submit proposals, speak, and vote and other relevant shareholders' rights and interests shall</p>

	be exercised by the entrusted trust/custodian institution on behalf of the employees.
Custody status of restricted stock awards	During the trust/custody period of restricted stock awards, the Company shall act as the exclusive agent of the employees to conduct all matters with the stock trust/custodian institution, including but not limited to negotiation, signing, revision, extension, cancelation and termination of relevant trust/custody institution, as well as instructions for delivery, application and disposal of trust/custody property.
Handling method for failure to achieve vesting conditions after employees are allocated with or subscribe for restricted stock awards	The Company will cancel the restricted stock awards recovered by it free of charge.
Number of restricted stock awards recovered or repurchased	0 shares
Number of restricted stock awards with restrictions lifted	0 shares
Number of restricted stock awards with restrictions not yet lifted	250,000 shares
Ratio of restricted stock awards with restrictions not yet lifted to the total number of shares issued (%)	0.15%
Impact on the shareholders' rights and interests	Due to limited possible dilution of the Company's earnings per share, no material impact was imposed on the shareholders' rights and interests.

6.2 Employee Restricted Stock Granted to Management Team and to Top 10 Employees:

As of March 31, 2026

	Title	Name	Number of restricted stock awards subscribed and acquired	Ratio of restricted stock awards subscribed and acquired to the total number of shares issued	Rights with restrictions lifted				Rights with restrictions not yet lifted			
					Number of shares with restrictions lifted	Subscription price	Subscription amount	Ratio of shares with restrictions lifted to the total number of shares issued	Number of shares with restrictions not yet lifted	Subscription price	Subscription amount	Ratio of shares with restrictions not yet lifted to the total number of shares issued
Managerial officer	Chairman & President	Jason Chen	250,000	0.15%	0	0	0	0	250,000	0	0	0.15%
	Vice Chairman & Chief Executive Officer	FRANK, LIANG										

Note 1: The total number of shares issued refers to the number of shares listed in the change registration data of the Ministry of Economic Affairs.

Note 2: For the subscription price of employee subscription rights implemented, the subscription price upon implementation shall be disclosed.

Note 3: For the subscription price of employee subscription rights not yet implemented, the subscription price calculated and adjusted according to the issuance measures shall be disclosed.

7. Status of New Share Issuance in Connection with Mergers and Acquisitions :

GPM neither issued new shares in connection with mergers or acquisitions during 2025, nor as of the date of this annual report.

8. Funding Plans and Implementation: Not applicable.

IV. Operational Highlights

1. Business Activities

1.1 Business Scope

1.1.1 Main business content

- CQ01010 Die Manufacturing (restricted to area outside the Science Park)
- F106030 Wholesale of Die (restricted to area outside the Science Park)
- F113010 Wholesale of Machinery (restricted to area outside the Science Park)
- CC01080 Electronic Parts and Components Manufacturing (restricted to area outside the Science Park)
- F401010 International Trade
- CB01010 Machinery and Equipment Manufacturing
- CE01010 Precision Instruments Manufacturing
- CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
- CF01011 Medical Materials and Equipment Manufacturing
- F208031 Retail sale of Medical Equipments
- F108031 Wholesale of Drugs, Medical Goods
- D101060 Self-usage power generation equipment utilizing renewable energy Industry
- E601010 Electric Appliance Construction
- E601020 Electric Appliance Installation
- EZ05010 Apparatus Installation Construction

Research, development, design, manufacturing, and sale of the following items :

- (1) IC Packaging Front End Equipment : IC Bonding Machine 、 IC Wire Bonder
- (2) Flip Chip Process Equipment : Flip Chip Bonder 、 Glue Spreading Machine 、 Die Sorter
- (3) Semiconductor Packaging Process and Testing Equipment
- (4) Semiconductor Failure Analysis Testing Equipment
- (5) FPD Processing and Testing Equipment
- (6) Intelligent Total Solutions and Equipment
- (7) Other import and export business of related products

1.1.2 Revenue Mix(2025)

Product	Operating Percentage (%)
Display Process Equipment	10.20%
Semiconductor Process Equipment	78.83%
Intelligent Automation Equipment	0.16%
Others	10.81%
Total	100.00%

1.1.3 Products Currently Offered by GPM

- (1) Semiconductor Process Equipment
 - A. Precision Machining and Precision Mold
 - (A) Trim / Form System
 - (B) Auto Molding System
 - (C) Trim / Form System
 - (D) IC Substrate Punch System
 - (E) Mold for Auto Sealing Machine
 - (F) Die Set /kit for Trim / Form System
 - (G) Fully Auto Panel Molding System

- (H) FC Bump Coin Lamination Equipment
 - B. Precision Pick and Place
 - (A) Grain Pick / Place Machine
 - (B) IC Bonding Machine
 - (C) IC Die Multi-face Inspection and Sorting Machine
 - (D) Heat Sink Covering Machine
 - C. Laser
 - (A) Laser Marking Machine
 - D. Semiconductor Inspection Equipment
 - (A) Wafer Surface Defect Inspection machine
 - (B) White Light Interference Measurement System for Wafer 3D Topography and Size
 - E. Precision Grinding
 - (A) Substrate Grinder
 - (B) Strip Grinder
 - (C) Panel Grinder
 - F. Wet Chemical Process
 - (A) Batch Etcher
 - (B) Batch Stripper
 - (C) Batch Developer
 - (D) Batch Cleaner
 - G. Semiconductor Failure Analysis Testing Equipment:
 - (A). Picosecond Image for Circuit Analysis Equipment
- (2) TFT-LCD / OLED / Flexible OLED Display Process Equipment:
- A. Array Process Equipment
 - TEG Prober
 - Array Tester
 - Array Cleaner
 - Array Wet etching
 - B. Cell Process Equipment
 - Edge Grinding Machine
 - Cell Tester
 - Polarizer Attachment machine
 - In- process Cleaner
 - Glasses Thinner Process Defect Inspection Machine
 - C. Inspection
 - Panel Surface Inspection
 - Burr Checker System
 - D. Automation
 - G4.5 / G5 / G6 / G7.5 / G8.5/G10.5 Cassette Station
 - Loader / Unloader & Automation for Cell Area
 - Dense Packer / Unpacker C/V, Buffer etc.

-Automation for Production Line

(3) Intelligent Manufacture Total Solutions and Equipment

- A. Intelligent Logistics System
- B. Process Automation Equipment
- C. Solar Cell Automation Handling System
- D. Lithium Iron Battery Core Seal Welding and Lamination Device
- E. Intelligent Diagnosis and Preventive Maintenance System
- F. Robot Handling and Machining System
- G. Intelligent Factory Integration Service

1.1.4 New Product (Service) in Planning

The GPM Group are planning to develop the following new product (service):

R&D Project (Technology)	Product
	● Co-Packaged Optics Test Equipment Development
	● Panel Polisher
	● Development of Digital Twin for Process Equipment
	● Panel to Wafer Chip Sorter with 6S AOI
	● CPO Chip Sorter
	● Hybrid Die Bonder
	● Chip Sorter with 6S AOI for Probe Tester inline
	● CPO Module Sorter
	● High-Precision Die Bonder (Face Up)
	● Ultra High-Precision Die Shift Measurement Machine for 1um Die Bonder
	● Sorter with High Resolution 6S Inspection
	● Thermo-Compression Die Bonder

1.2 Industry Outlook

1. Current conditions and development of the industry: The Company is a manufacturer of the procedures, testing, and automated equipment of the electronic industry. In 2026, the Company mainly focused on the semiconductor equipment industry, FDP equipment industry, and smart auto industry, and the current conditions and the development of the industry are described as follows:

(1) Semiconductor Equipment Industry

According to the forecast of the World Semiconductor Trade Statistics (WSTS), the global semiconductor output value was expected to reach USD 772 billion in 2025, presenting an annual growth rate of 22.5%; in 2026, the global semiconductor output value will grow to USD 975 billion with an annual growth rate of 26.3%, reflecting strong market performance.

Driven by the accelerated penetration of artificial intelligence (AI) applications and the replacement demand for end products, Taiwan’s semiconductor industry has embraced a strong growth. Benefiting from the active supply demand of AI data centers, edge computing and supply chain, it was expected that Taiwan’s semiconductor industry output value would reach NT\$ 6.5 trillion in 2025, presenting an

annual growth of 22%; with the continuity of the growth momentum, the output value is expected to reach NT\$ 7.1 trillion in 2026 with an annual growth rate of 10%, continually creating new high.

According to the top-10 technological trends predicted by TrendForce, a global market research institution, for the year 2026, the mass production of semiconductor 2nm GAAFET and 2.5D/3D packaged heterogeneous integration will lead the next-generation technological breakthroughs. With the mass production of 2nm GAAFET, the business competition of advanced processes has formed the trend of pursuing higher transistor density internally and larger packaging dimensions externally. At the same time, emphasis is placed on the capabilities for heterogeneous integration. Through the stacking of multiple chips with different functions and the combination with different technological nodes, such capabilities can satisfy the demand for high-efficiency computing and AI applications. With respect to the pursuit for higher transistor density, the semiconductor wafer manufacturing has officially transformed from FinFET to GAAFET. By fully wrapping the silicon channel with Gate-Oxide, GAAFET realizes more efficient current control during the pursuit for high-intensity computing power. Externally, the 2.5D/3D packaging technologies provide high-density packaging solutions for stacking of multiple layers of chips, which enables faster interconnection among chips and lower power consumption and brings breakthroughs to the next-generation data centers and high-performance computing. After the commencement of mass production of 2nm GAAFET, major brands including TSMC, Intel and Samsung have launched 2.5D/3D packaging technologies such as CoWoS/SoIC, EMIB/FOVEROS and I-Cube/X-Cube, to provide integrated front-end and back-end foundry services. To find a balance and secure commercial advantages among capacity utilization, reliability, cost and yield will become the core challenge for leading wafer foundries and packaging plants.

Through the observation of the development trends of the advanced CoWoS market, TrendForce concluded that the demand of AI HPC (high-performance computing) for heterogeneous integration relied on advanced packaging technologies. Among them, the key technology is the CoWoS solution provided by TSMC. This solution connects chips with different functions such as the main computing logic chip, memory chip, and I/O chip through an interpose and then fix them on the substrate. Currently, technologies including CoWoS-S, CoWoS-R and CoWoS-L have been developed. With the entry of the NVIDIA Blackwell platform into mass production in 2025, the market demand has shifted heavily toward CoWoS-L with embedded silicon interposers. It will also be adopted in the next-generation Rubin of NVIDIA.

Thanks to the continuous rising demand for AI and HPC applications, Taiwan's semiconductor equipment industry is growing rapidly. According to estimates by the Semiconductor Equipment and Materials International (SEMI), the global sales volume of semiconductor equipment, driven by the strong demand for AI computing power, data centers and intelligent driving, was expected to reach USD 133 billion in 2025, presenting a year-on-year growth rate of 13.7% and hitting a new all-time high. In 2026, the market growth momentum will come from two major areas: First, as the cornerstone of AI computing power, GPUs will maintain rapid expansion. In 2026, the global capital expenditure on AI chips is expected to be increased; second, memory chips. The explosive growth of AI applications has driven a substantial surge in memory demand. The capacity of HBM, DRAM and SSD equipped on a single GPU now exceeds the value of the chip itself. As a result, the ratio of expenditure on memories to the AI capital expenditure has significantly increased.

TSMC's advanced packaging technologies are developing toward diversification. In addition to the strong demand for CoWoS, the SoIC (System-on-Integrated-Chips) technology has been applied in AMD MI300 and other relevant products, while NVIDIA and Broadcom are expected to introduce this technology in 2027. Additionally, Apple's A20 chip is expected to integrate WMCM (Wafer-level Multi-Chip Module) for deployment on iPhone 18/foldable smartphones. TSMC's advanced packaging facilities are widely distributed across Taiwan, including Longtan (AP3), Taichung (AP5), Zhunan (AP6), Chiayi (AP7) and Tainan (AP8), etc. The accelerated capacity expansion of AP8 is primarily to

meet the demand for CoWoS-L, while AP7 in Chiayi focuses on SoIC and WMCM. The AP9 and AP10 facilities in Arizona, USA are also planned to support CoWoS, SoIC and CoPoS technologies in the future. As TSMC leads the continuous capacity expansion of CoWoS, the Company will pay attention to relevant equipment demands and capture corresponding business opportunities.

Given that the “Trump Administration” adopts a strategy of “reciprocal tariff”, Taiwan’s semiconductor and server manufacturers are encouraged to actively establish factories in the United States. This trend is not only reshaping the industrial layout but also bringing export opportunities for semiconductor equipment manufacturers. According to a SEMI report, 18 new wafer fabrication projects would be launched in the United States in 2025, most of which featured 300mm advanced processes. They are expected to be put into operation in 2026 and 2027. In accordance with the estimates of GlobalNewsWire, the estimated value of the global semiconductor manufacturing equipment market reached USD 93.5 billion in 2024. This figure is expected to reach USD 224.4 billion in 2033, presenting a compound annual growth rate of 10.3%. Advanced packaging technologies such as HBM and CoWoS present significant opportunities for Taiwan’s equipment suppliers. With relative advantages in cost control and technological expertise, Taiwan’s equipment suppliers are well-positioned to compete in this booming equipment demand wave. The Company will pay attention to relevant equipment demands and capture corresponding business opportunities.

TSMC’s establishment of factories in the United States marks a pivotal milestone in the restructuring of the global semiconductor supply chain, because of geopolitical pressure and the need to diversify supply chain risks. TSMC’s continuous investments in advanced process and advanced packaging fabs in Arizona will make the United States a critical hub for global advanced processes, thereby altering the long-standing Asia-centric industrial pattern. This move will accelerate the westward shift of the entire supply chain, urging suppliers of semiconductor equipment, materials and components to set up local service bases to deliver timely backup demand. It is a great opportunity for Taiwan’s equipment suppliers: As advanced processes are adopted in the factories located in the United States, the demand for high-precision equipment, testing instruments and packaging technologies becomes increasingly strong, especially EUV lithography machine, advanced packaging technologies (CoWoS and InFO), and HBM testing equipment. With solid cost advantages and mature technological capabilities, Taiwan’s equipment suppliers are expected to secure more orders if they manage to successfully overcome cross-border operational challenges (regulatory compliance, logistics management and talent recruitment). The Company will pay attention to relevant equipment demands and capture corresponding business opportunities

(2) FPD equipment industry

According to the Department of Industrial Technology, MOEA, Micro LED is an important development item in the global display field and has become a popular development item in the global display field in recent years. Micro LED has been developing from the beginning of 2000 up to today. After years of development, the basic nature of panels (i.e., size and resolution) has achieved similar specifications as compared to the existing technologies (i.e., OLED and TFT-LCD); however, due to the nature of the technology (LED direct display instead of backlight modules), better exhibition can be achieved in terms of brightness, contrast, power consumption, thinness and lightness, weather resistance, and other display functions. Nonetheless, procedures are under development and not mature at present, and the manufacturing cost of panels remains high, and the commercialization progress remains slow. The overall procedures for Micro LED can be divided into Micro LED chip manufacturing, mass transfers to substrates, testing/repair, full colorization, and packaging/module.

Mass transfer is regarded as a key technology enabling the mass production of Micro LED, as well as an important factor that affects the process yield. Several manufacturers have invested in the development of this technology. It is mainly divided into two modes, namely, Stamp Transfer and Laser Transfer. Currently, most manufacturers have chosen the mode of Stamp Transfer: Specifically, a

stamping head is used to apply pressure on the chips and van der Waals' forces are utilized to attach the chips on the stamping head and then transfer them to the specific locations of the substrate. Then, the stamping head and the chips are pressed onto the substrate and the chips are inserted to the backplane contact pads to complete transfer. This technology is relatively mature with lower equipment cost. However, the Stamp Transfer is still very insufficient.

The Industry, Science and Technology International Strategy Center of the Industrial Technology Research Institute pointed out that all Micro LED process stages were still continuously developing and the manufacturing cost of panels remained high. To successfully promote cost reduction in the future, the development of chips, mass transfer equipment processes and backplane technological are critical. Currently, all process stages are continuously advancing. Taiwan has already become a global hub for Micro LED development, especially driven by the Micro LED ecosystem jointly established by AUO, Innolux, Foresee and PlayNitride. The recently launched world's first Micro LED smartwatch represents the entry of Micro LED into the consumer electronics market, and smartwatches are just the beginning. To promote this technology to the market and practice the capabilities from R&D to mass production, the final goal is to enter the automotive display market which has higher gross margins and larger scale. It is also the top priority for Taiwan's display industry.

According to the top-10 technological trends predicted by TrendForce, a global market research institution, for the year 2026, OLED displays are now embracing a generational turning point. Chinese and Korean panel manufacturers continue to expand high-generation (Gen 8.6) AMOLED production lines. With the continuous improvement of the cost structure and yield, OLED display technology is rapidly covering full-size products from small to large displays, simultaneously driving the average selling price (ASP) and supplier bargaining power of high-end components in the supply chain, including driver ICs, TCONs, touch modules, and thermal design solutions. OLED's self-emissive, high-contrast and ultra-thin characteristics and variable refresh rate have overcome LCD's physical bottlenecks in thickness and power consumption, and met Apple's dual requirements for image precision and energy efficiency. Apple plans to officially adopt OLED panels into MacBook Pro in 2026, which will drive the shift of specifications of high-end laptop displays from mini-LED to OLED. The penetration rate of OLED laptops was expected to reach 5% in 2025. It is expected to reach 9-12% in 2027 and 2028, driven by Apple's adoption. Additionally, as Apple has the chance to officially enter the foldable smartphone market in the second half of 2026 as well as 2027, it will redefine the value of foldable smartphones through software-hardware integration, brand trust, and supply chain synergy, and push the shift of the market focus from "stylish appearance" to "deepened productivity and user experience". It is estimated to drive the global shipment volume of foldable smartphones to exceed 30 million in 2027. Currently, foldable smartphones still face the final barriers to mainstream adoption, namely, hinge reliability, flexible panel packaging, yield and cost control. Apple's rigorous attitude towards product verification and quality has revealed its emphasis on the entry timing and user experience and highlighted the importance of time and strength for the realization of the maturity of foldable smartphones.

The Department of Industrial Technology under the Ministry of Economic Affairs pointed out that Taiwan's panel manufacturers could not compete with Chinese and Korean peers in terms of production capacity due to their relative conservative investments in AMOLED. Therefore, they have focused on the technological development of Micro LED. Currently, Taiwan's manufacturers maintain leading advantages regarding the Micro LED technology, especially in in epitaxy, glass substrates, mass transfer, and full-colorization. For example, key chips and glass substrates for Samsung Electronics' Micro LED TVs are supplied by PlayNitride and AUO, respectively, and AUO will be the first to engage in the mass production of smartwatch panels. Future observations will still focus on effectively reducing production costs by improving transfer speed and effective chip miniaturization. For Taiwanese panel manufacturers, AMOLED requires massive capital expenditure. For example, building a single Gen 6 production line would cost approximately NT\$ 200 billion. In contrast, Micro LED's front-end

processes (e.g., TFT glass substrates) are highly compatible with existing TFT-LCD processes, and other processes are also Taiwan's advantages, with similarities in the semiconductor industry. Therefore, the investment amount is relatively limited, which is highly suitable for the development status of Taiwan's display industry. If viewed from another perspective, Taiwan's advantage may lie in its freedom from the burden of OLED. For example, despite the abundant industrial capital, manufacturers in Chinese Mainland have invested tremendous resources in OLED, and currently the Chinese and Korean manufacturers are competing fiercely in OLED. To this end, the strengthening of the development of Micro LED will be a major opportunity for the Company in the future.

(3) Intelligent automation industry

In response to the small-volume, large-variety production trend worldwide, the restructuring of the global supply chain, and the carbon reduction requirements, the global manufacturing industry commenced accelerating the adoption of various ICT technologies to improve the competitive strength within the industry and connect to the international stage so as to promote intelligence and automation for the better management of production lines, products, and quality. Under the trend, AI technology has become an issue with much attention attached. With AI, enterprises can optimize production, reduce energy consumption, promote the green energy transition of plants, and stabilize production capacity planning to respond flexibly to changes in the supply chain and rapidly evaluate the delivery term. Industry accounts for the largest consumption of global energy and is also one of the main sources of carbon emissions. With the improvement in the efficiency of production lines, the chances of operation suspension and reworking reduce, which naturally realizes the target of energy conservation and carbon reduction.

Responding to the restructuring of the global supply change and the relocation of the production base, the manufacturing industry is required to adopt cloud services, information security protection, and remote collaborative constructions to carry out the fast installation of overseas production lines and corresponding production management, automation system, procedure planning, and procedure diagnosis software system installation and adaptation to achieve high-efficiency digital manufacturing and business management. Such overseas production line installation and software system installation and adaptation include the development of the smart system technology of production lines through the combined smart manufacturing service platform, immersive remote collaborative construction, and zero trust information security protection technologies.

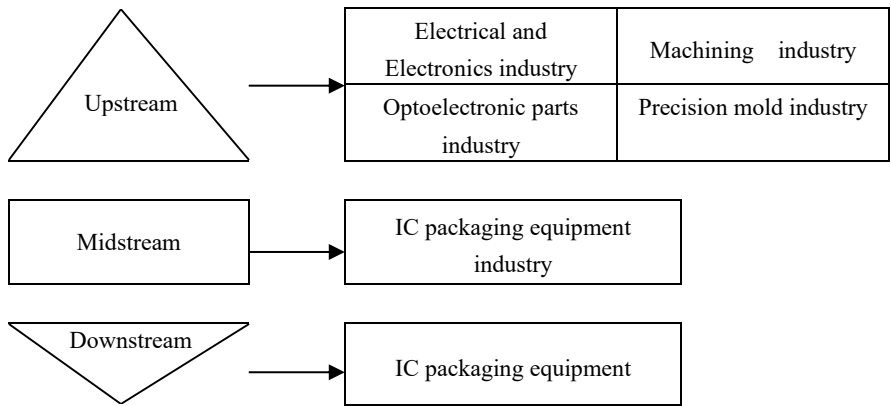
Facing the coming wave, AI will become the crucial pushing force that changes industry development by 2030. Together with the explosive commercial applications of ChatGPT at present and the employee shortage and the lack of talent after the pandemic, the Company shall focus on the application of Generative AI (GAI) in assisting enterprises in reducing labor costs and improving production efficiency so as to facilitate the Blue Ocean value of AI innovations in the smart machinery industry, which will be one of the great opportunities of the Company in the future.

According to the top-10 technological trends predicted by TrendForce, a global market research institution, for the year 2026, the shipments of humanoid robots will exceed 700% in 2026, focusing on AI adaptivity and scenario applicability. The year 2026 will be a critical year for the commercialization of humanoid robots, and the global shipments are expected to exceed 50,000 units with annual growth rate of over 700%. The market momentum focuses on two major aspects, i.e., AI adaptability technology and scenario application orientation. In combination with the advancements of high-efficiency AI chips, sensor fusion and large language models (LLM), AI adaptability technology enables robots to conduct real-time learning and dynamic decision-making in unstructured environments, showcasing the disposing capacity of "plan carefully before taking actions". Against this backdrop, new humanoid robot models launched in 2026 will no longer rely solely on hardware specifications or dexterity as their core selling points. Instead, their specific scenario value can be locked in the self-design stage, and the complete site tasks can be supported from the earliest manufacturing, handling, warehousing and sorting to the detection support. In 2026, humanoid robots will officially enter the new industrial phase driven

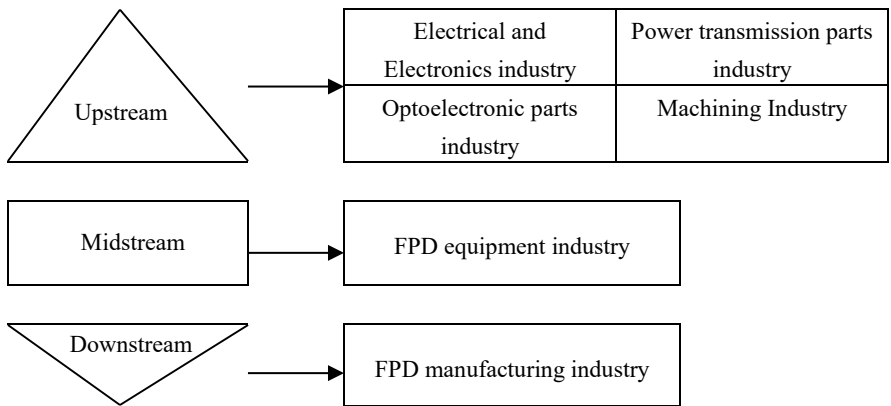
by AI and centering on applications. The scenario applications in the semiconductor manufacturing industry will be the Company's future opportunities.

2. The supply chain of upstream, midstream and downstream of the industry

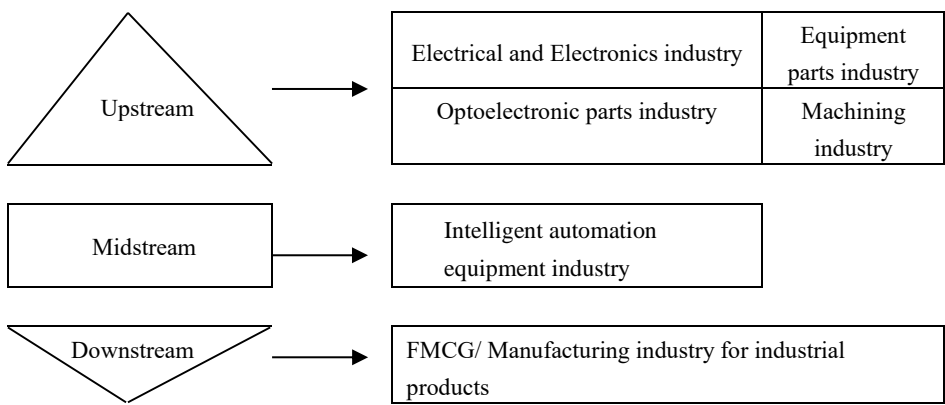
(1) Semiconductor IC packaging equipment industry



(2) FPD equipment industry



(3) Intelligent automation equipment industry



3. Product development trends and competition status

(1) Semiconductor Equipment Industry

According to the forecasts of DIGITIMES Research, the global foundry revenue would reach USD 199.4 billion in 2025, representing an annual growth rate of over 25%; looking ahead to 2026, benefiting from the continuous expansion of AI applications, the global foundry revenue is expected to grow by another 17%, exceeding USD 230 billion; by 2030, the global foundry revenue may even approach USD 390 billion. In response to the strong demand for AI chips, the wafer foundries will vigorously expand production capacity for advanced processes in the next five years, and the investments in mature processes are driven by policy factors of Chinese mainland. However, although AI applications can drive the rapid development of foundry industry, concerns persist regarding bubbles in AI infrastructure investments. Furthermore, with the unresolved geopolitical risks, the promising industrial development still faces numerous challenges.

The competition in the 2nm foundry process officially began in 2025. TSMC's 2nm (N2) process technology commenced mass production as scheduled in 2025 Q4, with the nanosheet transistor architecture adopted for the first time. It will provide comprehensive improvements in performance and power efficiency across all process nodes to meet the increasing demand for energy-efficient computing. Starting in 2026, major clients including Apple, Qualcomm, MediaTek, Broadcom, and NVIDIA will adopt TSMC's N2 process. In the field of 2nm process, Intel and Samsung Electronics are rapidly catching up. Intel delivered its first batch of 18A products by the end of 2025 with the Panther Lake CPU as the first in-house chip built on Intel 18A, but it is to be verified by external clients; Samsung indicated at its meeting on the financial statements in 2025 Q3 that its first-generation 2nm GAA process had entered mass production, while R&D for the second-generation 2nm GAA process was under progress as scheduled and planned for mass production in 2026. Samsung is expected to secure more orders for high-performance computing and mobile applications through its 2nm and 4nm GAA processes.

According to the estimates of DIGITIMES, TSMC's monthly CoWoS capacity would reach 75,000 pieces by the end of 2025, doubling from that at the end of 2024. According to DIGITIMES supply chain surveys, given the sustained robust demand for CoWoS capacity driven by AI chips, TSMC has adjusted and increased its CoWoS capacity target for 2026. Its monthly capacity at the end of 2026 has been increased from the original forecast of 90,000 pieces to 110,000 pieces. Despite TSMC's scheduled capacity expansion plan for 2026, the production capacity of CoWoS will remain in short supply. As a core packaging technology in the era of AI and high-performance computing, CoWoS is witnessing explosive market demand along with high technical barriers. Gallant boasts advantages in the fields of precision equipment and automated inspection and continuously focuses on core technologies, namely, inspection, measurement, grinding and polishing, which is a major opportunity for the Company in the future.

According to the estimation of DIGITIMES Research, advanced packaging technologies will become the focus for the deployment of new business opportunities in the wafer foundry industry. For wafer foundry companies, only TSMC and Samsung possess the fanout packaging technologies. Among wafer foundry companies, only TSMC has Fan Out Wafer Level Package (FOWLP) technology for mass production, which is only adopted by the mobile phone application processors of Apple. Samsung is the first wafer foundry company that deploy in Fan Out Panel Level Package (FOPLP), and the application processors of the smart watches of Samsung adopt the FOPLP technology.

For 2.5D packaging, TSMC, Samsung, and Intel have slight differences in their deployments. In particular, Intel only made arrangements for the Si bridge solution, while TSMC and Samsung have the Redistributed Layer (RDL) solution and Si Interposer solution. The prevailing mainstream cloud high-end GPU accelerators mainly adopt the CoWoS-S procedures of TSMC, which will turn to CoWoS-L in the future.

3D hybrid bonding is the highlighted 3D packaging technology for the wafer foundry industry. TSMC's

SoIC-X, Samsung's X-Cube (Hybrid Copper Bonding:HCB), and Intel's Foveros Direct are hybrid bonding technologies.

AMD is the first HPC chip manufacturer to adopt TSMC's SoIC-X technology. UMC, PSMC and GlobalFoundries have all deployed hybrid bonding technologies. Specifically, UMC has launched W2W (Wafer to Wafer) hybrid bonding for the integration of communication radio frequency components. Through the utilization of the silicon stacking technology on its 55nm RFSOI process platform, UMC can reduce the chip size by over 45% without compromising RF performance. As a result, more radio frequency components can be integrated more efficiently to satisfy the higher bandwidth demands of 5G networks. PSMC has also developed W2W technology for the vertical stacking of logic and memory chips, in which the hybrid bond technology is also applied.

Co-Package Optical (CPO) has become an essential strategy for TSMC, Samsung and Intel in the global foundry competition. In response to performance improvements, HPC chips require faster transmission speed, and therefore the copper lines are switched to optical lines, using photons to replace electrons for transmission. To this end, the optical engine shall be integrated with the computing module. CPO demands high-precision optoelectronic alignment, thermal management, and advanced packaging (e.g., Chiplet integration and silicon photonics technology), which are exactly the core strengths of Gallant in semiconductor equipment and precision manufacturing processes, representing a major opportunity for the Company in the future.

To increase the benefits from resources recycling and utilize waste wafers to reproduce packaging materials, the material supply chain management organization of TSMC, through collaboration with the Advanced Packaging Technology Committee, joined hands with suppliers to engage in the research on recycling of waste wafers in front-end processes in 2024. Furthermore, a rigorous set of screening, grinding, cleaning and inspection processes has been developed to ensure that the quality of the recycled wafers complies with the fabrication specifications of dummy die used in CoWoS technology and achieve the dual objectives of sustainable resource utilization and green innovation. It is estimated that it can reduce 10,205 tons of carbon emissions annually and create NT\$ 746 million of green benefits. TSMC will be continuously committed to the expansion of the scope of application of resources recycling in the future. In addition to the reutilization of recycled wafers in CoWoS technology, TSMC will also evaluate the application of the waste wafers in the fabrication of dummy dies in the Integrated Fan-Out (InFO) packaging, thereby actively practicing the sustainability goals of "minimization of waste output, maximization of resources recycling and optimization of supplier management". The research on the recycling of process waste wafers will become another major opportunity for the Company in the future.

(2) FPD Equipment industry

According to IEK, ITRI, Micro LED panels are estimated to enter the automotive application market in 2026, and the shipping volume is estimated to grow significantly on a yearly basis and reach 400,000 units by 2029. With the decrease in the cost of Micro LED, the automotive market is expected to be a large application field of Micro LED. The feature of low energy consumption of Micro LED and the high penetration transparent display feature that is attractive to EV companies are also the most advantageous technologies for automotive applications; once the development of procedure with mass production benefits is achieved, future application growth cannot be underestimated. The automotive panel is the application market with the highest growth potential among different application panels, and it is estimated that the production value of automotive panels will exceed US\$10 billion by 2026.

The excellent features of the Micro LED display technology outplay OLED in terms of brightness, color gamut, reaction time, and lifetime, and it is likely to become the mainstream application technology in automotive displays, transparent displays, wearable devices, and other niche markets with high growing potential. However, low yield and high costs are the challenges to be conquered in the progress of the commercialized mass production of Micro LED. The epitaxy procedure, LED chip procedure, mass

transfer, full-color display, and display drivers have crucial effects on the industrialized costs of Micro LED and the reliability of application products. Testing and repair are the necessary means to improve the yield, and equipment companies accelerate the mass production progress of Micro LED through the high-speed computing of AI to conquer the bottleneck encountered for the improvement in yield.

One part of the Micro LED display technology that is expected in the automotive application market is the high-penetration transparent display smart window application; therefore, Micro LED is the technology that is most suitable for transparent display. The transparent display is an application market with high growth, and it is estimated that the CAGR of the market scale from 2022 to 2026 will reach 29%. The application scope of transparent display moved from the initial retail information billboards to smart mobility, smart building materials, and smart homes. Meanwhile, more interactive functions are added to turn to the hybrid scenario applications that are diversified and down to earth. Currently, outdoor commercial billboards mainly adopt LED technology; however, the low-resolution results in poor viewing effects. The high-end transparent displays at present mainly use the OLEP technology; nonetheless, the transparency of OLED is lower than 50%, far behind the level of penetration of Micro LED at 60% or above. Returning to the cost and mass production problems of Micro LED, companies in Taiwan cooperated in accelerating the integration of capacity of the industry to promote the establishment of a comprehensive industry chain from panels, materials, and equipment to allow Taiwan to become the material base for the global Micro LED industry. Facing the end market with higher and higher display quality requirements, panel companies have been constantly keeping up with investments.

Challenges faced by Micro LED technology require the joint efforts of the entire industry chain to conquer. With the constant progress in technology, Micro LED is likely to realize more extensive applications in the following years. The emergence of the HPC technology of AI accelerated the progress of the mass production of Micro LED, getting through the bottleneck encountered for the improvement in yield at present. The application of AI technology in Micro LED is for testing concurrently, with a focus on the improvement in testing efficiency, precision, and level of automation. As the size of Micro LED chips is ultra-small and the manufacturing process is complicated, the use of AI technology can effectively improve product quality and production efficiency. The application of AI technology in the Micro LED industry is mainly to solve the quality stability, homogeneity, and efficiency problems that exist in the traditional testing methods during the course of chip manufacturing and the course of mass transfers. The new solution is likely to promote the development and application of Micro LED technology. Alongside the significant progress in AI and machine learning technologies, it is estimated that the applications in Micro LED manufacturing and testing will become more extensive and deep.

Major panel brand AUO showcased the diversified applications and innovative potential of the Micro LED technology at CES 2026 with the theme of “Together, We Drive The New Era”. AUO has demonstrated its leading position in the display technology field with its smart cockpits, commercial displays and wearable devices. AUO has introduced the Micro LED technology to automatic displays and extended it into commercial displays, sports venues and wearable devices, showing its diversified applications and market potential. With respect to the Micro LED innovation in smart cockpits, AUO launched the world’s first Aero Module transparent Micro LED display module, boasting 50% transmittance and high brightness of 3,000 nits. This product can support multi-module splicing and dynamic deployment to create an immersive cockpit experience. In combination with the Advanced Reflectionless Technology (ART), it can enhance the display resolution under strong light and ensure driving safety. The Micro LED technology is also applied in large transparent display panels. For example, the 54-inch Transparent Micro LED Signage is suitable for auto shows and flagship stores to create a high-tech atmosphere. The 64-inch Sports AR Solution used in the sports venues enables audiences to check the match statistics and players’ information in a real-time way based on AR technology. Additionally, the 30-inch Interactive AR Box provides non-contact commodity display, while the 42-inch Multilingual AI Ordering System supports multilingual interactions to improve the convenience of commercial scenarios. For the application of the Micro LED technology in AR wearable

devices, AUO launched an ultra-compact light-guided display module with ultrahigh brightness of 350,000 nits and resolution of 720×720, and it only weighs 0.21 grams with power consumption as low as 200mW. With high brightness and low consumption, it is suitable for the next-generation AR glasses.

(3) Intelligent automation equipment industry

According to the forecasts of Industryresearch, an international survey institution, the global smart manufacturing market will reach USD 260 billion in 2026. In 2026-2035, the compound annual growth rate (CAGR) will reach 9.9%. IDC estimated that more than 40% of production scheduling systems will integrate AI since 2026, and 30% of factories will adopt a “software-defined factory” architecture by 2029. AI will surpass its original supporting role and enter the stage of actively controlling the manufacturing process, becoming the “agent” of smart factories. It can achieve real-time adjustments of production lines, scheduling and inventories. By simulating production scenarios through digital twin, including process optimization, maintenance and layout improvement, enterprises can test their strategies prior to physical implementation, thereby reducing risks and downtime. AI-powered process automation, IIoT digital twin, collaborative robot and sustainability orientation are jointly driving the next wave of transformation in the industrial system.

In response to the small-volume, large-variety production trend worldwide, the restructuring of the global supply chain, and the carbon reduction requirements, the global manufacturing industry commenced accelerating the adoption of various ICT technologies to improve the competitive strength within the industry and connect to the international stage so as to promote intelligence and automation for the better management of production lines, products, and quality. Under the trend, AI technology has become an issue with much attention attached. With AI, enterprises can optimize production, reduce energy consumption, promote the green energy transition of plants, and stabilize production capacity planning to respond flexibly to changes in the supply chain and rapidly evaluate the delivery term. Industry accounts for the largest consumption of global energy and is also one of the main sources of carbon emissions. With the improvement in the efficiency of production lines, the chances of operation suspension and reworking reduce, which naturally realizes the target of energy conservation and carbon reduction.

Responding to the restructuring of the global supply change and the relocation of the production base, the manufacturing industry is required to adopt cloud services, information security protection, and remote collaborative constructions to carry out the fast installation of overseas production lines and corresponding production management, automation system, procedure planning, and procedure diagnosis software system installation and adaptation to achieve high-efficiency digital manufacturing and business management. Such overseas production line installation and software system installation and adaptation include the development of the smart system technology of production lines through the combined smart manufacturing service platform, immersive remote collaborative construction, and zero trust information security protection technologies.

Facing the coming wave, AI will become the crucial pushing force that changes industry development by 2030. Together with the explosive commercial applications of ChatGPT at present and the employee shortage and the lack of talent after the pandemic, the Company shall focus on the application of Generative AI (GAI) in assisting enterprises in reducing labor costs and improving production efficiency so as to facilitate the Blue Ocean value of AI innovations in the smart machinery industry, which will be one of the great opportunities of the Company in the future.

1.3 Technology and R&D Overview

1.3.1 For the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, R&D expenditures:

Unit: NT\$ thousands

Year Item	2025	As of March 31, 2026
R&D expenses to Operating income	427,642	88,675
R&D expense to Operating income ratio	9.16%	8.62%

1.3.2 For the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, techniques and products that have been developed successfully for the Group

	Product
R&D Project (Technology)	● High Speed 3D Metrology for Advanced Package
	● Glass Substrate Grinder
	● Intelligent Quality Prediction System for Grinder Process Control
	● Die Bonder with Laser Assisted
	● Panel Level Face Down Die Bonder
	● High Accuracy & Cleanliness Chip Sorter
	● Wafer to Wafer Chip Sorter with STLP
	● Wafer to Wafer Chip Sorter with 6S AOI for Large Die
	● High-Precision Die Shift Measurement Machine for 3um Die Bond
	● High-Precision Die Bonder (Face Down)

1.4 Long-Term and Short-Term business development plans

1.4.1 Short-Term business plans

- (1) Improve the performance of existing products in the semiconductor field to deepen the product lines and expand customer groups.
- (2) Cooperate with the requirements of partners and customers to forcefully enter the frontend semiconductor advanced testing technology development and the testing and grinding procedure equipment in the mid-to-back-end packaging procedures with high added value through technology introduction/cooperation.
- (3) Reinforce and focus on the next-generation FPD equipment with high added value in accordance with overseas technological cooperation to drive the diversified, sustainable management of the Company so as to explore the constant innovations and progress in the display industry in the future. We will duly select business opportunities with reasonable gross profit and focus on profits.
- (4) Continue the smart automation exploration achievements in 2025, concentrating resources on providing smart auto integration solutions for representing customers in key industries to realize their smart manufacturing targets.
- (5) Continue to expand the cooperation with top-notch companies worldwide and become their long-term partners to ensure the business sources for stable development.

1.4.2 Long-Term business plans

- (1) Innovation and transformation, extension of tentacles and sustainable development are the guiding principles of development strategy.
- (2) Business orientation
 - The semiconductor industry, display industry and intelligent automation industry will be

- further promoted.
- Extend related products to other foreign markets.
 - Strengthen the return of Taiwanese businessmen and the business opportunities of decentralized production by international manufacturers.
 - Deeply cultivate the after-sales service market of equipment and components, and grow together with customers.
- (3) Product aspect
- The core technology (equipment & process) is deeply developed.
 - Expand the core technology in cross-domain product integration and application development.
- (4) Internationalization strategy of cultivating multiple talents.
- (5) Join tactical alliances with partner companies to form joint ventures, create valued services, and maximize overall profits.

2. Market, Production, and Sales outlook

2.1 Market Analysis

1. The Company main product (service) sales (provision) area and market shares

The Company's products have presence mostly in Asia. During the last two year the sales percentage of the GPM export sales:

Unit: NT\$ thousands

Year Items	2024		2025	
	Amount	Ratio (%)	Amount	Ratio (%)
Domestic Net Sales	2,914,775	65.72%	3,632,617	77.79%
Net Sales from Export	1,520,153	34.28%	1,037,210	22.21%
Total	4,434,928	100.00%	4,669,827	100.00%
Market Share	Not applicable		Not applicable	

2. The supply and demand situation and growth potential of the market in the future

According to the “2026 Taiwan Economic Outlook” published by the Taiwan Research Institute, Taiwan’s economic performance in 2025 benefited from the continuous expansion of the global AI wave and the strong demand for information, communication and electronics related products. As a result, Taiwan’s export performance was significantly superior to the original expectation. With respect to the domestic demand, local enterprises have also been driven by rising demand for AI and emerging technology applications, and they have continued to expand their production capacity and make more investments, thereby sustaining the steady growth of private investments. As a critical hub in the global supply chains for semiconductors, servers and AI hardware, Taiwan is directly affected by the changes in the international trade environment and geopolitical risks in terms of export structure and industrial development direction. Looking ahead to 2026, Taiwan will face a pivotal turning point with both challenges and opportunities in sustaining its growth model centered on AI technology and semiconductor experts and supported by private investments. Close attention shall be paid to the economic trends of major industries and the continuous improvement of overall economic momentum. In recent years, the Company has continuously engaged in active R&D and cooperated with partners. It is expected that the Company will achieve great results in the semiconductor, display and intelligence and automation industries. Facing this wave of changes, the Company will enhance the development of high-tech equipment and play an important role in customers’s equipment supply chain.

Cooperating with the corporate strategy, we will continue to focus on core technologies and expand the applications in semiconductor, display, and smart auto industries and fields.

(1) Semiconductor Industry

According to the estimation of DIGITIMES Research, the CAGR of the operating income of the global wafer foundry industry from 2024 to 2029 will reach 11.5%, US\$27 billion. AI/HPC applications drive strong advanced procedures and advanced packaging requirements, which is the main growing momentum for the operating income of the wafer foundry industry. On the other hand, to satisfy the mid-to-long-term demand of customers, companies have released the production capacity for advanced procedures and mature procedures; however, geopolitical risks will remain the uncertainties that affect industrial development for the following five years. Therefore, redefining the scope of the wafer foundry business and the deployment of production in multiple locations will become the strategic directors of companies accordingly. 3D/2.5D IC/Fan-out and other advanced packaging procedures have become the trends; however, as the procedure methods are different between large-scale companies, there is no single standard equipment for comparison. Therefore, large-scale companies are required to respond rapidly to strengthen their competitiveness to develop equipment in accordance with their procedures, which also creates favorable development opportunities for domestic equipment companies.

The Company has long been focusing on the semiconductor packaging equipment business and has multiple products in the market that are recognized by tier-1 large-scale customers. We possess the advantages that align with customers and a robust technological foundation accumulated over the years, assisted by the flexible feature to cooperate with customized requirements; we are able to provide long-term satisfactory services to customers. In terms of advanced packaging technology, we actively invested in multiple forward-looking manufacturing equipment that was successfully introduced to large-scale international companies. With the recovery of the market demand, the prospect in 2025 shall be cautiously optimistic.

According to a report by DIGITIMES Research, the orders released by TSMC due to its plant expansion have become a key driver of growth for the global supply chain. Not only major international equipment manufacturers like ASML, but also many Taiwanese suppliers receive a substantial portion of their revenue from TSMC orders. As TSMC continues to expand both its market share and production capacity—particularly maintaining a dominant position in advanced process technologies—the industry's reliance on TSMC is expected to increase rather than decrease. However, the high concentration of orders from a single customer also elevates operational risks.

It's worth noting that the production and influence of TSMC's mature and advanced procedures grew rapidly together with the comprehensive installation of new plants or further production expansion and equipment upgrades in Taiwan, the U.S., Japan, and Mainland China; orders released have become the targets to be secured in the global equipment and material supply chains. The plant construction, wafer manufacturing, packaging, testing, aligners, etching, PVD, CVD, measurement, and polishing equipment and materials of new plants of TSMC in Japan and the U.S., together with the requirements after mass production, directly or indirectly injected growing momentum for thousands of semiconductor companies worldwide.

(2) Display Industry

According to IEK, ITRI, with the reduction in the cost of Micro LED, it is expected that the automotive market will be a large application field for Micro LED, and it is estimated that the production value of automotive panels in 2026 will exceed US\$100 billion. The feature of low energy consumption of Micro LED and the high penetration transparent display feature that is attractive to EV companies are also the most advantageous technologies for automotive applications; once the development of procedure with mass production benefits is achieved, future application growth cannot be underestimated.

The Micro LED panels are estimated to enter the automotive application market in 2026, and the shipping volume is estimated to grow significantly on a yearly basis to achieve 400,000 pieces by 2029. Challenges faced by Micro LED technology require the joint efforts of the entire industry chain to conquer. With the constant progress in technology, Micro LED is likely to realize more extensive applications in the following years. The emergence of the HPC technology of AI accelerated the progress of the mass production of Micro LED, getting through the bottleneck encountered for the improvement in yield at present. The application of AI technology in Micro LED is for testing concurrently, with a focus on the improvement in testing efficiency, precision, and level of automation. As the size of Micro LED chips is ultra-small and the manufacturing process is complicated, the use of AI technology can effectively improve product quality and production efficiency. The application of AI

technology in the Micro LED industry is mainly to solve the quality stability, homogeneity, and efficiency problems that exist in the traditional testing methods during the course of chip manufacturing and the course of mass transfers. The new solution is likely to promote the development and application of Micro LED technology. Alongside the significant progress in AI and machine learning technologies, it is estimated that the applications in Micro LED manufacturing and testing will become more extensive and deep.

Multiple main products of the Company have successfully been introduced to major customers for FPD and Micro LED one after another. With the intensive R&D and promotion of G8.5/G10.5 equipment, automotive panel-related equipment and Micro/Mini LED equipment, it is expected that the future display equipment of the Company will record achievements from the business opportunities arising from plant expansions of companies in Taiwan subsequently.

(3) Smart Manufacturing Industry

Facing the coming wave, AI will become the crucial pushing force that changes industry development by 2030. Together with the explosive commercial applications of ChatGPT at present and the employee shortage and the lack of talent after the pandemic, the Company shall focus on the application of Generative AI (GAI) in assisting enterprises in reducing labor costs and improving production efficiency so as to facilitate the Blue Ocean value of AI innovations in the smart machinery industry.

The smart equipment of the Company mainly focuses on AGV systems, smart diagnosis, preventive and maintenance systems, and other solutions. The system integration ability is the advantage of the Company, and achievements in equipment installation have been recorded in semiconductor/panel/solar power/PCB and other high-tech industries. The Company has accumulated an in-depth production and manufacturing foundation and the soft power of system integration, gained high ratings and won constant awards within the domestic and foreign industry sectors. In recent years, we have provided smart manufacturing solutions in response to the development trends of Industry 4.0 and smart machinery, accelerating the promotion of the manufacturing industry in smart manufacturing solutions.

3. Advantages and disadvantages of competitive niches and development prospects and countermeasures.

(1) Favorable factors

CES 2025 organized in Las Vegas in January not only focused on the applications of AI, IoT, and metaverse, but also set the core as semiconductor technologies and launched the latest applications of self-driving cars and humanoid robots. In 2025, the focus of the global electronic industry is on advanced procedures, advanced packaging AI servers, optical communication, and networking; such markets have derived multiple new equipment requirements. The semiconductor industry is at its peak, and the advanced packaging of semiconductors has become the trend. However, as the procedure methods are different between large-scale companies, there is no single standard equipment for comparison. Therefore, large-scale companies are required to respond rapidly to strengthen their competitiveness to develop equipment in accordance with their procedures. We possess the advantages that align with customers and a robust technological foundation accumulated over the years, assisted by the flexible feature to cooperate with customized requirements. With the support of the government and indicative large-scale plants in Taiwan to national equipment. It is the perfect timing to enter the market to grasp the trends, and there are positive development conditions available.

In the display field, with the technology transfer of the PROBER and wet etching procedures equipment technologies in the Array section with high added value from Japan, we successfully developed the main procedure products in the Array and Cell sections and successfully expanded the applications to the main customers, allowing the Company to achieve the comprehensive and healthy operations in the display field.

The market demands for intelligent automation has exploded; the Company has won the favor of heavyweight companies in different fields for large-scale alliances and cooperation, and its prosperity is expected.

A. Research and Development:

The Company is constantly dedicated to the research and development of innovative and diversified products, and cooperates with corporate research institutions and academic institutions to develop advanced process equipment, continuously improves the own technical capabilities. The Company's R&D capability is confirmed by the manufacturing, governmental, academic and research regions

Except accumulating complete core technologies and integrated application capabilities, which can serve as a strong background for the Company's continuous expansion, in recent years, the Company has successively completed many technical cooperation projects with international manufacturers. By introducing world-class technologies, it will further help the Company carry out international market layout and transformation.

B. Complete quality system

The Company has a complete Q (quality) D (delivery) T (technology) C (cost) S (service) S (safety) quality system, which can provide a full range of services, conducive to attracting world-class customers to form strategic partnerships. At present, considerable progress has been made in the corporate strategy of "strategic cooperation/cross-regional cooperation, alliances go hand in hand together".

C. Powerful logistics support system

The Company has a long history and good credit status. After years of contacts with outsourcing and material suppliers, the two parties have established a good supply, demand and cooperative partnership, which is conducive to expand production capacity and stable material supply.

(2) Unfavorable Factors and Countermeasures

A. By facing the rise and expansion of China panel industry, China government actively drives the localization of its equipment, and the Company gradually faces strong competition from China's local equipment. Mainland China's greater support for the semiconductor industry has also driven the rapid development of its local equipment industry. China local equipment manufacturers compete for the market with low prices, creating a competitive relationship with each other. Countermeasures:

- (A) Continuously strengthen the technology of proprietary products and enhance intellectual property patent applications, while introducing advanced foreign technologies to elevate product levels and escape low-price competition. Enhance local operational resources in China, improving the design and manufacturing capabilities of Chinese subsidiaries to expand competitiveness in the Chinese market. Develop some equipment locally, integrate local resources to control costs, and strengthen local services in China.
- (B) Enhancing operating resources in mainland China and the design and manufacturing capabilities of mainland subsidiaries to expand the competitiveness of the mainland China market. Part of the equipment development is localized; integrating local resources to control costs; and strengthen local services in the mainland China.
- (C) Make full use of the local equipment supply chain in mainland China and integrate the QDTCSS energy that the Company is good at to provide customers with more valuable services and create a win-win situation.
- (D) Close to customers and quick response are the key factors for us to effectively enter into the development of new processes for customers. Under this premise, we can continue to innovate and grow with customers. However, under the status of limited resources and rapid market evolution, mature products and new R&D equipment should carefully chose in terms of funds and manpower.
- (E) Based on core technologies; cooperate with industry trends; invest R&D on new products; and expand industrial applications, including memory, 5G, AI, and Mini/Micro LED, etc., to expand market supply/demands.

B. FPD industry may not have a long and lasting development opportunity. Countermeasures:

- (A) Cut into the high value-added heading cleaning, wet etching, and testing equipment of the FPD industry.

- (B) Hold the business opportunities of the renovation of FPD customers' existing equipment; expand integration and promoting after-market value-added services.
- (C) Explore different industries such as semiconductors and intelligent manufacturing, and plan for the New Eastbound and New Southbound markets.
- (D) Continue to carry out innovative operations of strategic alliances, technology transfer cooperation, and cross-domain integration.

2.2 Main usage and Production Process of the Primary Products

1. Main usage

The Company is specialized in design, manufacturing and sales of equipment in semiconductor, FPD, intelligent automatic and biomedical.

2. The process of the Company's production and manufacturing are as follows:

All the Company's new product R&D shall follow the strict "C process design development control procedure" to control the R&D projects. C process includes "C0 Market Assessment", "C1 technique and product planning", "C2 Design Phase", "C3 Manufacturing and Assembly Phase", "C4 Testing and Validating Phase" and "C5 Result Confirmation Phase"

Development results are controlled by "S process", including "S1 Purchased Material Inspection", "Machine Component Module Assembly", "S4 Electricity Control and Whole Machine Control", "S4 Cold Run Test" and "S5 Hot Run Test".

2.3 State of Supply of Main Materials

The main material and source of the semiconductor equipment and TFT LCD equipment produced and manufactured by the Company are as follows:

Mechanical Component

(1) Functional Machine Component

The mechanical designers draw the technical drawings based on specifications and engineering department produce or outsource to contractor to produce. The main materials includes metal like steel, iron and aluminum.

(2) Standard Mechanical Parts

Other general parts such as bearing, servo motor, drive belt, spring, stamping die, guide rod and buffer are purchased through trader or from domestic market based on the decision and selection of mechanical designers.

(3) Software such as Computer and Human Machine Interface

Industrial and human machine interface are acquired through trader or from domestic market based on the decision and selection of electronic controller.

(4) Various signal transmitting and control components

Components such as sensors, solenoid valve, server controller and touch switch are acquired through trader or from domestic market based on the decision and selection of electronic controller.

(5) Electric and transmitting components

Components such as cylinder, illuminating lamp, transformer and power supply are acquired through trader or from domestic market based on the decision and selection of electronic controller.

2.4 Key Supplies & Customers

2.4.1. Key Suppliers

Names of suppliers accounting for more than 10% of the total purchase in any of the previous two years:None.

Unit: NT\$ Thousands / %

2024				2025			
Supplier	Procurement Amount	As % of 2023 Total Net Purchase	Relation	Supplier	Procurement Amount	As % of 2024 Total Net Purchase	Relation
Others	2,439,616	100.00%	—	Others	2,541,281	100.00%	—
Total Net Procurement	2,439,616	100.00%		Total Net Procurement	2,541,281	100.00%	

2.4.2. Key Customers

Names of customers accounting for more than 10% of the total sales in any of the previous two years:

Unit: NT\$ Thousands / %

2024				2025			
Customer	Net Revenue	As % of 2024 Total Net Revenue	Relation	Customer	Net Revenue	As % of 2025 Total Net Revenue	Relation
Customer N	1,082,391	24.41%	—	Customer N	1,171,437	25.09%	—
Customer B	775,490	17.49%	—	Customer S	714,815	15.31%	—
Customer S	304,479	6.87%	—	Customer V	666,845	14.28%	—
Customer U	281,166	6.34%	—	Customer B	446,600	9.56%	—
Others	1,991,402			Others	1,670,130		
Total Net Revenue	4,434,928			Total Net Revenue	4,669,827		

3. Human Capital

Year		2024	2025	As of March 31, 2026
Number of Employees	Indirect Labor	335	477	493
	Direct Labor	464	310	310
	Total	799	787	803
Average Age		42.38	41.75	41.58
Average Years of Service		10.29	10.22	10.17
Education (%)	Ph.D.	0.50%	0.76%	1.00%
	Master's	24.4%	27.83%	28.02%
	Bachelor's	64.08%	61.63%	61.51%
	High School	9.64%	8.64%	8.47%
	Others	1.38%	1.14%	1.00%

4. Expenditure of environmental protection

In the latest year and up to the date of publication of the annual report, the damages (including compensation) incurred due to environmental pollution and violations of environmental protection laws and regulations as a result of environmental protection audits shall be listed; and disclose the estimated amount and countermeasures

that may occur at present and in the future. If unable to be reasonably estimated, it should explain the fact why unable to be reasonably estimated:

All environmental protection affairs in the Company's plant are implemented in accordance with national laws and regulations; there is no loss (including compensation) and punishment due to environmental pollution. Meanwhile, the Company actively invests in environmental protection and pollution prevention tasks with a total investment of NT\$1,404 thousand. Every year the Company invested a large amount of money to add and improve pollution prevention and control equipment, and the process is constantly updated to achieve pollution reduction, resource recovery and reuse purpose; also, the Company actively drives environmental safety and health management measures, and regularly implements environmental inspections of plants according to the law, enhancing hazard identification safety training, disaster prevention training, and employee health inspection and promotion for all employees; expecting to achieve the goal of zero pollution in production and zero accidents in the workplace. Regarding the impact on the environment and climate, we are dedicated to reducing emissions of greenhouse gases and efficiently using energy.

In addition to complying with domestic laws and regulations, we also strive to achieve compliance with the norms of the European Union Environmental Protection Directive (RoHS) and international conventions.

5. Labor relations

5.1 List the Company's employee welfare measures, education, training, and retirement systems and the implementation status, as well as labor-management agreements and protection measures of employee rights and interests:

1. Employee welfare measures

The Company believes that employees are the most important assets. In addition to providing appropriate work content, it also provides high-quality remuneration and benefits. The Company also encourages employees to devote themselves to their families, pursue interests, care for society, and create a comfortable life.

(1) Salary and leaves

- Salaries and bonuses: Apart from basic monthly salaries, the Company also provides bonuses for the Dragon Boat Festival, Mid-autumn Festival, CNY, and festivals; the Company also provides quarterly performance bonuses based on the achievement rate of operational targets, profitability, and the personal performance of employees to provide incentives to employees for their excellent performance; the remuneration of employees is appropriated according to the Articles of Incorporation.
- Leave and flexible attendance system that is more favorable than the Labor Standards Act.
- Maternity Leave, pregnancy inspection leave, paternity leave, and sick leave are more favorable than the Labor Standards Act.
- To care for employees' family lives, the Company provides vitality leave, birthday leave, and school opening leave for first-year elementary school students.
- To encourage employees to invest in volunteer services and contribute to society, the Company provides volunteer leaves.
- Flexible working system.

(2) Living and incentive subsidy

- Provide consolations and gifts for marriage, funerals, birth, festivals (Dragon Boat Festival and Mid-autumn Festival), hospitalization, and CNY.
- Provide childbirth subsidies for children aged 0~1 with a monthly subsidy of NT\$ 2,000, and childcare and education allowances for the third child with a monthly subsidy of NT\$ 3,000-NT\$ 6,000, as well as other childcare measures.
- To encourage employees to innovate, the Company provides innovative research bonuses, proposal improvement bonuses, outstanding team bonuses for special performance, and outstanding employee bonuses, etc., to stimulate employees' work enthusiasm and teamwork spirit.
- To reward employees for self-improvement, there are bonuses to drive employees to obtain English and Japanese licenses or become excellent internal training lecturers, and let

- employees to earn training credits.
 - Subsidize the cost of parking spaces.
 - If employees hold outdoor social activities themselves, the Company provides the outdoor social activity subsidy in the amount of NT\$300 per person per time.
 - Subsidize on-job training expenses.
 - Subsidies for English learning and licenses.
 - Provide employees with an advance salary measure for purchasing vehicles. Employees can advance between 150,000 to 300,000 NTD based on their financial situation, enhancing their living conditions.
 - Provide employees with an advance salary measure for purchasing houses. Employees can advance between 360,000 to 1,500,000 NTD based on their financial situation, reducing their living pressure.
- (3) Stress-relieving environment
- Build a comfortable milk collection room for female employees.
 - Each plant has a staff cafeteria; and provides staff meal allowances.
 - Build a library; and use the bar table to achieve the effect of stress relief.
 - Each plant has a fitness center.
 - Free coffee machines and snack vending machines.
 - Provide “Age-Friendly Glasses” in factory libraries.
 - Activate public areas and create comfortable recreational environments.
- (4) Soft activities
- Organize concerts, corporate retreat, family fays, volunteer activities, and other service family activities to allow employees to achieve work-life balance.
 - Cross-border cultural exchange courses and experience activities.
 - Watching of industrial films and technological and cultural literacy activities.
 - Host group health and fun competitions on different festivals.
 - Host the year-end/spring wine activities every year.
- (5) Meal enjoyment
- Free afternoon tea.
 - Distribute healthy meals on Father's Day, Mother's Day and other festivals.
- (6) Family members share
- Group insurance for employees' family members.
 - Provide health check discounts for employees' family members.
- (7) Special contracts
- Signed contracts with counseling centers (2 in Hsinchu and 2 in Taichung) to provide avenues for stress relief for colleagues.
 - Sign a special contract with the kindergarten.
- (8) Other measures
- Provide annual free health check.
 - Model staff and senior staff reward system.
 - Provision of appointment services for psychological counseling hotline.
 - Each supervisor develops the plan according to the performance indicators. In order to achieve the Company, department and individual goals, the performance appraisal of all colleagues is conducted on a regular basis every six months for guidance and feedback. Teach supervisors to perform assessment and performance interview assignments to improve the work performance of colleagues in the Company; provide career planning for employees, and establish a reasonable reward and punishment feedback mechanism. The assessment results are used as the basis for the issuance of bonuses, salary adjustments, remuneration, promotion, talent training and development plans.
 - Implement the connection of traffic vehicles in the plant area (to reduce the commuter traffic flow and total exhaust amount, and the environmental load).
 - To safeguard employees' safety and health during work and their lives, the Company has provided multiple types of insurance, including employee group insurance, group overseas business travel insurance, employer accident liability insurance, and employer indemnity liability insurance.
- (9) Welfare measures of the Welfare Committee:
- Provide education scholarships for children and employees from elementary schools to

research institutes.

- Discounts at designated stores of the Welfare Commission.
- Provide gift money for marriage, birth, festivals (Mother's Day, Father's Day, Dragon Boat Festival, Labor Day, Mid-autumn Festival, and Christmas), and birthdays (Pay Easy points).
- Club activities (the nature of the club includes 10 clubs in the categories of sports, public welfare, and stress relief, etc.).
- Occasional recreational activities (Lunar New Year gifts, Christmas party, and festive activities.)

2. Advanced study and training system

The Company believes that talent development is the cornerstone of the Company's growth. Through training it can discover more potential; we provide sufficient resources to help colleagues create themselves, create corporate value and core competitiveness, and promote corporate development and employee growth, in the perspective of creating a win-win situation.

(1) The Company has established the "Education and Training Quality Manual" for employees to follow. The Company provides subsidies for education and training every year to improve the knowledge and skills of personnel in the organization, cultivating and reserve human resources, in the goal of achieving organizational performance and enhancing the Company's competitiveness. The content is outlined below:

- A. Education and training system: GPM established a complete training and development system to establish a clear education and training planning process; and plan for different courses according to grades and titles to achieve vision and annual strategic goals, and cultivate talents.
 - a. Hierarchy training course: According to the planning hierarchy map of chiefs in different hierarchies, carry out training for management knowledge to confirm that each manager has management knowledge. It is divided into a learning map for cultivating low-level managers, low-level managers, middle-level managers and senior managers.
 - b. Professional training courses: According to the skills required by each unit, design professional training maps, such as R&D and design training maps, customer service functions training maps and other maps, to ensure that employees have sufficient knowledge and technology on the jobs.
 - c. Training courses for new recruits: Explain the Company profile, development history, management regulations, information security, occupational safety/health and occupational safety and health management system concepts.
 - d. Internal lecturer training courses: The administrative unit hosts internal lecturer training courses according to actual needs to evaluate colleagues with expertise and enthusiasm for teaching, and to study teaching skills.
 - e. Self-enlightenment training courses: Spiritual growth courses such as aesthetics, art, medicine, health care, and literature, etc.
 - f. Soft courses: Including physical health care, family relations, psychological relief and insurance and financial management courses.
- B. Mentoring system: Each new colleague is assigned a mentor to provide work advice and speed up the newcomer to adapt to the working environment.

C. Statistics and expenses related to the employee education and training of the Group in 2025:

Education and training	Internal training	External training	Total
Batches	246	379	625
Number of trainees	7,502	406	7,908
Hours	13,034	3,025	16,059
Expenses (NT\$ thousands)	\$1,566	\$849	\$2,415

3. The retirement system and other implementation are divided into the old and new systems :

- (1) Old system: The Company has established retirement regulations for formal employees based on the Labor Standards Act. According to the regulations, the payment of pension is calculated based on the

seniority and the average wages of employees for the six months before retirement. The Company appropriates the pension reserve each month according to the requirements for the Supervisory Committee of Business Entities' Labor Retirement Reserve to manage, and the amounts are deposited into the account with the Bank of Taiwan in the name of the committee. Actuaries are also engaged to evaluate and calculate the labor pension reserve according to IAS 19 and issue the actuarial evaluation report.

(2) New system: The new system of pension is applicable to employees who join the Company after July 1, 2005 and employees who join the Company before July 1, 2005 and choose the new system. Based on the wages of employees, the Company appropriates 6% of wages monthly to the personal pension account of employees. Employees may also appropriate 0% to 6% of their wages to the personal pension account each month, and the Company shall withhold the wages of employees and pay the amounts on their behalves.

4. The agreement between employee and employer and the protection measures for employees' rights and interests:

The Company greatly emphasizes the rights and interests of employees and their future development, and has established an Employee Welfare Committee to provide various employee welfare measures. An "Education and Training Quality Manual" is also built to encourage employees to participate in various training and skills training. Meanwhile, the Company also establishes a communication channel between employees and employer, and discloses welfare measures, learning and development, employee communication and life balance on the Company's website. When there are major changes in the Company's operations that affect labor rights, the Company will immediately communicate and coordinate with employees through formal communication channels; and the Company regularly holds employee meetings, labor-management meetings and other meetings with employees to announce important information and understand labor's ideas, and provide "Measures for Prevention and Control of Workplace Sexual Harassment", "General Manager's Mailbox", "Anti-Bullying Mailbox", "Model Staff Dinner Party" and "Employee Opinion Survey" and other communication channels to collect improvement opinions, and record and propose improvement proposals after collection, in order to establish a reliable labor-management communication environment.

- Build the "General Manager's Office Mailbox", which will be compiled and replied by a dedicated person.
- Hold "Staff Meetings" quarterly to provide opportunities for employees to express their opinions as a reference for company improvement.
- Hold a "employee-employer meeting" on a quarterly basis. In order to promote harmonious employee-employer relations, regularly hold employee-employer meetings to listen to employees' suggestions.
- Select annual model employees and host a "model employee dinner party" to listen to the suggestions given by the model employees to the Company.
- Each plant has dedicated person in charge of employees relations, who can provide face-to-face assistance and listen to the voices of colleagues.
- Irregularly hold "Employee Forum" and the chairman will discuss and listen to the ideas of employees.
- Regularly provide "Employee Opinion Survey" to provide a channel for colleagues to advise the Company.

5. Employees' work safety and health of

(1) Work safety environment

- Establish an Occupational Safety and Health Committee, hold regular quarterly meetings to discuss matters related to environmental protection, safety and health.
- As a basis for improving the workplace environment, perform work environment monitoring every six months to assess personal exposure.

- Established the emergency response plans, including rapid response to accidents, disaster recovery and response procedures for potential disasters.
- Passed the certification of occupational safety and health management system (ISO45001:2018).
- Regularly hold all-staff comprehensive fire drills, emergency response drills and CPR first-aid wound dressing course.
- Establish safety and health policies and division of powers and responsibilities of supervisors at all levels. Hold committee meetings with discussions.
- Create a smoke-free office environment.
- Install tire pressure sensors and perform regular tire checks for company vehicles.

(2) Employees' Physical and mental health

- Provide regular health inspections for on-job workers every year, and conduct physical inspections for new employees (the frequency and items are superior to the one stipulated by laws and regulations).
- Health grading management system; follow colleagues' health examination results to carry out grading management.
- On-site medical care service, with more convenient physical consultation, and tracking down the health examination and re-examination status of colleagues.
- Hold regular health promotion activities annually. In 2025, “Weight Loss 1+1, Win Bonuses Together” was held and the participants lost a total weight of 131.8kg this year. Among them, 18 participants maintained healthy body weight without rebound weight gain; in 2025, 82 participants complied with the standards at the activity of “Fitness Challenge: Triple Jump for Happy Sports”.
- Provide psychological assistance for colleagues with self-hired counseling psychologists and through cooperation with external psychological counseling institutions.
- Invite colleagues to fill out physical and mental health questionnaires and assign counseling psychologists to track their psychological status subsequently.
- Hold health promotion and physical and mental stress relief courses.

6. Fulfill corporate sustainability

Under the goal of integrity governance, green environment and social care, GPM takes positive actions to step into the issue of sustainability. On the way of sustainability, GPM will jointly grow with the world and co-exist and prosper with the ecological environment.

(1) Company governance

- The Company established an effective company governance structure, adhering to the principle of integrity management, following the laws and regulations, establishing a Board of Directors and various Statutory Committees, and setting important internal regulations of the Company to implement the company governance practices.
- The Company information is regularly announced on the official website and the Open Information Observatory Station, implementing open and transparent information disclosure, emphasizing the two-way communication with various stakeholders, and regularly reporting the communication results to the Board of Directors.

(2) Social co-prosperity

- The Company duly observes relevant labor regulations and respects basic labor human rights principles that are internationally recognized to protect the legal rights and interests of employees and implement the employment policy with fairness and no differentiated treatment, and the Company has established appropriate management systems for supervision and management. In 2024, Chairman Jason Chen executed the inclusiveness declaration of diversification and equality. The Company purchased life insurance, health insurance, disease, cancer, injury, and disability insurance and provided retirement pension for all employees.
- The Company believes that employees are the most important assets. In addition to providing employees with appropriate work content according to business needs, the Company also provides a safe and comfortable working environment, and builds superior salaries and benefits. The

Company encourages employees to devote themselves to their families, pursue interests, care for society, and create a comfortable life.

- The Company actively participates in social participation, expecting to spread goodwill far and wide, improve the common life quality of the society, and shorten the gap between the rich and the poor and mitigate inequality. The Company's social participation activities are divided into public welfare care platform, industry-university cooperation platform, and incubation platform. The public welfare platform provides support and financial assistance for social disadvantaged groups; the industry-university cooperation platform provides internship vacancies for school students and R&D projects; the incubation platform provide a platform for local elementary schools and junior-high schools to express their talents and promote local cultural characteristics.

(3) Environmental sustainability

- Climate change has a profound impact on people's lives. As the issue of extreme climate gradually emerges, GPM had accepted the guidance for greenhouse gas inventory under ISO14064-1:2018 since 2021, and officially introduced greenhouse gas inventory in 2022, set up low-carbon emission policies to achieve carbon neutrality first, aiming at net zero emissions ultimately, and has passed external examination for greenhouse gas inventory in 2022. Pass external verification of greenhouse gas inventory in 2022~2025. It is expected that the Company will pass GHG Protocol external verification in 2026.
- The company has consistently reviewed its water and electricity usage on a monthly basis to understand consumption patterns and coordinate improvement initiatives. Additionally, in terms of processes, machines have been designed to reduce water usage, aligning with customer requirements while also achieving environmental conservation goals.

(4) Awards

- The 21st Taiwan Golden Root Award
- 2025 Hsinchu City Government ESG Excellent Matching Commendation
- 2025 Excellent Enterprise in Voluntary Evaluation of Occupational Health and Safety Performance Disclosed in Corporate Sustainability Reports
- In 2025, the Company passed the review of the workplace health promotion independent evaluation system and obtained the “Qualified” certification.

5.2 For the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, loss from labor-management dispute and disclosure of possible loss amount and mitigation efforts (including the violation of the Labor Standards Act discovered through the labor inspections. The date and the serial number of the punishment, the title and content of the violated provision, and the punishment shall be specified) and the estimated amounts that occurred or may occur in the future. If it cannot be reasonably estimated, the fact shall be affirmed:

None.

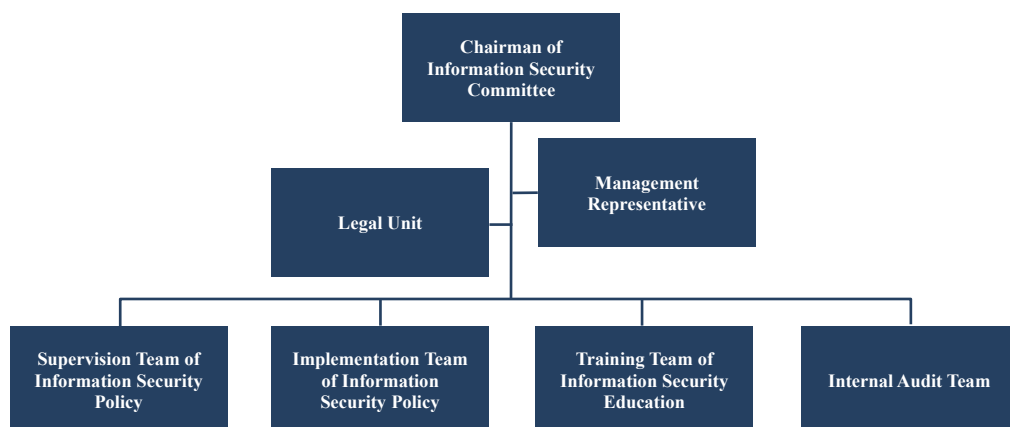
6. Information security management.

6.1 State the information security risk management framework, information security policy, specific management plan, and resources invested in the information security management, etc.

6.1.1 Information security risk management framework

To maintain and strengthen information security management and ensure the confidentiality, integrity and availability of each information asset, the Company established an “information Security Committee” on October 26, 2020. In accordance with its responsibilities, the Information Security Committee takes charge of coordinating the implementation of information security governance, planning and supervision of relevant policies, and promotion of relevant measures, as well as convening management review meetings on a regular basis. Furthermore, in accordance with the results of risk assessment, relevant laws and regulations, and development trends of technologies and businesses, the committee shall review and revise the information security management system as appropriate to ensure that each control measure complies with the actual operation demand. The Information Security Committee regularly reports to the Board of Directors

the implementation status of information security risk management annually, to implement corporate governance and reinforce the information security risk supervision mechanism.



6.1.2 Information security policy

Over the years, the Company has been continuously dedicated to the strengthening of its information security management. By improving each internal information security management mechanism and regularly holding information security publicity activities and employee information security education and training, the Company manages to comprehensively enhance the information security protection capacity of the organization. Meanwhile, the Company continues to deepen information security governance and has established the core concept of “everyone is responsible for information security” to ensure the confidentiality, integrity and availability of the data of customers and colleagues during data processing. The Company aims to ensure that all data can be properly and safely protected during processing, thereby providing safe, stable and efficient information services.

➤ Passed the ISO/IEC 27001:2022 ISMS information security management system

The Company obtained the international certification of ISO/IEC 27001:2022 ISMS Information Security Management System in October 2024 (certification institution: ARES; certificate number: ARES/TW/I2410047I). In accordance with the requirements of ISMS Information Security Management System, the Company continues to implement its information security policy, and establishes and carries out the information security objectives. Furthermore, the Company smoothly completed the follow-up verification work in October 2025. All information security control measures are continuously being implemented, and business continuity and information security response drills are regularly held to ensure the confidentiality, integrity and availability of the Company’s important systems and data.

➤ File system management

To improve information security management, the Company has adopted systematic document management for all information security policies, governance systems and related regulations. The information unit is responsible for uniformly submitting information security related procedures for internal electronic signing. After being reviewed and approved by the first-level supervisors of each unit and the President, the application will be submitted by the information unit through the internal electronic document system. After reviewing the application per the existing process, the

Document Control Center will formally release a document announcement applicable to the entire company, thereby ensuring the integrity, consistency and traceability of documents.

6.1.3 Specific management plan

To protect the security of confidential documents and customer data, the Company completed the verification of ISO/IEC 27001:2022 ISMS Information Security Management System in 2024, and synchronously reinforced all information security protection equipment as well as information security monitoring and detection capabilities, to improve the overall information security protection level. The Company regularly holds information security publicity and education activities annually, with contents covering relevant clauses of the Trade Secrets Act, the Company's information security policy as well as customers' PIP information security regulations. Also, new employees are required to sign a consent letter on information security policy upon entry, to ensure that the information security policy is effectively communicated and implemented by all colleagues.

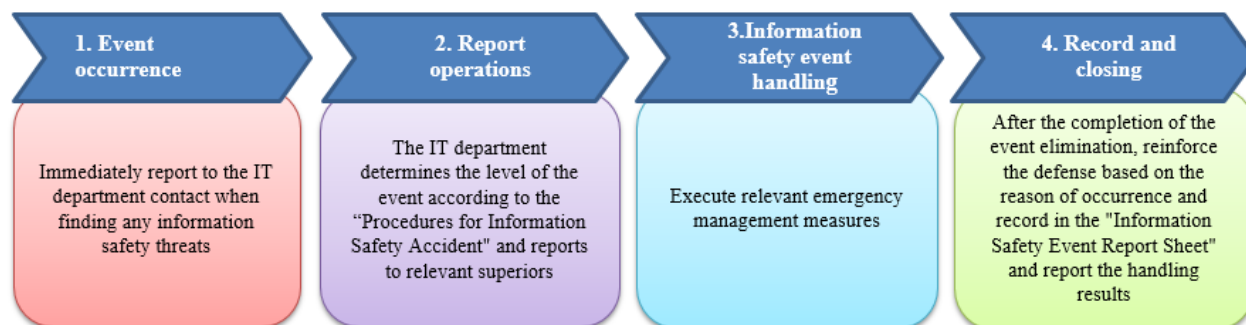
The Company regularly implements disaster restoration drills for its core systems annually, and conducts system restoration work for nonlocal computer rooms through the disaster recovery (DR) mechanism, to ensure that the normal operation of the core systems can be sustained in case of any emergencies.

With respect to physical and network security management, the Company has established a sound internal and external firewall mechanism, and set up DMZ network demilitarized zone and secure zone, thereby effectively separating the server hosts of internal and external services. Meanwhile, information security equipment such as abnormal network traffic detection and analysis system has been allocated to secure the physical network environment.

With respect to data access and protection management, DLP system and anti-virus system have been deployed at user computers to strengthen the security of computer data and the control of mobile storage devices (USB). Furthermore, corresponding access permissions are granted to employees based on the work demands and job responsibilities. Additionally, the Company has established a sound data backup and restoration mechanism to ensure data security, improve the defense and recovery capabilities against internal and external attacks, and properly maintain the security of customer data and overall information.

The Company has joined Science Park Information Sharing and Analysis Center (SP-ISAC) and Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC). Through the information security intelligence sharing mechanism, the Company continuously stays updates with information on local and foreign information security threats and vulnerabilities, to benefit real-time management and early response to potential risks.

➤ Reporting process of information security incident



6.1.4 Resources invested to security management

➤ Information security training

The Company provides information security education and training for employees at the factory areas in Hsinchu Science Park and Central Taiwan Science Park, and invite external information security lectures to promote the latest information security concept at the factories, in the hope that all employees' information security awareness is improved and information security incidents are reduced to safeguard the Company's rights and interests.

➤ Multi-factor authentication (MFA)

As cyber attacks continue to increase, the attack approaches mainly focus on the theft of users' identity information to enter various network application services. Therefore, using accounts and passwords alone as protection are insufficient to respond to the current information security threats. To strengthen the security of identity authentication, the Company has introduced information security products related to the MFA (Multi-Factor Authentication) since 2021, and continuously subscribed application-related services. During remote access, users of the Company shall complete two or more identity authentication mechanisms before they can access the Company's internal systems and services to confirm that the accessing users are the employees of the Company. This can effectively reduce the risk of accounts being stolen and prevent unauthorized access of external hackers, thereby safeguarding the Company's information assets and data.

➤ Continual subscription of EDR and MDR for the provision of response services

As hacking techniques become increasingly diversified and concealed, seemingly normal administrative connections or encoded commands are usually adopted to avoid the detection of traditional information security protection tools. To strengthen endpoint protection and incident response capabilities, the Company has introduced and deployed the EDR (Endpoint Detection and Response) product. Through a systematic integration mechanism, the Company actively and timely conducts early detection of information security incidents and takes effective inhibition and response disposal upon occurrence of such incidents to lower the scope of impact. Additionally, the Company continues to subscribe for MDR (Managed Detection and Response) services provided by professional information security providers. A dedicated MDR information security team assists in analyzing various information security incidents detected by the EDR to accelerate the judgement on incidents and problem positioning and shorten the response and processing time, thereby effectively reducing the overall information security risks.

➤ Description of costs spent in recent years

To protect the Company's rights and interests and prevent the risk of being hacked, the Company's investment in information security has increased significantly in recent years.



6.2 Losses, potential effects arising from significant cybersecurity events, and countermeasures for the most recent year and up to the date of publication of the annual report; for those that cannot be reasonably estimated, describe the facts regarding the inability to reasonably estimate: None.

7. Material Contracts

For the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, the Company's important contracts that are still valid and will become due recently:

Nature of Contract	Contracting Parties	Contract Start/End Date	Main Content	Restrictive Provisions
Technology Transfer Contract	MICRONICS JAPANCO., LTD.	From March 12, 2015	Transfer of Technology	Data related to Transfer of Technology Contract shall not be re-authorized or transferred to third party.
Technology Cooperation Contract	Sumitomo Precision Products CO.,LTD.	Ten years, Starting from September 9, 2016	Technical Cooperation	If no termination request being proposed upon due, the contract will be renewed.
Technology Licensing and Mutual Development Agreement	International Business Machines Corporation.	Starting from November 3, 2016	Technology Licensing and Mutual Development	If no significant violation, the contract remains valid indefinitely.
Lease Agreement	Central Taiwan Science Park Bureau	January 01, 2025 to December 31, 2044	Factory Lease Agreement with Central Taiwan Science Park	None
Lease Agreement	Hsinchu Science Park Bureau	August 1, 2016 to July 31, 2036	Factory Lease Agreement with Hsinchu Science Park	None
Long-term Borrowing	Taipei Fubon Bank	June 5, 2024 to June 5, 2026	Collateral loan of Factory in Central Taiwan Science Park	Note
Long-term Borrowing	Cathay United Bank	March 31, 2024 to March 31, 2027	Collateral loan of Factory in Hsinchu Taiwan Science Park	None
Long-term Borrowing	First Bank	December 16, 2024 to December 16, 2026	Collateral loan of Factory in Tai Yuen-Tech industrial Park	None

V. Financial Status and Risk

1. Financial Status

Consolidated Report :

Unit: NT\$ Thousands

Item	Year	2025	2024	Change	
				Amount	% of Change
Current Assets		4,609,198	4,379,276	229,922	5.25
Property, Plant and Equipment		1,423,189	1,306,777	116,412	8.91
Intangible Assets		29,379	20,068	9,311	46.40
Other Assets		10,717,050	7,773,796	2,943,254	37.86
Total Assets		16,778,816	13,479,917	3,298,899	24.47
Current Liabilities		4,494,686	4,100,830	393,856	9.60
Non-current Liabilities		2,390,492	1,864,597	525,895	28.20
Total Liabilities		6,885,178	5,965,427	919,751	15.42
Common Stock		1,647,466	1,651,361	(3,895)	(0.24)
Capital Surplus		267,981	298,984	(31,003)	(10.37)
Retained Earnings		790,131	749,267	40,864	5.45
Other Equity		6,554,738	4,537,041	2,017,697	44.47
Treasury stocks		(462,609)	(476,776)	14,167	(2.97)
Equity attributable to owners of the parent		8,797,707	6,759,877	2,037,830	30.15
Non-controlling Interest		1,095,931	754,613	341,318	45.23
Total Equity		9,893,638	7,514,490	2,379,148	31.66
Main reasons and impacts of significant changes in assets, liabilities and shareholders' equity in the last two years:					
<ol style="list-style-type: none"> 1. The increase in intangible assets was primarily due to the purchasing of intangible assets by subsidiaries. 2. The increase in other assets and total assets was primarily due to the increase in financial assets measured at fair value through other comprehensive income-noncurrent and prepaid investments compared to those in the previous period. 3. The increase in non-current liabilities and total liabilities was primarily due to the increase in long-term borrowings compared to those in the previous period. 4. The decrease in capital surplus was primarily due to the distribution of capital surplus dividends for the year 2024 with a cash dividend of NT\$ 0.20 per ordinary share. 5. The increase in other equity, equity attributable to owners of the parent company, and total equity was primarily due to the increase in the appraised value of financial assets measured at fair value through other comprehensive income compared to that in the previous period. 6. The increase in non-controlling interests was primarily due to the increase in the unrealized profit or loss of financial assets measured at fair value through other comprehensive income. 					

2. Operating Results

Consolidated Report :

2.1 For the past two years, the main reason that caused the significant changes in operating revenue, operating income and income before tax and its impacts:

Unit: NT\$ Thousands

Item	Year	2025	2024	Change	% of Change
		Amount	Amount		
Net Sales		4,669,827	4,434,928	234,899	5.30
Gross Profit		1,638,657	1,185,487	453,170	38.23
Operating Income		480,542	332,628	147,914	44.47
Non-Operating Income and Expenses		163,154	262,670	(99,516)	(37.89)
Net Income before Income Tax		643,696	595,298	48,398	8.13
Net profit(Loss)from continuing operations		525,391	473,296	52,095	11.01
Net profit(Loss)from close operations		----	----	----	----
Net Income		525,391	473,296	52,095	11.01
Other Comprehensive Income, net of tax		2,367,788	4,063,699	(1,695,911)	(41.73)
Total Comprehensive Income		2,893,179	4,536,995	(1,643,816)	(36.23)
Profit(Loss) attributable to owners of parent		416,948	296,749	120,199	40.51
Profit(Loss) attributable to non-controlling interests		108,443	176,547	(68,104)	(38.58)
Comprehensive income attributable to owners of parent		2,458,762	4,230,041	(1,771,279)	(41.87)
Comprehensive income attributable to non-controlling interests		434,417	306,954	127,463	41.53
Earnings per share		2.59	1.82	0.77	42.31

Main reasons for significant changes in operating income, operating profit and loss and net profit before tax in the last two years:

1. Increase in gross profit, operating profit/loss, net income attributable to owners of the parent company, and earnings per share: Primarily due to the increase in revenue from selling of goods in 2025 compared to that in the previous year as well as the increase in gross profit due to proper cost control.
2. Increase in non-operating income and expenses: Primarily due to the increase in foreign currency exchange loss in 2025.
3. Decrease in other comprehensive income (net amount after tax) for the current period, total comprehensive income for the current period, and total comprehensive income attributable to owners of the parent company: Primarily due to the decrease in unrealized profit or loss of financial assets measured at fair value through other comprehensive income in 2025 compared to that in the previous period.
4. Decrease in net profit attributable to non-controlling interests: Primarily due to the decrease of subsidiaries' net profit in 2025.
5. Increase in total comprehensive income attributable to non-controlling interests: Primarily due to the increase in the appraised value of financial assets measured at fair value through other comprehensive income compared to that in the previous period.

2.2 The expectation on sales volume and basis forming the expectation, the impacts on the Company's financial condition and business and the mitigation efforts:

Unit: Sets

Main Products	2026 budget
Semiconductor Process Equipment	714
Display Process Equipment	14
Intelligent automation equipment	-
Other Equipment	5

Note: The forecast is based on the customers' forecast and taking into account the market conditions. The aforementioned estimated quantity does not include others and parts.

3. Cash Flow

Unit: NT\$ Thousands

Cash Balance Dec. 31, 2023	Net Cash Provided by Operating Activities in 2025	Net Cash Inflows from Investing Activities in 2025	Net Cash Outflows from Financing Activities in 2025	Impact of Foreign Exchange Ratio	Cash Balance Dec. 31, 2025
1,076,461	488,828	(704,869)	257,216	17,912	1,135,548

3.1 Analysis of the Change in Cash Flow in 2025

1. Operating activities: The cash inflows from operating activities in 2025 were primarily due to the increase in net profit before tax, other payables and stock dividends collected in the current period for the year 2025.
2. Investing activity: Primarily due to the acquisition of financial assets measured at fair value through other comprehensive income.
3. Financing activity: Primarily due to the borrowing of loans and payment of cash dividends.

3.2 Remedial Actions for Cash Shortfall :

The company has ample cash on-hand; remedial actions are not required.

3.3 Cash Flow Projection for Next Year :

1. The cash inflow from operating activities of NT\$248,119 thousand: Primarily due to the offsetting of the discounting of accounts receivable with accounts payable and operating expenses.
2. The cash outflow from investing activities of NT\$280,408 thousand: Primarily due to the investment expenditures and distribution of remuneration of employees and dividends.
3. The cash inflow from financing activities of NT\$75,000 thousand: Primarily due to the repayment of bank borrowings.

4. Major Capital Expenditure

4.1 Major Capital Expenditure and Sources of Funding : Not applicable.

5. Investment Policies :

5.1 Latest investment policy, major causes of profits and losses and improvement, and future plan for the next year (Investment that exceeds 5% of paid-in capital) :

Unit: NTS Thousands

Item	Description	Initial Investment amount	Policy	The main reasons for profit/loss	Improvement plan
Gallant-Rapid Corporation Limited		459,050	Investment in the Suzhou Gallant Precision Intelligence/Gallant Micro Machining Technology Co., Ltd. (Gallant Micro Machining Technology was canceled in December 2024)	Under the effects of the overall environment in Mainland China, the Company provides equipment and after-sales services to customers in the Mainland China market and grasps the market opportunities of ESG through the advantages of the installation volume of customers in Mainland China so as to continue to make advances and improve the competitiveness.	<ol style="list-style-type: none"> 1. Focus on high-quality customers and provide comprehensive integration services. 2. Integrate local resources, reduce cost and improve profitability. 3. Strength cross-strait cooperation; leverage GPM's years of integrated service experience and technical inheritance for GPI, and seize service opportunities for Chinese mainland. 4. Continue to improve the satisfaction of customers from Chinese mainland with after-sales services.
Gallant Micro Machining CO., Ltd.		467,249	Production and Sales of Precision Mold and other Parts	Grasp the advanced packaging development trends of semiconductors and develop precision pick and place core application technologies and main procedure equipment of scalable requirements to establish the basis for long-term operational growth.	In line with our main customers' ongoing development of advanced process equipment, we aim to expand our core technologies and applications in various industries.

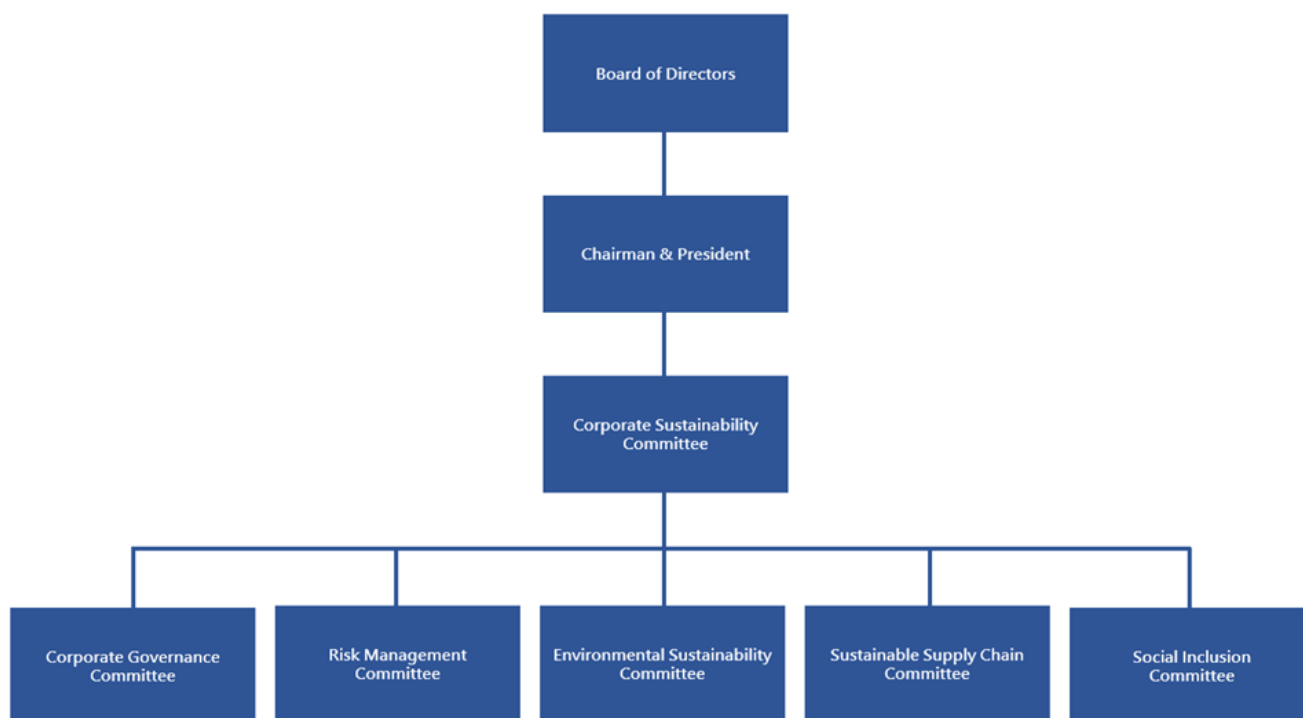
5.2 Investment plan for the next year: There will be no single investment that exceeds 5% of paid-in capital: As a result, this analysis is not applicable.

6. Risk Management

6.1 Risk Management Organizational Chart:

To promote CSR and sustainability, the Company establishes "Corporate Sustainability Committee" in 2016. The Corporate Sustainability Committee is in charge of affairs related to CSR, corporate governance and ethical corporate management policies. The execution and results shall be reported to Board of Directors at least once annually.

The organizational chart of the Company's Corporate Sustainability Committee:



6.2 The Impact and Future Mitigation Efforts to Risks Associated with Interest Rate Fluctuation, Foreign Exchange Volatility, and Inflation

1. The interest expenses of the Group in 2025 were NT\$85,641 thousand, accounting for 1.83% of the operating income; therefore, the interest rate fluctuation has no material effect on the Company.
2. The exchange gains of the Group in 2025 were NT\$14,800 thousand, merely accounting for 0.32% of the operating income and having no material effect on the Company.
3. The recent inflation has no material effect on the Group.

6.3 The Impact and Future Mitigation Efforts to Risks Associated with High Risk/ High-Leveraged Investment, Lending, Endorsements, and Guarantees for Other Parties, and Financial Derivative Transactions:

To prudently control the financial risk, the Company does not take part in high risk and high leveraged investment. The Company's derivative transaction is not speculative. All the operation is in accordance with GPM's "Procedures for Acquisition or Disposal of Assets". Therefore, the Company does not have significant risk.

The Company stipulates control process such as "Procedures for endorsement and guarantee" and "Procedures for financing". As of March 31, 2026, the Company has provided NT\$61,995 thousand of guarantee to its Affiliates, which does not exceed the limitation.

Depending on subsidiaries operation, the Company will give support.

6.4 Future Research & Development Projects and Corresponding Budget:

The GPM Group R&D plan for the most recent fiscal year can be found on page 81. In 2026, R&D budget is NT\$128,341 thousand. So far the progress of R&D item is in line with R&D plan.

6.5 The Impact of Changes of Important Domestic and Foreign Policies and Laws on the Company's Finances and Business, and the Countermeasures:

So far, the important policy and amendment of laws or regulations published by the government does not have significant impact on the Company. The GPM Group companies follows rules and regulations published by government, both domestically and internationally. The Company and companies that GPM has invested have personnel collecting the update of policies and laws for the reference of management team.

6.6 The impact of technological changes (including information security risks) and industrial changes on the Company's financial business and countermeasures:

The Group has full-time personnel to watch the technological changes and industry trends in related industries, evaluate the impact on the Company's future development and financial business, and take necessary countermeasures. However, in the recent year, there were no events that had a significant impact on the financial business of the Company due to technological changes and industrial changes.

6.7 The Impact of Change of Corporate Image on the Enterprise Crisis Management and the Countermeasures:

For more than 30 years, the Company has been adhering to the corporate spirit of "Team, Innovation, Responsibility, and Learning" and "people-oriented" to operate steadily, fulfill the social obligations of the Company, and establish and always maintain a good corporate image. Therefore, there is no incident that has a significant impact on corporate crisis management due to changes in corporate image.

6.8 The Expected Benefit, Risk and Future Mitigation Efforts to Risks Associated with Mergers and Acquisitions: The company does not have a merger and acquisition plan

6.9 The Expected Benefit, Risk and Future Mitigation Efforts to Risks Associated with Facility Expansion: The company does not have a facility expansion plan

6.10 The Risk and Future Mitigation Efforts to Risks Associated with Purchase Concentration and Sales Concentration:

1. Our main materials and outsourcing partners mostly from domestic companies. The supplier are not irreplaceable and plenty of sources of supply. The Company adopts diversified procurement principle and maintains long-term stable relationship with supplier to minimize the risk of force majeure and shortage of source. As a result, the Company does not have the risk of purchase concentration.
2. In terms of FPD equipment sales, the clients were just a few panel factories. For a panel factory to construct plant, the capital expenditure payment is concentrated and the amount is enormous. This situation could easily lead to sales concentration for an equipment manufacturer. However, domestic clients are slowing down their pace in expansion in recent years. Coupled with GPM's effort of business development in China, the demand from China has increased and catch up with domestic clients. Thus, the sales concentration risk has lowered dramatically.

3. Along with FPD field, GPM group is also actively seeking demands for equipment from other industries, including green energy, electronic component, shoes-making and medical device. The development of equipments includes processing equipment, optical inspection equipment, automation, integration of whole factory and production line. In the future, we can expect that sales customers will be in fair distribution.

6.11 The Effect, Risk and Mitigation Effort to Risks Associated with Sales of Significant Numbers of Shares by Directors and Major Shareholders Who Own 10% or More of the Total Outstanding Shares:

The shareholding transfer is monthly declared to Competent Authority for investors reference. GPM tracks closely the shareholdings variation of directors and shareholders holding more than 10% of the outstanding shares to lower risk and take immediate action. As of now, there is no transfer of shareholding that would have impact on the operation and financial condition of the Company.

6.12 Effects of, Risks and Response to Changes in Management Rights:

The Company does not have change in management rights.

6.13 For any litigious matters, whether the case has been finalized or the still pending, that involves the company and company's directors, supervisors, general managers, person with actual responsibility in the company, and major shareholders holding more than 10% of the company's shares, shall be disclosed. If there has been any substantial impact upon shareholders' equity or prices for the company's securities as a result of any litigation involving the company, the annual report shall disclose the facts in dispute, amount in dispute, commencement date of the dispute, main parties involved, and current status of the case as at the date of printing of the report: None.

6.14 Other material risk and mitigation efforts: None

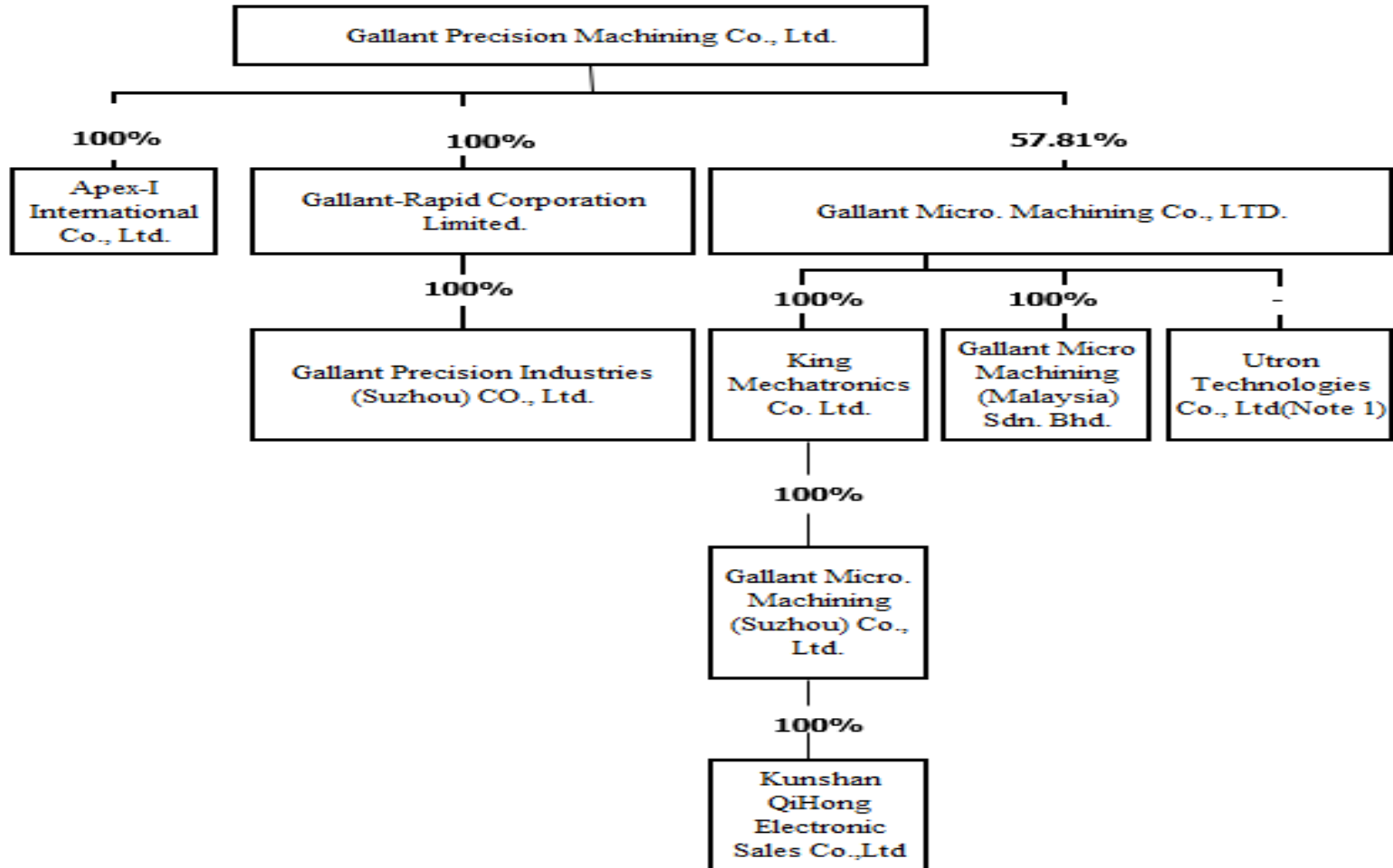
7. Other Material Events: None.

VI. Other Special Notes

1. Subsidiary Information

1.1 Affiliated Companies Chart

As of Dec. 31, 2025



Note 1: The shareholders of the Utron Technologies Co., Ltd., passed a resolution to dissolve the company, and the liquidator took office on the same day. As a result, the Group lost control of the company in December 16 2025.

1.1.1 GPM Affiliated Companies

As of Dec. 31, 2025. Unit: NT\$ thousand / Foreign Currency thousands

Company Name	Date of Incorporation	Address	Capital Stock	Major Business
APEX-I INTERNATIONAL CO., LTD	2001/04/03	2F.-1, No. 8, Taiyuan 1st St., Zhubei City, Hsinchu County 302082, Taiwan (R.O.C.)	NTD 66,000	Sale of Machinery Equipment and Parts
Gallant Micro. Machining Co., LTD.	2010/10/15	No.2-1, Minsheng St., Tucheng Dist., New Taipei City 236, Taiwan (R.O.C.)	NTD 282,765	Production and Sales of Precision Mold and other Parts
Gallant-Rapid Corporation Limited.	2000/06/15	P.O. Box 3321, Road Town, Tortola, British Virgin Islands	USD 13,560	Investment in Gallant Precision Industries (Suzhou) Co., Ltd.
King Mechatronics Co., Ltd.	2001/09/24	P.O. Box 3152, Road Town, Tortola, British Virgin Islands	USD 2,781	Investment in Gallant Micro. Machining (Suzhou) Co., Ltd.
Gallant Precision Industries (Suzhou) CO., Ltd.	1995/04/19	1#Building, No.56 Songshan Road, New District, Suzhou, 215151 P.R.C.	USD 9,320	Production of optoelectronic products whole machine equipment, mechatronics equipments, and the manufacturing of its parts and accessories
Gallant Micro. Machining (Suzhou) Co., Ltd.	2003/01/28	No. 5011, Baodai West Road, Jinqiao Development Area, Mudu Town, Wuzhong District, Suzhou City, China	USD 4,550	Production and Sales of Precision Mold and other Parts
Gallant Micro Machining (Malaysia) Sdn. Bhd.	1996/10/08	B303-03-11, Krystal Point, Jalan Sultan Azlan Shah, 11900 Penang, Malaysia	MYR 500	The Import/Export and Buy/Sales of Semiconductor Machine and related Components and Parts
Kunshan QiHong Electronic Sales Co.,Ltd	2009/08/08	House 5, No.1369, Hengsheng Road, Yushan Town, Kunshan City, China	CNY 1,000	Testing and manufacturing of circuit board testing equipment, wire and cable and semiconductor

1.1.2 Data of Common Shareholders of Treated-as Controlled Companies and Affiliates:

None.

1.1.3 Business of GPM and its Affiliated Enterprises

Business Scope of Its Subsidiaries:

GPM specializes in manufacturing and sales of semiconductor packaging front-end equipment and FPD production process equipment.

The affiliates involve in industries such as semiconductor packaging equipment, FPD production processing equipment, precision module and parts, production, trading and sales of precision components. There are also affiliates belong to investment or trading industry.

The affiliates are aiming at division of capacity, lowering cost, after sales service, product diversification, holding company purpose and operating diversification. For more details, please see Basic Information of Affiliates.

1.1.4 Directors, Supervisors and Presidents of GPM's Affiliated Companies

As of Dec. 31,2025 ; Unit : Thousands shares ; %

Company Name	Title	Name or Representative	Thousand shares	% of Holding
APEX-I INTERNATIONAL CO., LTD	Chairman Director Director Supervisor	Gallant Precision Machining Co., Ltd.(GPM) Rep. : Jason Chen Gallant Precision Machining Co., Ltd. (GPM) Rep. : Sheng-hung Huang Gallant Precision Machining Co., Ltd. (GPM)Rep. : ElmoYang Gallant Precision Machining Co., Ltd. (GPM) Rep. : Rita Chen	GPM holds 6,600	100
Gallant Micro. Machining Co., LTD.	Chairman Director Director Director Independent Director Independent Director Independent Director Independent Director President	Frank, Liang Gallant Precision Machining Co., Ltd. (GPM) Rep. : Rita Chen Dun Jhih Shih Jung-Liang Chen Shingo Shih Bell Chen Chen Junyu Jhih Jhong Tan Dun Jhih Shih	283 GPM holds 16,343 221 272 0 0 0 0 221	0.99 57.81 0.77 0.95 0 0 0 0 0.77
Gallant-Rapid Corporation Limited	Chairman	Gallant Precision Machining Co., Ltd. (GPM) Rep. : Jason Chen	GPM holds 13,560	100
King Mechatronics Co., Ltd.	Director	Gallant Micro. Machining Co., LTD. (GMM) Rep. : Jung-Liang Chen	GMM holds 2,781	100
Gallant Micro. Machining (Suzhou) Co., Ltd.	Chairman Director Director Supervisor President	Jung-Liang Che Guo Ning Sun Zong Yan Lin Xu Yan Guo Ning Sun	King Mechatronics Co., Ltd. investment US\$2,781	100
Gallant Precision Industries (Suzhou) CO., Ltd.	Chairman Director Director Supervisor President	Jason Chen Ren Syu Jheng Chia-Ju Tseng Rita Chen Jason Chen	Gallant-Rapid Corporation Limited. investment US\$13,560	100
Gallant Micro Machining (Malaysia) Sdn. Bhd.	Director Director	Gallant Micro. Machining Co., LTD.(GMM) Rep. : Guang Rong Deng Huei Ling Liou	GMM holds 500	100
Kunshan QiHong Electronic Sales Co.,Ltd	Chairman Supervisor	Gallant Micro. Machining (Suzhou) Co., Ltd. Rep. : Ming-Kai Liang Shu-Hua Chen	Gallant Micro. Machining (Suzhou) Co., Ltd investment CNY 1,000	100

1.1.5 Summarized Operation Results of Affiliated Enterprises (As of Dec.31, 2025)

Unit: NT\$ Thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
Gallant-Rapid Corporation Limited.	459,050	202,705	0	202,705	0	(320)	(3,028)	
Gallant Precision Industries (Suzhou) CO., Ltd.	198,638	239,992	73,099	166,893	136,013	(3,883)	(2,658)	
Apex-I International Co., Ltd.	66,000	79,685	452	79,233	2,669	(2,717)	(1,657)	(0.25)
Gallant Micro Machining Co., LTD.	285,175	5,022,112	2,567,210	2,454,902	2,403,890	475,744	357,904	12.75
Gallant Micro Machining (Malaysia) Sdn. Bhd.	3,992	3,323	28	3,295	57	(73)	79	
KING MECHATRONICS CO.,LTD	93,144	1,216,658	188,991	1,027,667	105,864	(16,251)	6,685	
Gallant Micro Machining (Suzhou) Co., Ltd.	143,007	675,491	120,393	555,098	385,632	34,917	21,242	
Kunshan QiHong Electronic Sales Co.,Ltd	4,496	8,206	5,550	2,656	6,856	(5,950)	(3,886)	

Note: The amount of capital, asset, liabilities and net worth in this table were calculated using the exchange rate at end of 2025. The net sales, Income from operation, net income and EPS numbers were calculated using the average exchange rate in 2025.

(1) Exchange rate on 12/31, 2025: USD:NTD=1:31.43 ; RMB:NTD=1:4.496 ; MYR:NTD=1:7.4805

(2) Average exchange rate for 2025: USD:NTD=1:31.1797 ; RMB:NTD=1:4.3334 ; MYR:NTD=1:7.0131

1.2 Independent Auditor's Uni-President and Affiliated Enterprises Consolidated Financial Statements : Please refer to Page 119.

1.3 Affiliation Report: None.

2. Issuance of Private Placement of Securities:

None. (in the most recent fiscal year and up to the issue date of this Annual Report)

3. Other Necessary Supplement :None.

VII.Special Notes

Any Events that Had Significant Impacts on Shareholders' Rights or Security Prices as Stated in Item 2 Paragraph 3 of Article 36 of Securities and Exchange Law of Taiwan : None.

REPRESENTATION LETTER

The entities that are required to be included in the combined financial statements of Gallant Precision Machining Co., Ltd. as of and for the year ended December 31, 2025, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards No. 10, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Gallant Precision Machining Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

GALLANT PRECISION MACHINING CO., LTD.

By

A handwritten signature in cursive script, appearing to read "Jason Chan".

Chairman

February 26, 2026

GPM

Gallant Precision Machining Co., Ltd.

No.5-1, Innovation 1st Rd., Science Based Industrial Park, Hsinchu, 30076, Taiwan.

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



Gallant Precision Machining Co., Ltd.



Jason Chen, Chairman