Stock Code: 2233

TURVO INTERNATIONAL CO., LTD.

2025 Annual Report

The Annual Report is available at

Market Observation Post System :http://mops.twse.com.tw

Corporate Website: http://www.turvo.com.tw

31 March 2026

I. The spokesperson and deputy spokesperson of the Company:

Name of spokesperson: TSAI, MING-TUNG

Title: Chief Executive Officer

Tel: (04)2657-5790

E-mail: IR@turvo.com.tw

Name of deputy spokesperson: WU, HSIAO-JUI

Title: Senior manager, Finance Management Department

Tel: (04)2657-5790

E-mail: IR@turvo.com.tw

II. Address and contact number of the headquarters and plant:

Address: No. 27, Jing 2nd Rd., Wu qi Dist., Taichung Port Technology Industrial Park, Taichung City

Tel: (04)2657-5790

III. Stock Transfer Agent:

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

Address: B1, No. 96, Sec. 1, Jianguo N. Rd, Zhongshan Dist., Taipei City

Website: https://www.tssco.com.tw/

Tel: (02)2504-8125

IV. CPAs of the Most Recent Financial Report:

CPAs: HUANG, JING-YA、LO, WEN-CHEN

Name of the Accounting Firm: Ernst & Young

Address: 26F., No. 186, Shi Zheng N. 7th Rd., Xuan Dist., Taichung City

Website: http://www.ey.com

Tel: (04) 2259-8999

V. Overseas Securities Exchange: None.

VI. Corporate Website: http://www.turvo.com.tw

Table of Contents

I. Letter to Shareholders

Dear shareholders,

Thanks for every shareholder's support. We sincerely appreciate your presence at the regular shareholders' meeting of the Company, despite your busy schedules. On behalf of the Company, we would like to express profound gratitude for the support and encouragement received from every shareholder.

The Company would like to express our gratitude to all dedicated colleagues and the support and trust of shareholders and directors. I will provide an overview of the operating results for 2025 and the outlook for operations in 2026.

The 2025 Business Report is as follows:

1.1 2025 Operating Results

(i) The results of the implementation of the business plan for 2025

Dear Shareholders, In 2025, global trade tensions and geopolitical risks continued to escalate, increasing uncertainty in the external environment. Our overall operating environment was also affected by factors such as weakened market demand, inventory adjustments across customer industries, and exchange rate fluctuations. Consequently, the consolidated revenue for 2025 was NT$3,274,939 thousand, representing a 10.49% decrease compared to 2024. Facing intensified industrial competition and rising cost factors, consolidated gross profit decreased by 25.38%. The Company has continued to strategically diversify its application fields and invest necessary R&D resources to strengthen medium-to-long-term competitiveness. As a result, consolidated operating income decreased by 39.88% compared to 2024. Consolidated net income after tax was NT$399,942 thousand, with earnings per share (EPS) of NT$6.7.

Looking ahead to 2026, the Company will respond to global industrial transformation trends and shifts in market demand. Leveraging our existing strengths in precision machining and mass production, we will steadily advance our diversified product portfolio and progressively strengthen our commitment to AI and robotics applications. Our proprietary reducer brand, TUF ONE, will focus on emerging sectors such as humanoid robots, collaborative robots (cobots), quadruped robots, AMRs, AGVs, and e-VTOLs. We will drive product integration, customer validation, and mass production planning to increase the proportion of high-value-added products, injecting long-term growth momentum into our operations. Upholding a proactive attitude and the principle of steady management, the Company continues to deepen its core product and emerging application layouts, aiming to consistently improve overall operational performance and corporate value with the support of our shareholders.

Unit: NTD (in thousands)

Item	2024	2025	Change Ratio
Net Operating Revenue	3,658,705	3,274,939	-10.49%
Gross Profit	1,360,228	1,015,019	-25.38%
Operating Income	688,470	413,935	-39.88%
Income Before Tax	786,742	493,661	-37.25%
Net Income	657,896	399,942	-39.21%

(ii) Budget Implementation

In accordance with current regulations, the Company has not publicly disclosed the financial forecast for 2025. However, the overall actual operating conditions and performance are consistent with the business plan developed internally by the Company.

(iii) Analysis of Receipts, Expenditures, and Profitability

Item		2024	2025
Financial Structure	Debt to assets ratio %	33.38%	40.15%
	Fixed assets to long term funds ratio %	204.43%	203.35%
Insolvency	Current ratio%	211.13%	157.32%
	Quick ratio%	146.83%	114.87%
Profitability	Return on assets%	11.84%	6.60%
	Return on equity%	17.23%	9.97%
	Net profit margin %	17.98%	12.21%
	Earnings per share (NTD) (Note)	10.96	6.70

Note: The calculation is based on the weighted average number of outstanding shares during the year, retroactively adjusted to reflect any increase in the weighted average number of outstanding shares in connection with a capital increase out of earnings in previous years.

(iv) Research and Development Work

Our proprietary brand, TUF ONE planetary reducers, builds upon a solid foundation in precision positioning for processing machinery and automation systems. We are further deepening our R&D in forward-looking fields such as next-generation robotics and the Low-Altitude Economy (e-VTOL). Leveraging our extensive machining technical resources, the Company continues to develop high-torque-density and lightweight products, extending our service reach into high-end industries to provide customers with key automation solutions aligned with Artificial Intelligence trends.

As a professional manufacturer of precision metal components, the Company possesses rich expertise in CNC lathes, CNC turn-mill multitasking machines, milling machines, precision grinders, precision measurement, and process improvement. We invest these capabilities into new product process design, optimization of existing processes, the design and development of specialized machining and inspection equipment, and the research of new machining techniques. By continuously optimizing our machining artistry, we have expanded our technical advantages to key components for internal combustion engine (ICE) vehicles, bicycles/E-Bikes, electric vehicles (EVs), and hydrogen fuel cell vehicles. We are also actively positioning ourselves in precision components for high-end applications to achieve cross-industry technical integration and market expansion.

The current focus of our R&D, beyond refining core technical capabilities and enhancing product performance, is to actively align with the development trends of the global smart industry chain. Through upward integration of design and manufacturing capabilities, we are extending our precision machining advantages to AI applications and smart actuation components, playing a pivotal role in the global technology chain and the precision metal processing sector.

1.2. Summary of the Business Plan for 2026

(i) Business Policy

1. Deepen relationships with existing customers while continuously developing new customers, and keep an eye on the trends in new markets and new product developments.
2. Actively innovate and develop applications in the smart field to meet customer needs.
3. Continue expanding the production capacity of the parent and subsidiary companies to meet customer demands, drive operational growth, and enhance revenue and profitability.
4. Strictly implement cost control and expense management, continuously optimizing operational performance.
5. Introduce automation in production and inspection to improve production efficiency and technical capabilities, achieving the company's sustainability goals.
6. Implement AI, big data, and smart manufacturing plant management to comprehensively enhance process and quality capabilities.
7. Expand employee welfare, care for disadvantaged groups, and protect environmental resources.
8. Promote and implement ESG (Environmental, Social, and Governance) sustainable development strategies.
9. Implement environmental protection and energy-saving measures under the principles of "Environmentally Friendly, Energy-Efficient, Love the Earth."

(ii) Sales Volume Forecast and the Basis Thereof

The expected shipment volume of the Company and its subsidiaries is expected to significantly increase in 2026 with the injection of new production capacity. The estimated increase in shipment volume in 2026 is based on the overall production capacity status of the year and the projected growth of contract and existing orders from customers.

(iii) Important Production and Sales Policies

1. Production Policy: The Company is actively optimizing capacity allocation to meet customer order demands. We continuously research and refine manufacturing technologies, rapidly implementing automation in production and inspection. Through data-driven smart factory management, we aim to comprehensively enhance efficiency, strengthen quality control, and reduce costs.
2. Sales Policy: The Company is proactively positioning itself in the AI sector and expanding into emerging markets, dedicated to enhancing the brand awareness of our proprietary brand, TUF ONE planetary reducers. In addition to consolidating long-term partnerships with existing customers, we are simultaneously cultivating new global clients. By staying attuned to the latest market dynamics and leveraging our core competencies and craftsmanship, we precisely grasp customer needs and market trends to consistently drive growth in revenue and profitability.

1.3. Outlook of the Company

Transitioning from OEM to branding, the Company is promoting its proprietary 'TUF ONE' planetary reducers to the global stage. Facing the rapid changes and challenges of the future market environment, the Company and its subsidiaries remain committed to long-term technological development and production quality. We continue to strengthen innovative R&D, optimize operational performance, and implement rigorous quality policies. Simultaneously, by effectively curbing costs and enhancing production efficiency, we are actively cultivating new clients and emerging sectors, dedicated to pursuing higher profit growth.

This year, while deepening our roots in the precision metal component processing sector, the Company and its subsidiaries are responding to the rapid development and widespread application of Artificial Intelligence. Leveraging our accumulated domain knowledge and resources, we are committed to developing automation solutions and proactively positioning ourselves in related markets. We aim to create inherent value through product differentiation and uniqueness, with a strategic focus on expanding and strengthening the reducer market and increasing brand awareness. Furthermore, the Company will continue to enhance its integrated service capabilities—including automation, forging, heat treatment, and multi-axis machining—to broaden the core application scope of our products. By driving smart manufacturing and value transformation to increase product added value, we aspire for the Company and its subsidiaries to become benchmarks in the global precision industry, creating the maximum long-term, stable value and profitability for our shareholders.

1.4. The Impact of External Competitive Environment, Regulatory Environment and Overall Business Environment on the Company

While the global economy has benefited from the recovery of capital momentum following the interest rate cut cycle, the overall operating environment remains fraught with complex challenges. Trade barriers and tariff policy uncertainties induced by geopolitics will accelerate the restructuring of the industrial supply chain. At the same time, the application of Artificial Intelligence technology will trigger a new wave of industrial upgrading pressure and changes in the competitive landscape.

The Company will closely monitor the impact of global raw material price fluctuations and climate change on the supply chain, and will continue to strengthen risk response mechanisms to ensure the steady development of operations. Furthermore, the Company will deepen internal resource integration and enhance synergies with its subsidiaries to promote continuous business growth. Facing the rapid evolution of the regulatory environment, the Company consistently adheres to the standards of competent authorities and actively implements compliant management. By strengthening talent cultivation, we aim to enhance overall organizational competitiveness. Upholding our core business philosophy of 'Environmental, Social, and Governance' (ESG), the Company actively promotes existing operations, new product development, and new business layouts to ensure that the enterprise maintains resilience and sustainable development momentum in the global competitive environment.

Finally, a big thank you to all shareholders, ladies, and gentlemen, and to the dedicated colleagues for their long-standing support and encouragement, and to all the best regards. Wishing all

Good health and good luck!

TURVO INTERNATIONAL CO., LTD.

Chairman: LIU, CHUN-CHANG

II. Corporate Governance Report

2.1 Directors, Supervisors and Management Team

2.1.1. Directors

Director and supervisor information

31 December 2025 Unit: Shares %

Title	Nationality or place of registration	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when elected		Current Shareholding		Spouse & Minor Shareholding		Shares Held in the Name of a Third Party		Major Work experience (Education)	Concurrent positions with the Company and other companies	Other Officer or Director who is the spouse or kindred within the 2nd tier			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	ROC	Zeng Hsing Industrial Co., Ltd.	–	29 May 2025	3 years	31 August 2021	15,367,000	25.49	15,712,000	26.06	–	–	–	–			None	None	None	

		Representative: LIU, CHUN-CHANG	Male 60-69	29 May 2025	3 years	29 December 1987	1,249,599	2.07	1,249,599	2.07	185,000	0.31	–	–	Ph.D. in Engineering, College of Construction and Development, Feng Chia University President, TURVO INTERNATIONAL CO., LTD.	Chairman, HONG KONG XINFENG ENTERPRISE LIMITED Chairman and president, TURVO International Co., Ltd (YZ) Chairman and president, Dongguan Xin Feng Hardware Machinery & Plastics Industry Co., Ltd. Director, Ying Chang Investment Co., Ltd Chairman, TUF Technology Co., Ltd Chairman, TIPO INTERNATIONAL Co., Ltd Director, T&M JOINT(Cayman) HOLDING CO., LTD.				

Director	ROC	Zeng Hsing Industrial Co., Ltd.	–	29 May 2025	3 years	31 August 2022	15,367,000	25.49	15,712,000	26.06	–	–	–	–			None	None	None	
		Representative: LIN, CHIH-CHENG	Male 60-69	29 May 2025	3 years	31 August 2022	-	-	-	-	-	-	-	-	Department of Industrial Engineering, Feng Chia University Executive Master of Business Administration-Corporate Leadership Team, National Chung Hsing University President, Zeng Hsing Industrial Co., Ltd.	Chairman, Zhangjiagang Zeng Hsing Electromechanical Co., Ltd. Chairman, Zhangjiagang Zeng Hsing Trading Co., Ltd. Director, ZENG HSING INDUSTRIAL CO., LTD. (BVI) Director, JETSUN TECHNOLOGY CO., LTD. (SEYCHELLES) Chairman, Zeng Hsing Industrial Co., Ltd. (Vietnam) Chairman, Yue Hsing Precision Co., Ltd. (Vietnam) General Manager, Jetsun Technology Co., Ltd. (Vietnam) Chairman, San Dow Industrial Co., Ltd. (Representative of Zeng Hsing				

																Industrial Co., Ltd.) Chairman, Zhangjiagang Free Trade Zone Qiao Hsing Electromechanical Co., Ltd. Director, Turvo International Co., Ltd. (Representative of Zeng Hsing Industrial Co., Ltd.) Chairman, Taiwan Shijia Co., Ltd. (Representative of Zeng Hsing Industrial Co., Ltd.) Director, Taiwan Carbon Technology Co., Ltd. (Representative of Zeng Hsing Industrial Co., Ltd.) Convener and Member of Sustainable Development Committee, Zeng Hsing Industrial Co., Ltd.				

Director	ROC	Goodway Machine Corp.	–	29 May 2025	3 years	29 May 2025	6,066,216	10.06	4,947,216	0.21	–	–	–	–			None	None	None	
		Representative: YANG, CHENG –JUN	Male 50-59	29 May 2025	3 years	23 December 2024	–	–	–	–	–	–	–	–	Master of EMBA, National Chung Hsing University Legal Representative, Jin Cheng Investment Co., Ltd. Chairman, Yih Chuan Machinery Industry Co., Ltd. Founder and Chairman, YAMA SEIKI USA Inc. General Manager, Awea Mechantronic Co., Ltd. Senior Manager of Sales and Service, Goodway Machine Corp. Export Sales Manager, Goodway Machine Corp. Supervisor, The Allied Association for Science Park Industries Director, Taichung Industrial Park Manufacturers' Association	Legal Representative, Jin Cheng Investment Co., Ltd. Chairman, Yih Chuan Machinery Industry Co., Ltd. - Vice President, Goodway Group Board Director, Awea Mechantronic Co., Ltd. Executive Director, Taiwan Machine Tool & Accessory Builders' Association Supervisor, Precision Machinery Development Association of Taiwan R.O.C.				

Director	ROC	Zeng Hsing Industrial Co., Ltd.	–	29 May 2025	3 years	31 August 2022	15,367,000	25.49	15,712,000	26.06	–	–	–	–			None	None	None	
		Representative: TSAI, MING-TUNG	Male 50-59	29 May 2025		28 March 2025	130,000	0.22	200,000	0.33	–	–	–	–	Master, San Bernardino Institute of Financial Management, California, USA Executive Vice President, TURVO INTERNATIONAL CO., LTD.	Director, T&M JOINT (Cayman) HOLDING CO., LTD. Legal Representative, Matec Southeast Asia (Thailand) Co., Ltd. Director, Matec Southeast Asia (Thailand) Co., Ltd. Supervisor, TURVO International Co., Ltd (YZ)				

Director	ROC	Zeng Hsing Industrial Co., Ltd.	–	29 May 2025	3 years	31 August 2022	15,367,000	25.49	15,712,000	26.06	–	–	–	–			None	None	None	
		Representative: LIU, TUNG-LIANG	Male 60~69	29 May 2025	3 years	31 August 2022	–	–	–	–	–	–	–	–	Master, Department of Business Administration, Lunghwa University of Science and Technology Chief, Panasonic Taiwan Co., Ltd.	President, Zeng Hsing Industrial Co., Ltd. President, Zeng Hsing Industrial Co., Ltd. (VN) [Zeng Hsing (VN)] Director, Zhangjiagang Zenghsing Machinery & Electronics Co., Ltd. [Zhangjiagang] Director, Zhangjiagang Zenghsing Trading Co., Ltd. [Zhangjiagang trading] Director, SHINCO TECHNOLOGIES CO., LTD. Director, Zhangjiagang Free Trade Zone Cheau Hsing Machinery & Electronics Co., Ltd.				

Director	ROC	Zeng Hsing Industrial Co., Ltd.	–	29 May 2025	3 years	31 August 2022	15,367,000	25.49	15,712,000	26.06	–	–	–	–			None	None	None	
		Representative TSAI, CHUNG TING	Male 50-59	29 May 2025	3 years	31 March 2023	–	–	–	–	–	–	–	–	Master, Department of Business Administration, California State University, San Bernardino Manager, Marketing planning center, Zeng Hsing Industrial Co., Ltd.	Director, Canxin Investment Co., Ltd. Director, Zeng Hsing Industrial Co., Ltd. Vice President, Marketing Business Department, Zeng Hsing Industrial Co., Ltd.				
Independent Director	ROC	YI, CHANG-YUN	Male 40~49	29 May 2025	3 years	17 June 2019	-	-	-	-	-	-	-	-	Master's degree, EMBA, Feng Chia University Chief of Audit Team, KPMG Independent Director, TRANSART GRAPHICS CO., LTD. Independent Director, MERRY ELECTRONICS CO.,LTD.	Chief of ChangHua Office, EnWise CPAs & Co Chairman, Kai Yu International Co., Ltd. Independent Director, Shuz Tung Machinery Industrial Co., Ltd Independent Director, UVAT TECHNOLOGY CO., LTD. Director, Dingwei Construction Development Co., Ltd.	None	None	None	

Independent Director	ROC	SHIH, YUN-TING	Female 30~39	29 May 2025	3 years	29 May 2025	-	-	-	-	-	-	-	-	Bachelor of Laws (LL.B.), Soochow University Associate Attorney, Hsieh Wen-Tien Law Office Associate Attorney, Jia He International Law Firm	Principal Attorney, Shih Yun-Ting Law Office Independent Director, Lung Ming Green Energy Technology Engineering Co., Ltd.	None	None	None	
Independent Director	ROC	SHIEU, FUH-SHENG	Male 60~69	29 May 2025	3 years	29 May 2025	-	-	-	-	-	-	-	-	Ph.D., Cornell University, USA Minister, Ministry of Environment, Executive Yuan, R.O.C. (Taiwan) President, National Chung Hsing University Chancellor, National University System of Taiwan Chairman, College Entrance Examination Center (CEEC) Board Director, Industrial Technology Research Institute (ITRI) Supervisor, Industrial Technology Research Institute (ITRI) Board Director, Aerospace Industrial Development Corporation	Life Distinguished Professor, Department of Materials Science and Engineering, National Chung Hsing University	None	None	None	

(1) Major Shareholders of Corporate Shareholders:

Name of Institutional Shareholders	Major Shareholders	Shareholding (%)
Zeng Hsing Industrial Co., Ltd.	HONG, RUEI-YI	2.93
	HONG, CHING-WEN	2.18
	LIN, CHIH-CHENG	1.55
	HO, MENG-CHUNG	1.55
	Canxin Investment Co., Ltd.	1.47
	TSAI, CHUNG-TING	1.36
	LIAO, SU-CHEN	1.27
	Universal Microelectronics Co., Ltd.	1.19
	SinoPac Commercial Bank in Custody for Zeng Hsing Industrial Co., Ltd. Employee Stock Ownership Trust	1.17
	Vanguard Total International Stock Index Fund, A Series of Vanguard Star Funds	1.15
Goodway Machine Corp.	YANG, TE-HWA	41.21
	JiaJin Investment Co., Ltd.	7.39
	Hong Li Investment Co., Ltd.	7.17
	Zhi Yuan Investment Co., Ltd.	6.54
	Yu En Investment Co., Ltd.	6.43
	Zong Han Investment Ltd.	6.32
	Jin Cheng Investment Co., Ltd.	5.78
	Hong Hua Investment Co., Ltd.	2.66
	Hung Jiu Investment Co., Ltd.	2.66
	Hung Jiu Machine Co., Ltd.	2.33

(2) If any Major Shareholder Listed in Form 2 is a Corporate/Juristic Person, List its Major Shareholders in this Form:

Name of Institutional Shareholders	Major Shareholders	Shareholding (%)
Canxin Investment Co., Ltd.	TSAI, CHUNG-TING	30.00
	TSAI, YI-JING	25.00
	TSAI, YI-FANG	25.00
Universal Microelectronics Co., Ltd.	LIAO, SHUN-LING	42.80
	LIAO, MEI-LAN	42.80
JiaJin Investment Co., Ltd.	YANG, TE-HWA	33.32
	YANG, CHENG-CHUN	22.50
	YANG, SHANG-RU	22.46
	YANG, SHU-HAN	21.66
	YANG, TE-SHENG	0.02
	CHANG,CHUN-MU	0.02
	YANG, QING-FENG	0.02
Hong Li Investment Co., Ltd	YANG, TE-HWA	27.40
	YANG, CHENG-CHUN	24.20
	YANG, SHANG-RU	24.20
	YANG, SHU-HAN	24.20
Zhi Yuan Investment Co., Ltd.	YANG, TE-HWA	46.60
	YANG, CHENG-CHUN	17.25
	YANG, SHANG-RU	17.25
	YANG, SHU-HAN	17.25
	ZENG, QI-GUAN	0.50
	YANG, TE-SHENG	0.05
	CHANG,CHUN-MU	0.05
	YANG, QING-FENG	0.05
Yu En Investment Co., Ltd.	YANG, SHU-HAN	100.00

Name of Institutional Shareholders	Major Shareholders	Shareholding (%)
Zong Han Investment Ltd.	YANG, SHANG-RU	100.00
Jin Cheng Investment Co., Ltd.	YANG, CHENG-CHUN	100.00
Hong Hua Investment Co., Ltd.	YANG, TE-HWA	27.40
	YANG, CHENG-CHUN	24.20
	YANG, SHANG-RU	24.20
	YANG, SHU-HAN	24.20
Hung Jiu Investment Co., Ltd.	YANG, TE-HWA	31.34
	YANG, SHU-HAN	12.50
	YANG, SHANG-RU	12.50
	JIANG, JIANG-BIN	8.33
	XIAO, SU-WAN	8.33
	JIANG, SHANG-HUA	5.00
	WU, QING-ZHANG	5.00
	Yu En Investment Co., Ltd.	4.17
	Zong Han Investment Ltd.	4.17
	TSAI ZHI-CHANG	3.33
	YANG, CHENG-CHUN	3.33
	CHENG,CHEN-CHUNG	1.67
	YU,CHEN-CHUAN	0.33
Hung Jiu Machine Co., Ltd.	JiaJin Investment Co., Ltd.	60.00
	YANG, TE-HWA	38.00
	YANG, CHENG-CHUN	0.80
	YANG, SHANG-RU	0.80
	YANG, SHU-HAN	0.40

A. Professional qualifications and independence of the Directors and Supervisors and disclosure of information on the independence of Independent Directors:

Condition / Name	Professional Qualifications and Experience	Independent Status	Number of Independent Directors of other public companies
Zeng Hsing Industrial Co., Ltd. Representative: LIU, CHUN-CHANG	Ph.D. in Engineering, College of Construction and Development, Feng Chia University Currently serves as the chairman of HONG KONG XINFENG ENTERPRISE LIMITED Chairman and president of TURVO International Co., Ltd (YZ) Chairman and president of Dongguan Xin Feng Hardware Machinery & Plastics Industry Ltd. Chairman of TUF Technology Co., LTD. Director of Ying Chang Investment Co., Ltd. Chairman of TIPO INTERNATIONAL CO., LTD Director of T&M JOINT(Cayman) HOLDING CO., LTD. Director of Goodway Machine Corp.	None of any circumstances related to Article 30 of the Company Act.	—

Condition / Name	Professional Qualifications and Experience	Independent Status	Number of Independent Directors of other public companies
Zeng Hsing Industrial Co., Ltd. Representative: LIN, CHIH-CHENG	Department of Industrial Engineering, Feng Chia University Currently serves as the Chairman of Zeng Hsing Industrial Co., Ltd. Chairman of Zhangjiagang Zenghsing Machinery & Electronics Co., Ltd. [Zhangjiagang] Chairman of Zhangjiagang Zenghsing Trading Co., Ltd. [Zhangjiagang trading] Chairman of Zeng Hsing Industrial Co., Ltd. (VN) [Zeng Hsing (VN)] Chairman of SHINCO TECHNOLOGIES CO., LTD. President, JETSUN VIETNAM TECHNOLOGY CO., LTD., Chairman of Mitsumichi Industrial Co., Ltd. Chairman of Zhangjiagang Free Trade Zone Cheau Hsing Machinery & Electronics Co., Ltd.	None of any circumstances related to Article 30 of the Company Act.	—
Zeng Hsing Industrial Co., Ltd. Representative: SZU, CHING-HSING (Dismissal on 28 March 2025)	Graduated from Nanjing Industrial College with a major in electrical engineering and currently serves as the chairman of Jiadewei Industrial Co., Ltd.	None of any circumstances related to Article 30 of the Company Act.	—

Name \ Condition	Professional Qualifications and Experience	Independent Status	Number of Independent Directors of other public companies
Zeng Hsing Industrial Co., Ltd. Representative: TSAI, MING-TUNG (Newly appointed on 28 March 2025)	Master, Department of Finance, California State University, San Bernardino; currently serving as the General Manage and Spokesperson of TURVO International.Co.,Ltd.	None of any circumstances related to Article 30 of the Company Act.	—
Zeng Hsing Industrial Co., Ltd. Representative: LIU, TUNG-LIANG	Master, Department of Business Administration, Lunghwa University of Science and Technology Curretnly serves as the president of Zeng Hsing Industrial Co., Ltd. President of Zeng Hsing Industrial Co., Ltd. (VN) [Zeng Hsing (VN)] Director of Zhangjiagang Zenghsing Machinery & Electronics Co., Ltd. [Zhangjiagang] Director of Zhangjiagang Zenghsing Trading Co., Ltd. [Zhangjiagang trading] Director of SHINCO TECHNOLOGIES CO., LTD. Director of Zhangjiagang Free Trade Zone Cheau Hsing Machinery & Electronics Co., Ltd.	None of any circumstances related to Article 30 of the Company Act.	—

Name \ Condition	Professional Qualifications and Experience	Independent Status	Number of Independent Directors of other public companies
Zeng Hsing Industrial Co., Ltd. Representative: TSAI, CHUNG TING	Master, Department of Business Administration, California State University, San Bernardino Currently serves as the director of Canxin Investment Co., Ltd. Director of Zeng Hsing Industrial Co., Ltd. Vice President of Marketing Business Department, Zeng Hsing Industrial Co., Ltd.	None of any circumstances related to Article 30 of the Company Act.	—
Hong Ju Investment Co., Ltd 、 GOODWAY MACHINE CORP. Representative: YANG, CHENG –JUN	Master of EMBA, National Chung Hsing University Currently serves as Legal Representative, Jin Cheng Investment Co., Ltd. Chairman, Yih Chuan Machinery Industry Co., Ltd. Founder and Chairman, YAMA SEIKI USA Inc. General Manager, Awea Mechantronic Co., Ltd. Senior Manager of Sales and Service, Goodway Machine Corp. Export Sales Manager, Goodway Machine Corp. Supervisor, The Allied Association for Science Park Industries Director, Taichung Industrial Park Manufacturers' Association	None of any circumstances related to Article 30 of the Company Act.	—

<table>
<tr><th>Condition
Name</th><th>Professional Qualifications and Experience</th><th>Independent Status</th><th>Number of Independent Directors of other public companies</th></tr>
<tr><td>YI,
CHANG-YUN</td><td>Master’s degree,
EMBA,
Feng Chia University
Currently serves as the chief of Changhua Office, EnWise CPAs & Co,
Chairman of
Kai Yu International Co., Ltd.
Independent Director of Merry Electronics Co., Ltd.
Independent Director of Shuz Tung Machinery Co., Ltd.
Independent Director, of UVAT TECHNOLOGY CO., LTD.
Director of Dingwei Construction Development Co., Ltd.</td><td rowspan="3">During the two years before being elected or during the term of office, none of any circumstances related to Article 30 of the Company Act. Without violating the provisions of Article 27 of the Company Act, the following independence assessment criteria apply for the election of government, judicial person, or representatives:
1.Not an employee of the company or any of its affiliates.
2.Not a director or supervisor of the company or any of its affiliates.
3.Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
4.Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.</td><td>2</td></tr>
<tr><td>SHIH,YUN-TING
(Newly appointed on 29 May 2025)</td><td>Bachelor, Department of Law, Soochow University
NOW:Principal Attorney, Shih Yun-Ting Law Office；
Independent Director, Lung Ming Green Energy Technology Engineering Co., Ltd.</td><td>1</td></tr>
<tr><td>HSUEH,FU-SHENG
(Newly appointed on 29 May 2025)</td><td>Ph.D., Cornell University, USA
NOW:Life Distinguished Professor, Department of Materials Science and Engineering, National Chung Hsing University</td><td>—</td></tr>
</table>

HUANG, LI-HEN (Dismissal on 29 May 2025)	Master’s degree, EMBA, Feng Chia University Concurrently serves as the director of Rossmax International Ltd.	5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. 6. If a majority of the company's director seats or voting shares and those of any other company are not controlled by the same person: a director, supervisor, or employee of that other company. 7. If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are not the same person or are spouses: a director (or governor), supervisor, or employee of that other company or institution. 8. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company.	—
LO, SHIH-MIN (Dismissal on 29 May 2025)	Ph.D., International Business National Taiwan University Now: Professor, Department of International Business Studies, National Chi Nan University		—

		9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NTD500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations. 10.Not a spouse, relative within the second degree of kinship with other directors.	

B. Diversity and independence of the board of directors:

(a) Diversity and independence of the board:

Diversity of the Board:

In order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, Turvo's Board of Directors has passed the “Corporate Governance Best Practice Principles,” according to the Article 20 of which: The component of board members should take diversity into consideration and formulate an appropriate diversification policy based on its own operation, operation type and needs, which should include but not limited to fundamental condition and value (gender, age, nationality and culture) and professional knowledge and skills (law, accounting, industry, finance, marketing or technology), professional skills and industrial experience.

The nomination and selection of board members in accordance with the regulation of Company Act and has adopted nomination system. Aside from each candidate’s academic qualification, also comply with “Guidelines Governing Election of Directors” and “Corporate Governance Best Practice Principles” to ensure board members’ diversity.

(b) Specific management objectives:

Turvo's Board of Directors guides the Company's strategies and supervises various implementation results and is responsible to the Shareholders' Meeting. The various operations and arrangements of its corporate governance system aim at ensuring that the Board of Directors execute its powers in accordance with laws, regulations of the Company's Articles of Association or resolutions of the Shareholders' Meeting. All Directors of Turvo's possess necessary knowledge, skills, literacy, and industrial decision-making and management capabilities that are necessary for business execution. The Company continues to arrange multiple training courses for Directors to improve decision-making quality and supervision ability and further enhance the capabilities of the Board of Directors. According to Article 20 of the company's "Corporate Governance Best Practice Principles," in order to achieve the ideal goals of corporate governance, the board of directors as a whole should possess the following competencies:

1.Operational Judgment Ability.

2.Accounting and Financial Analysis Ability.

3.Management Ability.

4.Crisis Management Ability.

5.Industry Knowledge.

6.Global Market Perspective.

7.Leadership Ability.

8.Decision-Making Ability.

●Specific management objectives and achievement of the diversity policy for the Board of Directors:

Management Objectives	Achievement
A director who concurrently serves as a company executive should not hold more than one-third of the total board seats.	Achieved
At least one-third of the seats for independent directors should have expertise in accounting, finance, or the industry.	Achieved
The number of independent directors should not be less than one-third of the total number of board seats.	Achieved
Independent Directors should not serve more than three consecutive terms	Achieved

(c) Implementation of diversity among board members:

Title	Director Name	Nationality	Gender	Serve as an employee	Age				Term/Seniority of Independent Director			Industry Experience				Professional capabilities							
					30-39	40-49	50-59	60-69	Less than	3-9 years	Over 9 years	Electric Machinery	Commercial	Machining	Industry, Official and	Judgement in operation	Accounting and financial	Corporate management	Crisis management	Industry knowledge	International view of	Leadership	Decision-making
Chairman	Zeng Hsing Industrial Co., Ltd. Representative: LIU, CHUN-CHANG	ROC	Male	v				v				v				v	v	v	v	v	v	v	v
Director	Zeng Hsing Industrial Co., Ltd. Representative: LIN, CHIH-CHENG	ROC	Male					v				v	v			v	v	v	v	v	v	v	v

Title	Director Name	Nationality	Gender	Serve as an employee	Age				Term/Seniority of Independent Director			Industry Experience				Professional capabilities							
					30-39	40-49	50-59	60-69	Less than	3-9 years	Over 9 years	Electric Machinery	Commercial	Machining	Industry, Official and	Judgement in operation	Accounting and financial	Corporate management	Crisis management	Industry knowledge	International view of	Leadership	Decision-making
Director	Zeng Hsing Industrial Co., Ltd. Representative: TSAI, MING-TUNG	ROC	Male	v			v					v				v	v	v	v	v	v	v	v
Director	Zeng Hsing Industrial Co., Ltd. Representative: LIU, TUNG-LIANG	ROC	Male					v				v	v			v	v	v	v	v	v	v	v
Director	Zeng Hsing Industrial Co., Ltd. Representative: TSAI, CHUNG TING	ROC	Male				v						v					v	v		v	v	v

Title	Director Name	Nationality	Gender	Serve as an employee	Age				Term/Seniority of Independent Director			Industry Experience				Professional capabilities							
					30-39	40-49	50-59	60-69	Less than	3-9 years	Over 9 years	Electric Machinery	Commercial	Machining	Industry, Official and	Judgement in operation	Accounting and financial	Corporate management	Crisis management	Industry knowledge	International view of	Leadership	Decision-making
Director	Goodway Machine Corp. Representative: YANG, CHENG –JUN	ROC	Male				v								v	v		v	v	v	v	v	v
Independent Director	YI, CHANG-YUN	ROC	Male			v				v			v			v	v	v	v		v	v	v
Independent Director	SHIEU, FUH-SHENG	ROC	Male					v	v						v	v		v	v		v	v	v
Independent Director	SHIH, YUN-TING	ROC	Female		v				v				v			v		v	v	v	v	v	v

The Company currently has a Board of Directors consisting of nine members, including three independent directors. The Company places importance on gender diversity of the Board. At present, there is one female director, representing 11% of the Board. In addition, two directors are employee representatives, accounting for 22.22% of the Board. In terms of age distribution, one director is aged between 30 and 39, one between 40 and 49, three between 50 and 59, and four between 60 and 69.

C. Succession Planning for Board Members and Key Management Personnel:

(1)Succession Planning for Board Members

The company currently has 9 board members, including 3 independent directors. The selection of board members is based on the company's Articles of Incorporation, using a candidate nomination system, and handled according to the company's "Board Election Procedures." Moving forward, the company will continue to provide different opportunities for qualified individuals to understand and participate in the operations of the board or functional committees, in order to cultivate future board members.

The board participates in both internal and external training courses on annual key issues. Additionally, the board has established a performance management system to ensure effective operation through performance evaluations, which will serve as a reference for selecting future directors.

(2)Succession Planning for Key Management Personnel

The successors to key management personnel must possess management, decision-making, analytical, and crisis management skills, in addition to aligning with the company’s core values. Key management personnel within the company are those at the level of assistant manager and above, each of whom has a designated deputy. To cultivate key management personnel and their deputies, the company conducts internal training courses through TURVO Academy, covering areas such as management skills, professional expertise, and problem-solving in management functions. In addition to internal training, employees are encouraged to participate in external training programs to enhance their capabilities and improve decision-making quality. This prepares high-quality human resources needed for the company's long-term development.

Furthermore, through external professional courses, each individual is scheduled for six to eighteen hours of continuing education annually. Management training and job rotations help potential successors improve their management abilities and thinking. By the time they are scheduled to take on their new roles, they will have completed the necessary succession preparations. To address various operational challenges at different stages of the company’s development, candidates are arranged to participate in monthly management meetings, ensuring a gradual and structured training process. This guarantees a smooth transition for key management positions and supports the achievement of the company’s operational goals and long-term sustainable corporate social responsibility.

2.1.2. Management Team

31 December 2025 Unit: Shares: %

Title (Note1)	Nationality	Name	Gender	Date Elected	Shareholdings		Shares Currently Held by Spouse & Minors		Shares held in the name of a third party		Major Work Experience (Education) Note 2)	Concurrent positions with the Company and other companies	Other Officer or Director who is the Spouse or Kindred within the 2nd Tier.			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
General Manager & Spokesperson	ROC	TSAI, MING-TUNG	Male	1 July 2021	200,000	0.33	–	–	–	–	Master of Finance Management from the Institute of Financial Management, San Bernardino, California, USA. TURVO INTERNATIONAL CO., LTD.	Director, T&M JOINT(Cayman) HOLDING CO., LTD. Responsible person, Matec Southeast Asia (Thailand) CO., LTD. Supervisor, TURVO International Co., Ltd (YZ)	None	None	None	
Special Assistant to the Chairman, Office of the Chairman	ROC	LIN, SHU-TA	Male	1 April 2011	–	–	–	–	–	–	Master's Degree, Mechatronics Engineering, National Changhua University of Education Manager of Solar Energy Department, Gallant Precision Machining	Director, Matec Southeast Asia (Thailand) Co., Ltd	None	None	None	
Vice President, Taiwan Factory (TURVO)	ROC	CHIANG, CHENG-CHI	Male	1 April 2022	10,000	0.02	–	–	–	–	Master's Degree, Business Administration, Tunghai University Factory Director, YI Jinn Industrial CO., LTD.	None	None	None	None	
Vice President, Sales Division	ROC	TSENG, FEI-CHENG	Male	1 October 2025	2,000	0.00	–	–	–	–	EMBA, National Kaohsiung University CEO of MaxMothes Fasteners	None	None	None	None	(Note 1)

Title (Note1)	Nationality	Name	Gender	Date Elected	Shareholdings		Shares Currently Held by Spouse & Minors		Shares held in the name of a third party		Major Work Experience (Education) Note 2)	Concurrent positions with the Company and other companies	Other Officer or Director who is the Spouse or Kindred within the 2nd Tier.			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director, Office of the Chairman	ROC	PAN, HUAI-CHI	Male	1 September 2014	11,000	0.02	–	–	–	–	Mechatronics Engineering, National Changhua University of Education Manager, Gallant Precision Machining	None.	None	None	None	
Director, Finance Management Department, Finance supervisor	ROC	WU, HSIAO-JUI	Female	18 November 2010	6,000	0.01	–	–	–	–	Master's Degree. Accounting, National Cheng Kung University Manager, Audit Department, Deloitte & Touche	Director, T&M JOINT(Cayman) HOLDING CO.,LTD Director, Matec Southeast Asia (Thailand) Co., Ltd	None	None	None	
Director, General Manager Office and Corporate Governance Supervisor	ROC	LEE, YI-YEN	Female	7 November 2022	–	–	–	–	–	–	Master, EMBA, Feng Chia University Assistant Vice President, and spokesperson, Cryomax Cooling System Corp. Manager of Business Management Department, Avertronics INC.	None	None	None	None	
Chief Engineer and Head of R&D of the Taiwan Plant (TURVO)	ROC	CHANG, YU-TSUNG	Male	10 September 2004	8,000	0.01	1,000	0.00	–	–	Department of Machine Building, National Yunlin Institute of Technology Section Manager, TAKUMI Machinery Co., Ltd.	None.	None	None	None	(Note 2)

Title (Note1)	Nationality	Name	Gender	Date Elected	Shareholdings		Shares Currently Held by Spouse & Minors		Shares held in the name of a third party		Major Work Experience (Education) Note 2)	Concurrent positions with the Company and other companies	Other Officer or Director who is the Spouse or Kindred within the 2nd Tier.			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Associate General Manager, Taiwan Plant (TURVO)	ROC	SU, JUE-WU	Male	1 July 2024	–	–	–	–	–	–	Graduated from the Department of Business Administration, Ling Tung Technical College Consultant at Jiaye Precision Co., Ltd.	None	None	None	None.	
Associate General Manager, Gearbox Business Division, Taiwan Plant (TURVO)	ROC	CHEN, JUN-HAO	Male	1 January 2025	5,000	0.01	2,100	0.00	–	–	Master's Degree in Mechatronics from National Changhua University of Education Senior Department Manager of the System Integration Division at Jialian Zhilian Co., Ltd.	None	None	None	None.	
Manager, Finance and Accounting Supervisor	ROC	WU,PEI-JHEN	Female	20 March 2024	–	–	1	0.00	–	–	Graduated from the Department of Accounting at National Changhua University of Education Manager of the Tax Department at Ernst & Young Taiwan.	None	None	None	None.	
Manager, Auditing Office	ROC	LAN, MENG-CHEN	Female	3 March 2022	-	-	-	-	-	-	Master's Degree, Accounting and Information Technology, National Chung Cheng University Senior Accounting Officer, UNIVERSAL MICROELECTRONICS CO., LTD. Manager,President's Office, TURVO INTERNATIONAL CO., LTD	None	None	None	None.	

Note 1: TSENG, FEI-CHENG was newly appointed as Vice President of the Sales Division, effective October 01, 2025..

Note 2 :CHANG, YU-TSUNG, formerly the Chief Engineer and Head of R&D of the R&D Division, was reassigned to the position of Chief Engineer and Head of R&D of the Taiwan Plant (TURVO) on July 1, 2025.

2.2. Remuneration to Directors, Supervisors, Presidents and Vice Presidents

2.2.1. Remuneration to Ordinary Directors and Independent Directors

Unit: NTD (in thousands): Shares: %

Title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		Base compensation (A)		Retirement pay and pension (B)		Director profit-sharing compensation (C)		Expenses and perquisites (D)				Salary, rewards, and special disbursements (E)		Retirement pay and pension (F)		Employee profit-sharing compensation (G)						
																The Company		All consolidated entities				
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All consolidated entities	
Chairman	Zeng Hsing Industrial Co., Ltd. Representative: LIU, CHUN-CHANG (Note1)	—	—	—	—	5,919	5,919	235	235	6,154 1.52%	6,154 1.52%	3,730	16,303	108	108	1,200	—	2,400	—	11,192 2.77%	24,965 6.18%	NA
Director	Zeng Hsing Industrial Co., Ltd. Representative: LIN, CHIH-CHENG (Note1)																					
Director	Zeng Hsing Industrial Co., Ltd. Representative: SZU, CHING-HSING (Note3)																					
Director	Zeng Hsing Industrial Co., Ltd. Representative: TSAI, MING-TUNG (Note1) (Note3)																					
Director	Zeng Hsing Industrial Co., Ltd. Representative: LIU, TUNG-LIANG (Note1)																					
Director	Zeng Hsing Industrial Co., Ltd. Representative: TSAI, CHUNG-TING (Note1)																					
Director	Hongjhu Investment Co., Ltd. Representative: YANG, CHENG –JUN (Note2)																					
Director	Goodway Machine Corp. Representative: YANG, CHENG –JUN (Note1)																					

Title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		Base compensation (A)		Retirement pay and pension (B)		Director profit-sharing compensation (C)		Expenses and perquisites (D)				Salary, rewards, and special disbursements (E)		Retirement pay and pension (F)		Employee profit-sharing compensation (G)						
																The Company		All consolidated entities				
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All consolidated entities	
Independent Director	I, CHANG-YUN (Note1)	–	–	–	–	2,287	2,287	120	120	2,407 0.60%	2,407 0.60%	—	—	—	—	—	—	—	—	2,407 0.60%	2,407 0.60%	NA
Independent Director	SHIH, YUN-TING (Note1)																					
Independent Director	SHIEU, FUH-SHENG (Note1)																					
Independent Director	HUANG, LI-HEN (Note2)																					
Independent Director	LO, SHIH-MIN (Note2)																					

1. As of the date of publication of this annual report, the details for the distribution of 2025 employee remuneration have not yet been finalized. The amount listed above is a proposed figure calculated based on the actual distribution ratio of 2024.

2. Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid:

(1) In accordance with Article 23 of the Company's Articles of Incorporation, the Board of Directors is authorized to determine the remuneration of all directors based on their level of participation and contribution to the Company's operations, while taking into account industry standards. Furthermore, if the Company records a profit for the year, pursuant to Article 26, the profit (referring to profit before tax, before deducting the distribution of remuneration to employees and directors) shall first be used to offset any accumulated losses. If there is a remaining balance, 3.5% to 7% shall be allocated as employee remuneration and no more than 1.7% as director remuneration.

(2) For years with earnings distribution, the remuneration of directors is determined by considering the Company's operating performance, future risks, development strategies, and industry trends, as well as individual performance evaluation results, participation levels, and contribution values to ensure reasonable compensation. Performance evaluations and remuneration distributions are reviewed and approved by the Remuneration Committee and the Board of Directors. The remuneration policy is reviewed periodically in response to the overall environment and corporate strategy to balance sustainable operations and the interests of stakeholders.

(3) The individual director performance evaluation indicators include the following six categories:

A. Mastery of Corporate Goals and Missions: Directors possess a thorough understanding of the Company's core values and a clear understanding of all strategic goals set by the Board.

B. Awareness of Director Responsibilities: Full understanding of the legal obligations of directors and strict adherence to confidentiality regarding internal information obtained during the performance of duties.

C. Level of Participation in Operations: Actual attendance at Board meetings, making effective contributions, accurately assessing and monitoring various existing or potential risks, discussing the execution and follow-up of internal control systems, and not concurrently serving as directors or supervisors in an excessive number of other companies.

D. Internal Relationship Management and Communication: Positive interaction between directors and the management team, and effective communication with certified public accountants (CPAs) and other Board members.

E. Professionalism and Continuing Education: Possessing the expertise required for Board decision-making and continuous professional development to enhance knowledge and skills.

F. Internal Control: Recusal from voting due to conflicts of interest in relevant proposals; effective assessment and supervision of internal control systems and risk management; and monitoring the Company's accounting system, financial status, financial reports, audit reports, and their follow-up status.

2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises): None.

Note 1. The Directors (including Independent Directors) assumed their offices following a comprehensive re-election at the Annual General Meeting held on 29 May 2025. Their term of office is from 29 May 2025 to 28 May 2028.

Note 2. The Directors (including Independent Directors) were dismissed following the comprehensive re-election at the Annual General Meeting held on 29 May 2025.

Note 3. Zeng Hsing Industrial Co., Ltd. re-designated its representative on 28 March 2025. The original representative, SZU, CHING-HSING, was dismissed, and the new representative is TSAI, MING-TUNG.

Remuneration Range Table

Payment to individual Directors along the payment scale	Name of Director			
	Sum total of the above 4 items (A+B+C+D)		Sum total of the above 7 items (A+B+C+D+E+F+G	
	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements
Less than NTD1,000,000	LIN, CHIH-CHENG, LIU, TUNG-LIANG, TSAI, CHUNG- TING, YANG, CHENG-JUN, SZU, CHING-HSING, HUANG, LI-HEN, LO, SHIH-MIN, YI, CHANG-YUN, SHIH,YUN-TING, HSUEH,FU-SHENG	LIN, CHIH-CHENG, LIU, TUNG-LIANG, TSAI, CHUNG- TING, YANG, CHENG-JUN, SZU, CHING-HSING, HUANG, LI-HEN, LO, SHIH-MIN, YI, CHANG-YUN, SHIH,YUN-TING, HSUEH,FU-SHENG	LIN, CHIH-CHENG, LIU, TUNG-LIANG, TSAI, CHUNG- TING, YANG, CHENG-JUN, SZU, CHING-HSING, HUANG, LI-HEN, LO, SHIH-MIN, YI, CHANG-YUN, SHIH,YUN-TING, HSUEH,FU-SHENG	LIN, CHIH-CHENG, LIU, TUNG-LIANG, TSAI, CHUNG- TING, YANG, CHENG-JUN, SZU, CHING-HSING, HUANG, LI-HEN, LO, SHIH-MIN, YI, CHANG-YUN, SHIH,YUN-TING, HSUEH,FU-SHENG
NTD1,000,000 (inclusive)-NTD2,000,000 (exclusive)	LIU, CHUN-CHANG TSAI, MING-TUNG	LIU, CHUN-CHANG TSAI, MING-TUNG	LIU, CHUN-CHANG	,—
NTD2,000,000 (inclusive)-NTD3,500,000 (exclusive)	—	—	—	—
NTD3,500,000 (inclusive)-NTD5,000,000 (exclusive)	—	—	—	—
NTD5,000,000 (inclusive)-NTD10,000,000 (exclusive)	—	—	TSAI, MING-TUNG	TSAI, MING-TUNG
NTD10,000,000 (inclusive)-NTD15,000,000 (exclusive)	—	—	—	LIU, CHUN-CHANG
NTD15,000,000 (inclusive)-NTD30,000,000 (exclusive)	—	—	—	—
NTD30,000,000 (inclusive)-NTD50,000,000 (exclusive)	—	—	—	—
NTD50,000,000 (inclusive)-NTD100,000,000 (exclusive)	—	—	—	—
More than NTD100,000,000	—	—	—	—
Total	12	12	12	12

2.2.2. Remuneration to President(s) and Vice President(s) Unit: NTD (in thousands); Shares

<table>
<tr><th rowspan="3">Title</th><th rowspan="3">Name</th><th colspan="2">Remuneration(A)</th><th colspan="2">Severance Pay and Pensions
(B)</th><th colspan="2">Bonuses and Allowances
(C)</th><th colspan="4">Remuneration to employee
(D)</th><th colspan="2">(A+B+C+D) as a % of Net Income</th><th rowspan="3">Compensation Paid to Directors from Non-consolidated Affiliates or Parent Company</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial statements</th><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial statements</th><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial statements</th><th colspan="2">The Company</th><th colspan="2">All companies included in the financial statements</th><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial statements</th></tr>
<tr><th>Cash</th><th>Stock</th><th>Cash</th><th>Stock</th></tr>
<tr><td>Chief Executive Officer</td><td>TSAI, MING-TUNG</td><td rowspan="5">7,023</td><td rowspan="5">7,193</td><td rowspan="5">372</td><td rowspan="5">372</td><td rowspan="5">3,150</td><td rowspan="5">6,833</td><td rowspan="5">2,400</td><td rowspan="5">-</td><td rowspan="5">2,400</td><td rowspan="5">-</td><td rowspan="5">12,945
3.21%</td><td rowspan="5">16,798
4.20%</td><td rowspan="5">None</td></tr>
<tr><td>Vice President</td><td>CHIANG, CHENG-CHI</td></tr>
<tr><td>Vice President</td><td>TSENG, FEI-CHENG (Note 2)</td></tr>
<tr><td>Special Assistant to the Chairman</td><td>CHEN, PING-HO (Note 3)</td></tr>
<tr><td>Special Assistant to the Chairman</td><td>LIN, SHU-TA</td></tr>
</table>

Note 1: The remuneration to president and vice president includes bonus and employee remuneration. The remuneration to president and vice presidents based on the contribution to the Company's operation and reference to the level of our peers.

Note 2: TSENG, FEI-CHENG was newly appointed as Vice President of the Sales Division, effective October 01, 2025..

Note 3: CHEN, PING-HO resigned from his position as Special Assistant to the Chairman on May 3, 2025.

Remuneration Range Table

Remuneration to individual Presidents and Vice Presidents along the payment scale	Name of President and Vice President	
	The Company	All companies included in the financial statements (E)
Less than NTD1,000,000	CHEN, PING-HO, TSENG,FEI-CHENG	CHEN, PING-HO, TSENG,FEI-CHENG
NTD1,000,000 (inclusive)-NTD2,000,000(exclusive)	—	—
NTD2,000,000 (inclusive)-NTD3,500,000(exclusive)	LIN, SHU-TA,	LIN, SHU-TA
NTD3,500,000 (inclusive)-NTD5,000,000(exclusive)	CHIANG, CHENG-CHI	CHIANG, CHENG-CHI
NTD5,000,000 (inclusive)-NTD10,000,000(exclusive)	TSAI, MING-TUNG	TSAI, MING-TUNG
NTD10,000,000 (inclusive)-NTD15,000,00(exclusive)	—	—
NTD15,000,000 (inclusive)-NTD30,000,000(exclusive)	—	—
NTD30,000,000(inclusive)-NTD50,000,000(exclusive)	—	—
NTD50,000,000(inclusive)-NTD100,000,000(exclusive)	—	—
More than NTD100,000,000	—	—
Total	5	5

2.2.3. Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers:

Unit: NTD (in thousands); thousand shares

Title		Name	Stock	Cash	Total	The total amount in proportion to net income (%)
Managers	Chief Executive Officer	TSAI, MING-TUNG	-	5,425	-	1.36%
	Vice President	CHIANG, CHENG-CHI				
	Vice President	TSENG,FEI-CHENG				
	Special Assistant to the Chairman	LIN, SHU-TA				
	Chief Engineer	CHANG, YU-TSUNG				
	Director	PAN, HUAI-CHI				
	Director	WU, HSIAO-JUI				
	Director	SU, JUE-WU				
	Director	CHEN, JUN-HAO				
	Director	LEE, YI-YEN				
	Manager	LAN, MENG-CHEN				
	Manager	WU,PEI-JHEN				

2.2.4. Comparison and Explanation of the Total Compensation of Directors, General Managers, and Deputy General Managers of the Company and all Consolidated Companies in the Past Two Years as a Percentage of the After-Tax Net Profit of Individual or Separate Financial Reports, and Explanation of the Policy, Standards, Composition, Procedures for Determining Compensation, and Relationship with Operational Performance and Future Risks of Compensation. The total payment from the Company and all companies included in the financial statements to the directors, supervisors, presidents, and vice presidents as remuneration in the last 2 years in proportion to the net income:

(1) The Ratio of Total Compensation of Directors, Supervisors, General Managers, and Deputy General Managers Paid by the Company and all Consolidated Companies in the Past Two Years to After-Tax Net Profit:

Unit: %

Item	2024		2025	
	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements
Director	1.95	4.84	3.37	6.84
Supervisor (Note1)	-	-	-	-
President and Vice President	4.06	4.75	3.21	4.20

Note 1: There was no supervisor.

(2) Policy, Standards, Composition, Procedures for Determining Compensation, and Relationship with Operational Performance and Future Risks of Compensation Paid by the Company:

I. Policy, Standards, and Structure of Directors' Remuneration:

(i) In accordance with Article 23 of the Company's Articles of Incorporation, "the remuneration of all directors is authorized to be determined by the Board of Directors based on the extent of their participation in the Company's operations and their contributions, with reference to the prevailing standards in the industry."

In addition, if the Company records profits in a given year, pursuant to Article 26 of the Articles of Incorporation, after deducting accumulated losses from the current year's profits (i.e., profit before tax and before distribution of employee and director remuneration), if there is a remaining balance, 3.5% to 7% shall be allocated as employee remuneration and no more than 1.7% as director remuneration.

(ii) In years where earnings are distributable, director remuneration is determined not only with reference to the Company's operating performance, future risks, development strategies, and industry trends, but also by considering the results of the annual individual performance evaluations of directors, their level of participation in operations, and their contribution value, so as to provide reasonable compensation.

The performance evaluation and remuneration distribution are conducted in accordance with relevant regulations, submitted to the Remuneration Committee and the Board of Directors for review and approval. The remuneration policy is also reviewed in a timely manner in light of the overall environment and corporate strategies, with due consideration to sustainable development and the interests of stakeholders.

(iii) The individual performance evaluation criteria for directors include the following six indicators:

A. Understanding of Corporate Goals and Missions:

Directors have a clear understanding of the Company's core values and the strategic objectives established by the Board of Directors.

B. Awareness of Directors' Duties:

Directors fully understand their statutory duties, properly handle internal company information obtained during the execution of their duties, and strictly comply with confidentiality obligations.

C. Level of Participation in Company Operations:

Including actual attendance at Board meetings, making effective contributions during meetings, properly evaluating and supervising existing or potential risks faced by the Company, engaging in discussions on the implementation and monitoring of internal control systems, and not concurrently serving as directors or supervisors in an excessive number of companies.

D. Internal Relationship Management and Communication:

Maintaining good interactions with the management team, as well as effective communication with certified public accountants and other board members.

E. Professional Competence and Continuing Education:

Possessing the professional expertise required for Board decision-making and continuously enhancing knowledge and skills through ongoing education.

F. Internal Control:

Including proper recusal from conflicts of interest in relevant proposals, effective evaluation and supervision of internal control systems and risk management, and oversight of the Company's accounting system, financial condition, financial reports, audit reports, and follow-up actions.

II. Policies, Criteria, and Components of Managerial Remuneration :

To ensure the regular evaluation of managerial compensation, the Company refers to the performance appraisal results conducted under its "Performance Evaluation Policy" applicable to managers and employees.

In addition, the performance evaluation and the reasonableness of compensation for directors and managers are reviewed and approved annually by the Remuneration Committee and the Board of Directors. Such assessments take into account not only individual performance achievement and contribution to the Company, but also the Company's overall operating performance, financial performance indicators, strategic direction, management practices, industry conditions, and corporate sustainability development.The compensation system is also reviewed and adjusted in a timely manner in response to actual operating conditions and relevant regulations, with the aim of achieving a balance between the Company's sustainable development and effective risk management.

III. Relationship between Operational Performance and Future Risks:

The Company's compensation policy, including payment standards and related systems, is reviewed primarily based on the overall operating conditions of the Company. Payment standards are determined with reference to performance achievement rates and individual contributions, with the aim of enhancing the effectiveness of the Board of Directors and the overall organization.

The performance objectives of the Company's managers are integrated with risk management to ensure that potential risks within their scope of responsibilities are properly managed and mitigated. Performance evaluation results are determined based on actual performance and are linked to relevant human resource policies and compensation frameworks.

Major decisions made by the Company's management are carried out after a balanced consideration of various risk factors. The performance of such decisions is reflected in the Company's profitability, thereby linking management compensation to the effectiveness of risk management.

2.3 Implementation of Corporate Governance

2.3.1 Board of Directors Operations

TURVO INTERNATIONAL CO., LTD. implements transparent operations, and pays attention to shareholders' rights and interests, and ensures the implementation of an efficient corporate governance foundation of the board of directors. The board of directors has authorized the established Audit Committee and the Remuneration Committee, with their Articles of Incorporation approved by the board. These committees assist the board in overseeing the exercise of responsibilities to achieve the ideal goal of corporate governance.

To fulfill corporate social responsibility, TURVO INTERNATIONAL CO., LTD ensures the human rights of every employee, customer, and stakeholder. Turvo supports and abides by each fundamental principle that are disclosed by International Bill of Human Rights, and fully demonstrate respect and the of protecting obligation of human right. Turvo committed to ensuring that both internal and external members of Turvo are equally treated with dignity and has been actively promoting the policies.

The Board of Directors of TURVO INTERNATIONAL CO., LTD. is composed of Directors who possess extensive experiences in corporate governance, financial field, or other professional fields. Turvo’s Directors are knowledgeable, insightful, and professional judgment. Turvo’s board members possess various professional backgrounds in each industry and academy. Turvo’s Independent Directors are held by the chief of EnWise CPAs & Co, YI, CHANG-YUN, the Director of ROSMAX INTERNATIONAL LTD, HUANG, LI-HEN, and an associate professor in the Department of International Business Studies, College of Management at National Chi Nan University, LO, SHIH-MIN.

The Board of Directors of Turvo convened a total of 8 meetings in 2025. The attendance of the directors is specified below:

Title	Name	Number of Required Attendances (A)	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) 【B/A】
Director	Zeng Hsing Industrial Co., Ltd. Representative- LIU, CHUN-CHANG	8	8	0	100%
Director	Zeng Hsing Industrial Co., Ltd. Representative- LIN, CHIH-CHENG	8	8	0	100%

Director	Zeng Hsing Industrial Co., Ltd. Representative- SZU, CHING-HSING （Note 1）	2	2	0	100%
Director	Zeng Hsing Industrial Co., Ltd. Representative- TSAI, MING-TUNG （Note 1）	6	6	0	100%
Director	Zeng Hsing Industrial Co., Ltd. Representative- LIU, TUNG-LIANG	8	8	0	100%
Director	Zeng Hsing Industrial Co., Ltd. Representative- TSAI, CHUNG TING	8	8	0	100%
Director	Hong Ju Investment Co., Ltd Representative- YANG, CHENG-JUN, （Note 2）	4	4	0	100%
Director	Goodway Machine Corp. YANG, CHENG-JUN, （Note 3）	4	4	0	100%
Independent Director	YI, CHANG-YUN	8	8	0	100%
Independent Director	HUANG, LI-HEN （Note 2）	4	4	0	100%
Independent Director	LO, SHIH-MIN （Note 2）	4	4	0	100%
Independent Director	SHIH,YUN-TING （Note 3）	4	4	0	100%
Independent Director	HSUEH,FU-SHENG （Note 3）	4	4	0	100%

Note 1. Zeng Hsing Industrial Co., Ltd. reassigned its representative, with the original representative, SZU, CHING-HSING, dismissed and TSAI, MING-TUNG appointed as the new representative, on March 28, 2025.

Note 2. All directors (including independent directors) were dismissed following the comprehensive re-election at the annual shareholders' meeting on May 29, 2025.

Note 3. All directors (including independent directors) were newly appointed following the comprehensive re-election at the annual shareholders' meeting on May 29, 2025.

Additional information:

(1). If any of the following applies to the Board in session, specify the date, the session of the meeting, the content of the motions, the opinions of all Independent Directors, and the response of the Company to the opinions of the Independent Directors:

(i) Particulars inscribed in Article 14-3 of the Securities and Exchange Act:

The Company has set up an Audit Committee, which is in accordance with the relevant matters of particulars inscribed in Article 14-3 of the Securities and Exchange Act. For relevant information, please refer to "Operation of Audit Committee" of the annual report.

(ii) Further to the aforementioned issues, any other adverse opinions, or qualified opinions from the Independent Directors on record or in written declaration on the resolutions of the Board: None.

(2). The recusal of the Directors from motions involving a conflict of interest. Specify the names of the Directors, the content of the motions, the reasons for recusal and the participation in voting:

Date	Name of Director	Session of the Board	Content of the Motions	Reasons for Recusal	Participation in Voting
08 January 2025	Zeng Hsing Industrial Co., Ltd. Representative - LIU, CHUN-CHANG	The 15th term The 13th meeting	Discussion on the distribution of 2024 year-end bonus for the managers by the Remuneration Committee in 2025.	The director concurrently serves as the Company's manager.	Chairman LIU, CHUN-CHANG, a person with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection and was implemented.
05 March 2025	Zeng Hsing Industrial Co., Ltd. Representative - LIU, CHUN-CHANG	The 15th term The 14th meeting	Discussion on the 2025 salary adjustment for the managers by the Remuneration Committee in 2025.	The director concurrently serves as the Company's manager.	Chairman LIU, CHUN-CHANG, a person with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection and was implemented.
05 March 2025	Zeng Hsing Industrial Co., Ltd. Representative - LIU, CHUN-CHANG	The 15th term The 14th meeting	Discussion on the second distribution of 2024 year-end bonus for the managers by the Remuneration Committee in 2025.	The director concurrently serves as the Company's manager.	Chairman LIU, CHUN-CHANG, a person with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection and was implemented.
05 March 2025	Zeng Hsing Industrial Co., Ltd. Representative -LIU, CHUN-CHANG	The 15th term The 14th meeting	Discussion on the 2024 employees' compensation distribution for the managers by the Remuneration Committee in 2025.	The director concurrently serves as the Company's manager.	Chairman LIU, CHUN-CHANG, a person with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection and was implemented.
05 March 2025	Zeng Hsing Industrial Co., Ltd.. Representative-LIU, CHUN-CHANG	The 15th term The 14th meeting	Discussion on the 2024 incentive scheme for additional year-end bonus and its distribution to the managers by the Board of Directors in 2025.	The director concurrently serves as the Company's manager.	Chairman LIU, CHUN-CHANG, a person with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection and was implemented.
05 November 2025	Zeng Hsing Industrial Co., Ltd.. Representative-LIU, CHUN-CHANG、TSAI, MING-TUNG	The 16th term The 3rd meeting	Discussion on the amendment to the 2024 employees' compensation distribution for the managers (originally approved at the 14th meeting of the 15th Board of Directors) by the Board of Directors in 2025.	The directors concurrently serve as the Company's managers.	Chairman LIU, CHUN-CHANG and Director TSAI, MING-TUNG, being persons with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection.

(3) TWSE listed and TPEx listed companies should disclose the information on the evaluation cycle, evaluation period, evaluation scope, evaluation method and evaluation content of the self-assessment (or peer assessment) of the Board:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once a year	January 2025 December 2025	The board of directors	Internal self-evaluation of board of directors	1. Participation in the operation of the Company 2. Improvement of the quality of the board of directors' decision making 3. Composition and structure of the board of directors 4. Election and continuing education of the director 5. Internal control
Once a year	January 2025-December 2025	The board members	Self-assessment of board members	1. Alignment of the goals and missions of the company 2. Awareness of the duties of a director 3. Participation in the operation of the Company 4. Internal relationship management and communication 5. The director's professionalism and continuing education 6. Internal control
Once a year	January 2025-December 2025	Audit Committee	Internal self-evaluation of Audit Committee	1. Participation in the operation of the Company 2. Awareness of the duties of the functional committee 3. Improvement of the quality of the functional committee's decision-making 4. Composition of the functional committee and election of its members 5. Internal control
Once a year	January 2025-December 2025	Remuneration Committee	Internal self-evaluation of Remuneration Committee	1. Participation in the operation of the Company 2. Awareness of the duties of the functional committee 3. Improvement of the quality of the functional committee's decision making 4. Makeup of the functional committee and election of its members 5. Internal control
Once every three years	October 2022-September 2023	The performance evaluation of board of directors	External Evaluation Organization: Taiwan Investor Relations Institute	1. Composition and professional development of the Board of Directors 2. Quality of decision-making by the Board of Directors 3. Efficiency of the Board of Directors' operations 4. Internal control and risk management 5. Degree of the Board of Directors' participation in corporate social responsibility

(4) Measures taken to strengthen the functionality of the board of the current periods (such as, setting up an Audit Committee, improving information transparency, etc.) and implementation status assessment:

(I) Strengthening and Effectively Exercising the Functions of the Board of Directors:

(i) To implement corporate governance and clearly define performance objectives in order to enhance the functions and operational efficiency of the Board of Directors, Turvo approved amendments to the "Board Performance Evaluation Regulations" by a Board resolution on August 6, 2020. The performance of the Board of Directors is evaluated at least once annually, and performance evaluations of the Remuneration Committee and the Audit Committee are also conducted.

(ii)Turvo's Board of Directors operates in full compliance with the "Rules of Procedure for Board of Directors Meetings" and relevant laws and regulations. The accounting officer and the chief internal auditor also attend Board meetings and provide relevant reports for the directors' reference.

(iii)Turvo has established the position of Corporate Governance Officer upon approval by the Board of Directors to assist directors in performing their duties and to enhance the effectiveness of the Board.

(II) Enhancing Information Transparency:

The financial statements of Turvo and its subsidiaries are audited and certified on a regular basis by Ernst & Young (EY). All information required to be disclosed under applicable laws and regulations is accurately and timely disclosed.

On January 12, 2023, the Board of Directors approved the "Procedures for Handling Material Information," and designated dedicated personnel responsible for the collection and disclosure of corporate information. A spokesperson and an acting spokesperson system have been established to ensure timely and appropriate disclosure of material information.

Turvo has also established a corporate website linked to the Market Observation Post System (MOPS), providing shareholders and stakeholders with access to relevant financial and operational information.

2.3.2 Operation of Audit Committee:

The Audit Committee of Turvo held 7 meetings in 2025. The attendance of independent directors are as follows:

Title	Name	Number of Required Attendances (A)	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)
Independent Director	YI, CHANG-YUN	7	7	0	100%
Independent Director	HUANG, LI-HEN (Dismissal on 28 March 2025)	4	4	0	100%
Independent Director	LO, SHIH-MIN (Dismissal on 28 March 2025)	4	4	0	100%
Independent Director	SHIH, YUN-TING (Newly appointed on 28 March 2025)	3	3	0	100%
Independent Director	HSUEH, FU-SHENG (Newly appointed on 28 March 2025)	3	3	0	100%

The operation of the Audit Committee or the participation of the supervisor in the operation of the board of directors

(1) The main points of the works of Audit Committee:

Turvo's audit committee consists of 3 independent directors. The purpose of the Audit Committee is to assist the board with the execution of its duties to supervise Turvo on accounting, internal audit, financial reporting progress and the quality and integrity of internal control.

Matters reviewed mainly listed below:

- Financial statements, auditing and accounting policies and procedures.
- Internal control system and related policies and procedures.
- Significant asset or derivative transaction.
- Significant fund lending and endorsements or guarantees.
- Place or issue securities.
- Derivatives financial instruments and cash investment.
- Regulatory compliance
- Matters involving directors' own interests.
- Fraud prevention plan and fraud investigation report.
- Corporate risk management.
- Appointment, dismissal, or remuneration of CPAs
- Appointment and removal of financial, accounting, or internal audit supervisors.
- Performance of Audit Committee's duties.
- Audit Committee's Performance Evaluation self-assessment questionnaire

Other items required to be stated:

(2) If any of the following occurs during an Audit Committee meeting, the date and session of the Audit Committee meeting, the content of the proposal, any objections or reservations expressed at the meeting or material recommendations of the independent directors, the resolutions of the Company's handling of the opinions of Audit Committee should be stated.

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

Date of the Audit Remuneration meeting (Term)		Content of the motions
08January , 2025	The 3rd term, The 12th meeting	Revision of the Company's 2025 budget plan.
		Revision of the Company's "Articles of Incorporation".
		Revision of the "Organizational Structure".
		Proposal for the change of the Company's managers.
05 March , 2025	The 3rd term, The 13th meeting	The Company's 2024 Internal Control System Statement.
		Discussion on the land acquisition and investment agreement by the subsidiary, TURVO International Co., Ltd. (YZ)
		The Company's 2024 Business Report and Financial Statements.
		Discussion on the distribution of employee and director remuneration for 2024.
		Proposal for the 2024 earnings distribution.
		Proposal for the distribution of cash dividends from 2024 earnings.
		Proposal for the change of the Company’s certified public accountants.
		Independence assessment of the certified public accountants for 2025.
		Appointment of the certified public accountants for 2025.
		Discussion on applying for a short-term comprehensive financing limit of US$11 million and derivative financial products of US$1.5 million from HSBC (Taiwan).
		Discussion on the credit line application from Cathay United Bank.
		Defining the scope of the Company’s entry-level employees.
		Proposal for the re-election of the Company's directors (including independent directors).
17 April , 2025	The 3rd term, The 14th meeting	Proposal for the nomination list of director candidates (including independent directors).
		Proposal to release the non-compete restrictions on the new directors and their representatives.
08 May , 2025	The 3rd term, The 15th meeting	Revision of certain provisions of the Company's "Table of Authority".
		Revision of the "Organizational Structure"
		The Company's consolidated financial statements for the first quarter of 2025.
		Financial statements of TIPO INTERNATIONAL CO., LTD. (SAMOA) and T&M Joint (Cayman) Holding Co., Ltd. for 2024.
		Discussion on applying for a financing limit of US$7 million from DBS Bank (Taiwan) for operating capital needs.
		Proposal to adjust the authorized amount for the sale of equity in T&M Joint (Cayman) Holding Co., Ltd. or the sale of real estate in Matec Southeast Asia (Thailand) Co., Ltd.
		Proposal for the retirement of the Company’s managers.

06 August , 2025	The 4th term, The 1st meeting	Discussion on the Company's 2024 "Sustainability Report".
		Revision of certain provisions of the "Internal Control System - Procurement Cycle (PU)".
		Revision of certain provisions of the "Internal Control System - Payroll Cycle (WA)".
		The Company's consolidated financial statements for the second quarter of 2025.
		Discussion on applying for an annual credit line of NT$200 million and a transaction limit for financial products of NT$10 million from CTBC Bank for operating capital needs.
		Discussion on the credit line of RMB 500,000 from Agricultural Bank of China for TURVO International Co., Ltd. (YZ)
05 November , 2025	The 4th term, The 2nd meeting	Internal audit plan for 2026.
		The Company's consolidated financial statements for the third quarter of 2025.
		Discussion on the audit fees for the 2025 certified public accountants.
		Discussion on applying for a credit line of NT$150 million from Mega International Commercial Bank. Discussion on applying for financing of NT$140 million from Taishin Bank (including a NT$20 million hedge limit for derivative financial products).
		Credit line application from Citibank (Taiwan).
		Discussion on lending US$2 million to the subsidiary TIPO INTERNATIONAL CO., LTD. (SAMOA).
		Discussion on the lending of US$100,000 from TIPO INTERNATIONAL CO., LTD. (SAMOA) to T&M Joint (Cayman) Holding Co., Ltd.
		Discussion on the lending of THB 30 million from TIPO INTERNATIONAL CO., LTD. (SAMOA) to Matec Southeast Asia (Thailand) Co., Ltd.
		Discussion on the lending of RMB 70 million from the subsidiary Dongguan Xinfeng Hardware Machinery Plastic Industry Co., Ltd. to the Company.
		Addition of "Management Measures for the Delivery of Souvenirs for Shareholders' Meetings and the Collection of Deposits".
		Proposal for the issuance of the first domestic unsecured convertible corporate bonds.
		Review of the appointment and dismissal of the Company's managers.
26 December , 2025	The 4th term, The 3rd meeting	Capital expenditure for the acquisition of gear grinding equipment.
Objections of Independent directors: None. Contents of reserved opinions or major suggestions: None.		
The resolution result of Audit Committee and the response of the Company to the opinions of Audit Committee: The members of Audit Committee passed all the motions without objections, and the board of directors approved all the motions in accordance with the Audit Committee’s suggestions.		

(II) In addition to the above matters, matters resolved by over two-thirds of the board of directors but not yet resolved by the Audit Committee: None.

2. With respect to independent directors excusing themselves in the case of conflict of interest, the Independent Directors’ names, contents of motion, reasons for conflict of interest and votes should be specified: None.

3. Independent communication status between independent directors, audit supervisors and CPAs (which should include major events, methods, and results of communication on the Company's financial and business conditions, etc.).

(I) In addition to sending various internal audit reports and the improvement on deficiencies in internal control systems and tracking table of each quarter to Independent Directors every month, the Audit Supervisor regularly convenes the Audit Committee meeting at least once a quarter to explain the audit business, audit results and follow-up status to the independent directors.

The communication status is as follows:

Date (Term) of the Audit Remuneration meeting	Communication Matters	Communication Result
08 January 2025 The 3rd Audit Committee The 12th meeting	Internal Audit Report	The Audit Committee passed the issue without objections and was submitted to the board for reporting.
5 March 2025 The 3rd Audit Committee The 13th meeting	Internal Audit Report Report on the Status of Communications Between the Audit Committee and the Chief Internal Auditor for Fiscal Year 2024 2024 Statement of Internal Control System	The Audit Committee passed the issue without objections and was submitted to the board. After being approved, the application was handled according to the regulations.
8 May 2025 The 3rd Audit Committee The 15th meeting	Internal Audit Report	The Audit Committee passed the issue without objections and was submitted to the board for reporting.
6 August 2025 The 4th Audit Committee The 1st meeting	Internal Audit Report	The Audit Committee passed the issue without objections and was submitted to the board for reporting.
5 November 2025 The 4th Audit Committee The 2nd meeting	Internal Audit Report 2026 Audit Plan	The Audit Committee passed the issue without objections and was submitted to the board. After being approved, the application was handled according to the regulations.
5 November 2025 Independent Directors and Chief Internal Auditor Exclusive Communication Meeting	None.	None.

(II)The Company’s CPAs’ communication matters on corporate government unit and the executives:

(1)The independent directors of the Audit Committee and the CPAs hold regular meetings annually for face-to-face communication, and if necessary, the CPAs also communicate and discuss in written form. The scope includes the independence and related responsibilities of CPAs to review the consolidated financial statements, review planning-related matters, review key issues, review the contents of the report and the review results of the interim consolidated financial statements.

(2)The Audit Committee completed the audit report after referring to the consolidated financial statements and report reviewed by professional CPAs.

Note:(1) If specific independent director resigned before the end of the year, specify the date of relief from office, the actual attendance rate (%) calculated on the basis of the frequency of the convention of the Audit Committee and frequency of attendance to the session of the Audit Committee in the remark column.

(2) If there is an election of independent directors before the end of the fiscal year, specify the name of the newly elected and the previous Independent Directors, and note down if the independent directors are in office, newly elected or reelected, and the date of the election. The actual attendance rate (%) will be calculated on the basis of the frequency of the convention of the Audit Committee and the actual frequency of attendance to the sessions of the Audit Committee within the term of office.

2.3.3. Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
I. Does the Company formulate and disclose the Corporate Governance Best Practice based on "Corporate Governance Best Practice Principles for Listed Companies?"	✓		Turvo has formulated Corporate Governance Best Practice in accordance with the "Corporate Governance Best Practice Principles for Listed Companies," and has disclosed on Turvo's website.	No significant deviation.
II. Corporate equity structure and shareholders' equity				
(I) Does the Company formulate the internal operation procedure to handle shareholders' proposal, doubt, dispute and litigation and implements it in accordance with the procedure.	✓		(I) Turvo has set up spokesperson system inaccordance with the regulations. The spokesperson or acting spokesperson is responsible for issues such as shareholders' suggestions or disputes to ensure the rights and interests of shareholders.	No significant deviation.
(II) Does the Company master the principal shareholders actually controlling the companyand the final controller list of principalsshareholders?	✓		(II) Turvo has entrusted a professional stock affairs agency, and a dedicated person is responsible for handling related matters. By this means, Turvo can master the list of the principal shareholders actually controlling Turvo.	No significant deviation.
(III) Does the Company establish and executes the risk control and firewall mechanism with the affiliated enterprise?	✓		(III) Turvo has stipulated "Supervisory Measures to the Subsidiary," "Measures for the Administration of Related Party Transactions" and internal control-related operating regulations to prevent relevant matters.	No significant deviation.
(IV) Does the Company formulate the internal specification to prohibit the corporate insiders to buy or sell negotiable securities by using the information undisclosed in market?	✓		(IV) Turvo has stipulated "Management on the Prevention of Insider Trade" to regulate Turvo and insiders. Prohibit the behaviors that may involve insider trading to protect investors and safeguard the rights and interests of Turvo and disclose it on Turvo's website.	No significant deviation.

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
III. Composition and responsibilities of the board of directors				
(I) Does the board of directors draft the Diversification policy, specific management objective and implements it in terms of the member composition?	✓		(I) The Company's directors are selected through a strict process. The selection of the Company's Directors not only considers diverse backgrounds, professional capabilities, and experience, but also emphasizes their personal reputation in ethical behavior and leadership. So far, the Company has six directors and three independent directors. The directors and independent directors possess various different professional backgrounds, which makes the Company's board of directors to perform the function of business decision-making and leadership supervision. (Please refer to "Diversity and Independence of the Board of Directors" on Page 23 of the annual report.	No significant deviation.
(II)Does the Company voluntarily set other functional committees apart from the Remuneration committee and Audit Committee?	✓		(II) Turvo has set up a Remuneration Committee and an Audit Committee in accordance with the law, as well as a risk management team.	No significant deviation.
(III) Does the company formulate the performance evaluation method and evaluation way of the board of directors, and regularly carries out performance evaluation each year?	✓		(III) Turvo has established a Board of Directors Performance Evaluation Method, which has been approved by the Board of Directors. At the end of each year, an internal performance evaluation of the Board of Directors is conducted, including an assessment of the operational performance of the Board of Directors and self-assessment by individual directors. After summarizing, an evaluation report and improvement suggestions are submitted to the Board of Directors. The evaluation results are then reported by the end of the first	No significant deviation.

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
			quarter of the next year and used as a reference for the individual director's compensation and nomination for reappointment. Turvo conducted the evaluation of the directors/board and functional committees' performance for the fiscal year 2025, in November 2025, with the evaluation report presented at the Board of Directors meeting on January 21, 2026. The Board of Directors Performance Evaluation Method specifies that an external evaluation should be conducted at least once every three years. For the fiscal year 2023, the external evaluation of the Board of Directors' performance was entrusted to the "Taiwan Investor Relations Institute" to conduct the assessment. The association and its executing experts have independence from Turvo's business dealings. The assessment was conducted through questionnaires, on-site interviews, and online interviews, focusing on five dimensions: board composition and professional development, quality of decision-making by the board, operational efficiency of the board, internal control and risk management, and the board's participation in corporate social responsibility. The evaluation result was 4.57 points out of 5. Additionally, objective suggestions from directors were obtained through open-ended question interviews by the external evaluation organization, which Turvo considered and implemented improvement measures to continuously enhance the effectiveness of the board and strengthen corporate governance mechanisms. The evaluation period	

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
(IV) Does the Company regularly evaluate the independence of CPAs?	✓		was from October 1, 2022 to September 30, 2023, and the evaluation report was submitted to the Board of Directors on January 11, 2024. For evaluation results, improvement suggestions, and future improvement plans, please refer to the Corporate Governance section on Turvo's website. (IV) Turvo's Audit Committee evaluates the independence and suitability of the CPAs annually. In addition to requiring the CPAs to provide an "Independence Statement" and "Audit Quality Indicators (AQIs)," the evaluation is conducted based on the CPAs independence assessment criteria and 13 AQI indicators. It was confirmed that the CPAs and the firm had no financial interests or business relationships other than the fees for certification and taxation cases. Also, the family members of the CPAs did not violate independence requirements, and based on AQI indicator information, it was confirmed that the CPAs and the firm had audit experience and training hours comparable to industry averages. Furthermore, in the past three years, they have continued to introduce and strengthen digital audit tools to improve audit quality. The evaluation results for the most recent fiscal year were discussed and approved by the Audit Committee on March 4, 2026, and reported to the Board of Directors for resolution on March 4, 2026. (Please refer to the assessment of accountant independence in this annual report).	No significant deviation.

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
IV. Does the Company have a suitable number of competent corporate governance personnel, and has it appointed a corporate governance supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their duties, assisting Directors and Supervisors with regulatory compliance, handling matters related to Board meetings and shareholders' meetings, and preparing proceedings for Board meetings and shareholders' meetings)?	✓		Turvo's board meeting approved the appointment of senior manager of General Manager Office, Lee, Yi-Yen as corporate governance supervisor on 7 August 2023. The corporate governance supervisor is responsible for matters related to corporate governance, including handling matters relating to board meetings, audit committee, remuneration committee and shareholders' meetings by law, assists in onboarding and continuing education of directors and Audit Committee, provides information required for the performance of duties by directors and audit committee and assists directors and audit committee in complying with laws and regulations, etc. Turvo has set up corporate governance full-time (part-time) units or personnel to be responsible for corporate governance-related affairs. Turvo designates senior executives to be responsible for supervision and corporate governance related matters, including handling matters related to meetings of the board of directors, Audit Committee, Remuneration Committee and shareholders' meeting by the law; Assisting directors and Audit Committee members in their appointment and continuing education; Providing directors, members of Audit Committee to comply with the law, etc.	No significant deviation.

<table>
<tr><th rowspan="2">Items Evaluated</th><th colspan="3">Implementation Status</th><th rowspan="2">Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies</th></tr>
<tr><th>Yes</th><th>No</th><th>Brief Explanation</th></tr>
<tr><td>V. Does the Company establish communication channels with stakeholders (including, but not limited to, shareholders, employees, customers, and suppliers) and set up a dedicated corner to stakeholders on the Company’s website and does the Company respond appropriately to corporate social responsibility issues that stakeholders consider important?</td><td>✓</td><td></td><td>Depending on the situation, Turvo has set up a dedicated corner for stakeholders on Turvo’s website. Providing sound communication and contact information including employees, investors, customers, and suppliers to properly respond to related issues of concern to stakeholders, including corporate social responsibility.</td><td>No significant deviation.</td></tr>
<tr><td>VI. Does the Company commission a professional stock affair agency to manage shareholders' meetings and other relevant affairs?</td><td>✓</td><td></td><td>Turvo has appointed a professional stock transfer agency, the department of stock transfer agent of CTBC Bank, to handle various stock affairs of Turvo.</td><td>No significant deviation.</td></tr>
<tr><td>VII. Information Disclosure
(I) Does the Company establish a public website to disclose financial and corporate governance information?</td><td>✓</td><td></td><td>(I)Turvo has set up a website, and there is a dedicated person that is responsible for maintaining the website. The important financial, business information and corporate governance information will be updated to the website in a timely manner for the reference of shareholders and stakeholders.
Turvo’s website: http://www.turvo.com.tw</td><td>No significant deviation.</td></tr>
</table>

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
(II) Does the Company adopt other means of information disclosure (such as establishing an English version website, delegating a professional to collect and disclose company information, implement a spokesperson system, and disclosing the process of investor conferences on the Company's website)?	✓		(II) Turvo has set up the Chinese version website and is actively planning to build a multilingual official website. Turvo designates a dedicated unit to be responsible for the collection of various financial and business information of Turvo, which has been regularly and irregularly disclosed and reported on the Market Observation Post System in accordance with the regulations. According to the law, Turvo has implemented spokesperson system.	No significant deviation.
(III) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly sales results, before the prescribed time limit?？		✓	(III) Turvo announces and declares the Q1,Q2, and Q3 financial reports and the operating status of each month before the deadline in accordance with the relevant regulations. For the disclosure of relevant information, please refer to Market Observation Post System.	Same as the contents of brief explanation.

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
VIII. Does the Company disclose other important information to facilitate better understanding of the Company's corporate governance practices (including, but not limited to current status of employee rights, employee care, investor relations, supplier relations, stakeholders' rights, Director and Supervisor continuing education status, risk management policies, and risk measurement standards as well as the implementation of client policies and the Company's purchase of Liability Insurance for its Directors and Supervisors)?	✓		(I) Employee rights and employee care: Turvo do not have prejudice against the differences in gender, race, nationality, etc. while recruiting and appointing personnel. Turvo spares no efforts to maintain employee rights. All the employees of Turvo have taken out Labor Insurance, Health Insurance and Group Insurance in accordance with the laws. Turvo allocates Retirement Reserves in accordance with the law to protect the rights and interests of employees and provides employees with good work environment. (II) Investor relations and stakeholders' rights: Regarding the Turvo's investor relations and stakeholders' rights, Turvo maintains a smooth communication channel. Turvo gives full play to the spokesperson system and upholds the principle of integrity. Turvo releases public information in real time to safeguard investor relations and stakeholders' rights and interests. (III) For supplier relations, Turvo and its subsidiaries have formulated the "Supplier Management Measures." Turvo requires close cooperation with suppliers, who are also evaluated regularly to ensure timely delivery and quality standards. Turvo maintains a strong and collaborative relationship with its suppliers.	No significant deviation. No significant deviation. No significant deviation.

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
			(IV) Director and Supervisor continuing education status: Turvo actively encourages the Directors to engage in continuing education. For the relevant status of continuing education, please refer to the continuing education status of the Directors of the annual report.	No significant deviation.
			(V) Implementation of risk management policies, and risk measurement standards: Turvo has implemented in accordance with relevant regulations, Turvo's internal control system, and "Regulations Governing the Acquisition and Disposal of Assets," etc.	No significant deviation.
			(VI) The implementation of client policies: Turvo and its subsidiaries have a sound customer complaint handling process, and have also established "Customer Complaint Management Measures" and "Customer Satisfaction Evaluation Management Measures." Turvo regularly conducts customer satisfaction surveys every year, and the interaction and communication with customers have always been good.	No significant deviation.

<table>
<tr><th rowspan="2">Items Evaluated</th><th colspan="3">Implementation Status</th><th rowspan="2">Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies</th></tr>
<tr><th>Yes</th><th>No</th><th>Brief Explanation</th></tr>
<tr><td></td><td></td><td></td><td>(VII) Turvo’s purchase of Liability Insurance for its Directors and Supervisors:
Turvo has enrolled all the directors for Liability Insurance from Cathay Century Insurance.The enrollment period was from 31 December 2025 to 31 December 2026.

(VIII) Regarding personnel obtaining relevant licenses from the competent authorities related to financial information transparency:
1 person holds a certified public accountant (CPA) license.</td><td>No significant deviation.</td></tr>
<tr><td colspan="5">IX. Explain the corrective action taken in response to the evaluation result released by Corporate Governance Center of Taiwan Stock Exchange Corporation in the previous period, and special attention and additional effort on issues that needed to be addressed to a top priority.

After the annual evaluation results are announced, Turvo will review the projects that have not yet reached the evaluation standards, and adjust and improve successively. In terms of information disclosure, Turvo adjusts and updates the annual report and discloses the contents on Turvo’s website. Turvo is also invited to participate in institutional investors' conferences to make Turvo’s information more transparent and reduce information asymmetry.</td></tr>
</table>

CPA’s independence evaluation:

Items Evaluated	Evaluation Result	Independence Status
1. There has no direct or indirect material financial interest relationship between the CPAs and the Company.	Yes	Yes
2. There has no material and close business relationship between the CPAs and the Company.	Yes	Yes
3. There has no potential employment relationship during the period of auditing the Company.	Yes	Yes
4. The CPAs have no money loan situation with the Company.	Yes	Yes
5. The CPAs did not accept gifts or gifts of great value from the Company and its Directors and Manager. (The gifts’ value is beyond social etiquette standards)	Yes	Yes
6. The CPAs did not provide the Company audit service for seven consecutive years.	Yes	Yes
7. The CPAs did not hold any of the Company’s shares.	Yes	Yes
8. The CPAs, their spouses or dependent relatives, and their audit team did not serve as Directors, Managers or hold positions that have a significant impact on audit cases during the audit period or in the past two years.	Yes	Yes
9. Whether the CPAs have complied with the independence regulations of The Norm of Professional Ethics for Certified Public Accountant of the Republic of China Bulletin No.10 and has acquired “Declaration of Independence” from the CPAs.	Yes	Yes

2.3.4 Remuneration Committee

A. Information on Remuneration Committee Members

<table>
<tr><th>Conditions
Identity</th><th>Name</th><th>Professional qualification and work experience</th><th>Independence Status</th><th>Number of Other Public Companies in Which the Concurrently Serving as a Remuneration Committee member</th></tr>
<tr><td>Independent Director (Convener , 5th Term)</td><td>HUANG, LI-HEN (Dismissal on 29 May 2025)</td><td rowspan="3">The Company’s Remuneration Committee consisted of three Independent Directors. For information on the members’ professional experiences, please refer to “Professional qualifications and independence of the Directors and Supervisors and disclosure of information on the independence of Independent Directors” in the annual report.</td><td rowspan="3">All the Remuneration Committee members comply with the following status:
1. Comply with particulars inscribed in Article 14-6 of the Securities and Exchange Act stipulated by Financial Supervisory Commission and the relevant rules of “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company whose stock is listed on the Taiwan Stock Exchange or the Taipei Exchange.
2. The person (or in the name of a third party), spouse and minor children do not hold more than 1% of the Company’s total issued shares.
3. No business, legal, financial, and accounting services rendered to the Company or its affiliates in the last 2 years.</td><td>-</td></tr>
<tr><td>Independent Director</td><td>I, CHANG-YUN</td><td>3</td></tr>
<tr><td>Independent Director</td><td>LO, SHIH-MIN (Dismissal on 29 May 2025)</td><td>-</td></tr>
</table>

Independent Director (Convener , 6th Term)	SHIH, YUN-TING (Newly appointed on 29 May 2025)			1
Member	YEN, WEN-PI (Newly appointed on 29 May 2025)	The 6th term of the Company's Remuneration Committee consisted of two Independent Directors and an external member. ● Current Positions Independent Director, GSEO (Genius Electronic Optical Co., Ltd.) Independent Director, Yeun Chyang Industrial Co., Ltd. Independent Director, RiteSuns Photovoltaics (Cayman) Co., Ltd. Independent Director, Hydra-Sun Precision Machinery Co., Ltd. ● Education Master of Accounting and Information Technology, National Chung Cheng University ● Experience Certified Public Accountant (CPA), Ernst & Young (EY) Taiwan		4

B. Operation of the Remuneration Committee

(A) Turvo's Remuneration Committee members consisted of 3 people.

(B) The term of the Compensation Committee for the 5th term is from November 3, 2022, to May 29, 2025. The term of the Compensation Committee for the 6th term is from August 6, 2025, to May 28, 2028. The Compensation Committee held 4 meetings in 2025. The qualification and attendance of the members are as follows

Title	Name	Number of Required Attendances (A)	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)
Independent Director (Convener, 5th Term)	HUANG, LI-HEN (Dismissal on 29 May 2025)	3	3	0	100%
Independent Director	YI, CHANG-YUN	4	4	0	100%
Independent Director	LO, SHIH-MIN (Dismissal on 29 May 2025)	3	3	0	100%
Independent Director (Convener, 6th Term)	SHIH, YUN-TING (Newly appointed on 6 August 2025)	1	1	0	100%
Member	YEN,WEN-PI (Newly appointed on 6 August 2025)	1	1	0	100%

Key Responsibilities of the Remuneration Committee:

1.To review these regulations periodically and propose amendments.
2. To establish and periodically review the performance evaluation standards for directors and managerial officers, as well as their annual and long-term performance objectives, and the policies, systems, standards, and structures of compensation; and to disclose such standards.
3. To periodically evaluate the performance of directors and managerial officers and, based on the evaluation results, determine their individual compensation, including the linkage and reasonableness between compensation and performance.

Date	Remuneration Committee	Content of the motions	Resolutions	The response of the Company to the opinions of Remuneration Committee
8 January 2025	The 5th Remuneration Committee The 10th meeting	Discussion on the review of salary for newly appointed managers.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.
8 January 2025	The 5th Remuneration Committee The 10th meeting	Review of the 2024 year-end bonus distribution for managers.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.
5 March 2025	The 5th Remuneration Committee The 11th meeting	Review of the 2024 distribution of employees' compensation and directors' remuneration.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.

5 March 2025	The 5th Remuneration Committee The 11th meeting	Discussion on the review of the 2024 directors' remuneration.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.
5 March 2025	The 5th Remuneration Committee The 11th meeting	Discussion on the review of the 2025 salary adjustment for managers.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.
5 March 2025	The 5th Remuneration Committee The 11th meeting	Discussion on the review of the second distribution of 2024 year-end bonus for managers.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.
5 March 2025	The 5th Remuneration Committee The 11th meeting	Discussion on the review of the 2024 employees' compensation distribution for managers.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.
5 March 2025	The 5th Remuneration Committee The 11th meeting	Discussion on the 2024 incentive scheme for additional year-end bonus and its distribution to managers.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.
8 May 2025	The 5th Remuneration Committee The 12th meeting	Discussion on the application for preferential retirement benefits for the Company's manager.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.
5 November 2025	The 6th Remuneration Committee The 1st meeting	Discussion on the review of salary for newly appointed managers.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.
5 November 2025	The 6th Remuneration Committee The 1st meeting	Discussion on the update of the 2024 employees' compensation distribution for managers.	After the chairman consulted all directors attending the meeting, the proposal was passed without objection.	Implemented as the content of motions.

Other items required to be stated:

I. If the board turned down or revised the recommendation of the Remuneration Committee, specify the date, session of the board, the content of the motion, the resolution of the board and the response of Turvo to the opinions of the Remuneration Committee (if the resolution on remuneration passed by the board is senior to the recommendation of the Remuneration Committee, explain the difference and the reason): None.

II. If there is any adverse opinion or qualified opinion on record or in written declaration on the resolutions of the Remuneration Committee, specify the date, session of the committee meeting, content of the motion, opinions of all members and response to the opinions of the members: None.

Note: (1) If specific member elected to resign within the fiscal year, put down the date of relief from office in the remark column. The actual attendance rate (%) will be calculated on the basis the actual frequency of attendance to the session of the Remuneration Committee and the frequency of the convention of the Remuneration Committee while the Director is still in office.

(2) If an election of directors has been held to fill the vacancy before the end of the fiscal year, put down the names of the newly elected members and the members of the previous term, and noted as new to office or reelected to office, and the date of the election. The actual attendance rate (%) will be calculated basis the actual frequency of attendance to the session of the Remuneration Committee and the frequency of the convention of the Remuneration Committee while the member is still in office.

2.3.5 Implementation of sustainable development promotion and difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof

Items Advocated	Implementation Status			Variation from the Sustainable Development Best Practice Principles of TWSE Listed and TPEx Listed Companies, and the reason
	Yes	No	Brief Explanation	
I. Has the Company built up a governance framework for the advocacy of sustainable development, and established a full-time (part-time) body for the advocacy of sustainable development led by a senior officer at the authorization of the Board and under the supervision of the Board?	V		Turvo has established a "Sustainability Committee" and formulated annual implementation guidelines. The Committee is supervised by the Chairman, with the General Manager serving as the Chairperson. It is composed of relevant departments, and the General Manager's Office collaborates with the heads of each department to convene cross-functional teams—covering Corporate Governance, Sustainable Environment, and Social Welfare—based on different risk categories. These teams are responsible for identifying stakeholder issues, prioritizing material topics, and proposing sustainability-related policies, systems, and annual implementation plans to the Board of Directors. The Committee reports its annual performance results and future directions to the Board of Directors at least once a year. It has reported to the Board on November 5, 2025. The Board of Directors reviews the Sustainability Committee's report, examines the relevant implementation content and direction, and evaluates the likelihood of success of these strategies. When necessary, the Board supervises the management team and directs adjustments accordingly.	No significant deviation.

<table>
<tr>
<td>II.Has the Company conducted assessment on the risks inherent to the operation environment, social context, and issues of corporate governance under the principle of materiality, and mapped out the risk management policy or strategy?</td>
<td>V</td>
<td></td>
<td>Turvo has formulated risk management policies. The implementation of risk management policies is jointly promoted by the board of directors, Audit Committee, President and President’s Office, various risk management units, and all departments. Through risk assessment and analysis of relevant issues, sustainable risk identification and management related to Turvo's operating issues of environmental, social, and corporate governance are conducted, with a primary focus on Taiwan plants. A summary of the related content is as follows:
<table>
<tr><th>Material topic</th><th>Risk</th><th>Countermeasures for risk</th></tr>
<tr><td rowspan="2">Environment</td><td>Waste disposal management</td><td>1. In accordance with the Waste Disposal Act and relevant regulations, establish a “Waste Management Procedure” and a “Waste Disposal Plan,” and review and update them annually.
2. Ensure that waste classification, reporting, and contracted waste hauling operations comply with the requirements of the competent authorities.
3.Track the total volume of waste and the recycling and reuse rate, and progressively increase the proportion of resource recovery.</td></tr>
<tr><td>Climate change risks</td><td>1.Set medium- and long-term greenhouse gas (GHG) reduction targets in accordance with the Science Based Targets initiative (SBTi) framework, establish a carbon emissions inventory mechanism, and regularly disclose carbon inventory data through CDP.</td></tr>
</table>
</td>
<td>No significant deviation.</td>
</tr>
</table>

					2. Continuously monitor energy intensity, and promote the replacement of aging equipment with high-efficiency alternatives and process improvements. 3.Assess climate-related physical and transition risks, and incorporate them into Turvo’s annual risk management framework.		
				Energy saving and carbon reduction	1.The first phase of the solar photovoltaic system has been completed, adopting a self-consumption model with surplus electricity sold to the grid, thereby reducing carbon emissions and external electricity costs. 2.The second phase has been completed, progressively increasing the proportion of renewable energy usage to achieve Turvo’s carbon reduction roadmap targets. 3.An energy-efficient equipment replacement plan is being implemented to continuously optimize energy consumption in production processes.		
			Society	Occupational Health and Safety	1. Maintain the operation of the ISO 45001 Occupational Health and Safety Management System, conduct annual employee health checkups, and identify high-risk groups for health monitoring and targeted seminars. 2. Establish an Occupational Health and Safety Committee to regularly review risk assessment results and implement hazard identification and corrective measures. 3. Aim to reduce occupational injury rates and illness-related absenteeism, and strengthen the overall workplace safety culture.		

				Human Rights Protection and Diversity & Inclusion	1.In accordance with the "Work Rules" and the " Workplace Unlawful Conduct Prevention Plan ," implement human rights protection measures. Conduct annual internal training sessions on communication and diversity & inclusion to strengthen organizational communication and collaboration, and foster a fair and respectful workplace environment. 2.Establish grievance channels and ensure confidentiality in handling complaints. 3.Regularly review pay equity to ensure there is no discrimination based on gender, age, race, or other factors.		
				Labor-Management Relations	1.Convene labor-management meetings regularly in accordance with legal requirements to establish a two-way communication platform and ensure employees' feedback is addressed in a timely manner. 2.Regularly review the compensation structure and benefits system to maintain market competitiveness. 3.Monitor outcomes through employee satisfaction surveys to enhance organizational cohesion and talent retention.		
				Talent Development	1.Build a systematic competency-based training framework by developing annual training plans tailored to employees' job levels and functions,		

					covering professional skills, managerial capabilities, and regulatory compliance. 2.Implement a performance-oriented management system integrated with internal promotion mechanisms to motivate continuous employee development. 3.Develop key talent to strengthen the organization's core competitive capabilities.		
			Governance	Regulatory Compliance	1.Establish internal control and audit systems, and build a regulatory compliance management framework, conducting annual compliance training for all employees and specialized courses for management-level personnel. 2.Regularly monitor regulatory changes to ensure that relevant policies and operational procedures are updated in a timely manner. 3.Strengthen a culture of compliance to mitigate the risk of violations arising from regulatory changes or insufficient employee awareness.		
				Information Security Management	1. Establish an Information Security Committee to coordinate and promote information security policies and implementation, having obtain ISO 27001 Information Security Management System certification. 2. Build comprehensive information security safeguard mechanisms and incident response procedures.		

					3. Conduct annual information security training and social engineering drills for employees to continuously strengthen security resilience and ensure the safety of operational information and customer data.		
				Financial Risk	1. Maintain a financial risk management mechanism to regularly assess interest rates fluctuations, exchange rate fluctuations, and liquidity risks, and adopt appropriate hedging measures as needed. 2. Enhance the management of cash and cash equivalents to maintain sufficient credit facilities. 3. Maintain cooperative relationships with multiple financial institutions to ensure liquidity and financing capability.		
				Sustainable Supply Chain Management	1. Require suppliers to sign an "Integrity and Anti-Corruption Commitment Letter." 2. Maintain a sustainable supply chain audit mechanism and conduct regular evaluations of key suppliers to ensure supply chain compliance and stability.		

<table>
<tr><td>III. Environmental Issues
(I) Has the Company established appropriate environmental management system by nature of its industry?</td><td>V</td><td></td><td>Promote the concept of recycling to reduce the load on the environment. Our entire production plant has acquired Environmental management systems ISO 14001 and Occupational health and safety management systems certificate, and handling matters in accordance with the abovementioned Environmental management systems. Turvo abides by the requirements of environmental regulation, and report and monitor regularly.
The ISO 14001 and ISO 45001 certifications are valid from March 12, 2024 through March 11, 2027.</td><td>No significant deviation.</td></tr>
<tr><td>(II) Has the Company made effort in upgrading energy efficiency and using regenerated materials for mitigating the impact on the environment?</td><td>V</td><td></td><td>1. Turvo has established an "Energy and Resource Management Procedure" to systematically manage electricity and water consumption across all facilities, promoting responsible resource use and improving efficiency. All related practices follow ISO series standards, covering energy and resource audits, target setting, improvement initiatives, and performance tracking.
2.Turvo has installed solar photovoltaic systems on the rooftops of its owned facilities. In 2025, the actual power generation reached 653,180 kWh, resulting in a carbon emission reduction of 314,827 kg.</td><td>No significant deviation.</td></tr>
<tr><td>(III) Has the Company assessed the potential risk and opportunity to the enterprise brought about by climate change, and taken appropriate measures in responding to climate change issues?</td><td>V</td><td></td><td>Turvo actively responds to risks arising from climate change by implementing appropriate mitigation measures. In addition to monitoring energy usage through system-based tools and holding regular review meetings, Turvo effectively manages energy efficiency. Dedicated departments also periodically review carbon inventory data and plan optimal production processes to minimize environmental impact.
<table><tr><th>Type</th><th>Evaluation</th><th>Countermeasures</th></tr><tr><td>Carbon reduction management</td><td>Greenhouse Gas Emission Reduction Responsibility</td><td>Establish an emission data management system, implement data management, and find improvement opportunities.</td></tr></table></td><td>No significant deviation.</td></tr>
</table>

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<table>
<tr><td>Energy efficiency</td><td>Improve the working environment and enhance energy efficiency</td><td>Strengthen energy efficiency evaluation, invest in energy controls, and promote energy transition to achieve carbon reduction goals.</td></tr>
</table>
Turvo’s analysis of climate change risks and opportunities, please refer to the 2025 Sustainability Report (scheduled to be disclosed in August 2026).
</td>
<td></td>
</tr>
<tr>
<td>(IV) Does the Company record the amount of greenhouse gas emissions, water usage and the total weight of waste for the last two years and formulate policies on reducing greenhouse gas emissions, water usage reduction or other waste management?</td>
<td>V</td>
<td></td>
<td>
1. Tuvor has conducted a greenhouse gas inventory and established reduction policies. Relevant information is disclosed in this Annual Report, Section (VI) “Climate-Related Information Implementation Status of Listed and OTC Companies.” Environmental management mechanisms have been established at the Taiwan facilities, and statistics on greenhouse gas emissions, water consumption, and waste generation for the past two years are continuously compiled, as shown below:
<table>
<tr><th>Year</th><th>Water Consumption (m³)</th><th>Waste Generation (tons)</th></tr>
<tr><td>113</td><td>26,473</td><td>820.084</td></tr>
<tr><td>114</td><td>34,067</td><td>658.288</td></tr>
</table>
2. Through water monitoring and process optimization, Turvo continuously drives water conservation and improves overall water use efficiency.
3. Turvo is committed to environmental protection and has established a "Waste Management Procedure" in accordance with the principles of Reduce, Reuse, and Recycle (3R). This procedure is disclosed in the sustainability report and on Turvo's website as a basis for implementation by all departments. Turvo and its major production sites operate in compliance with the ISO 14001 Environmental Management System. Based on 2025 waste emission data, waste generation decreased by 19.73% compared to 2024. Turvo has also established relevant procedures covering "Noise Management," "Hazardous Substance Management," "Chemical Management,"
</td>
<td>No significant deviation.</td>
</tr>
</table>

			"Energy and Resource Usage Management," and "Wastewater Treatment," which are implemented to ensure proper waste classification, reduction, and pollution prevention measures, thereby minimizing environmental impact. Looking ahead, Turvo will continue to strengthen process optimization and data monitoring, improve resource utilization efficiency, and further promote waste reduction and recycling initiatives, progressively advancing toward the goals of a circular economy and sustainable development. 4.For greenhouse gas (GHG) inventory information, please refer to page 89 of this Annual Report. The Company's 2025 GHG inventory data represents the preliminary quantified results generated through its internal GHG management system and has not been subject to third-party verification.	

IV. Social issues (I) Does the Company formulate appropriatemanagement policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		1. Turvo has established a “Human Rights Policy,” “Code of Ethical Conduct,” “Integrity Management Guidelines,” “Sustainable Development Best Practice Principles,” and “Sustainability Information Management Procedures,” committed to respecting labor rights, complying with labor laws, and ensuring a safe and healthy workplace for all employees. In support of internationally recognized human rights frameworks — including the UN Universal Declaration of Human Rights, the first and second principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work — Turvo upholds these standards across its operations and expects its suppliers to do the same. For more information, please refer to Turvo's Sustainability Report and website. 2. With respect to employee human rights, Turvo identified the following five key human rights issues in 2025: * Working environment * Training and development * Health and safety * Workplace discrimination * Compensation and benefits 3. For supplier human rights, Turvo identified three key human rights issues in 2025: * Health and safety * Compensation and benefits * Workplace discrimination Based on the identified human rights issues, Turvo surveys with employees and suppliers to assess potential impacts. The highest-risk human rights issues by employees are, in order of priority: Health and Safety, Training and Development, and Workplace Discrimination. For suppliers, the high-risk issues are Health and Safety and Workplace Discrimination.	No significant deviation.

For the high-risk human rights issues identified above, Turvo has implemented the following mitigation and remediation measures, as summarized below:

Human Rights Stakeholders	High-Risk Issues	Remedial Measures	Risk Mitigation
Employees	Health and Safety	To address the high risk of traffic accidents during commuting, Turvo has stepped up traffic safety training to help prevent similar incidents and work toward a "zero traffic accidents" goal.	Through regular traffic safety training and case studies, Turvo strengthens employees' risk awareness and defensive driving capabilities. It also strengthens incident reporting and analysis mechanisms to ensure effective corrective actions and follow-up, thereby reducing commuting accident rates. Occupational health and safety training coverage has reached 100%.
	Training and Development	1.Regularly assess competency gaps and arrange supplementary or specialized training. 2.Introduce internal trainers or external professional training resources to accelerate capability development. 3.Provide on-the-job training (OJT) and mentoring systems	1.Establish a comprehensive training system (including onboarding, in-service, and management training). 2.Conduct regular competency assessments and Training Needs Analysis (TNA), with annual training plans and hour targets in place and tracked for effectiveness. 3.Develop career development and succession planning systems to reduce talent gaps.

						to help employees quickly adapt. 4. Talent gaps in key positions are addressed through internal development or external recruitment.	4.Evaluate the introduction of digital learning platforms to improve flexibility and coverage. 5.Link training outcomes with performance evaluations to enhance learning motivation. 6. The annual average training hours per employee reached 20.47 hours.	
					Workplace Discrimination	Turvo is committed to creating a diverse, open, equal, and harassment-free workplace. Any human rights violations are strictly prohibited, including child labor and forced labor. Discrimination or differential treatment of any kind based on gender, sexual orientation, race, class, age, marital status, language, ideology, religion, political affiliation, place of origin, birthplace, appearance, physical features, or physical	1.Turvo upholds workplace equality by providing equal opportunities regardless of gender. Compensation, benefits, and promotions are based on individual capability and performance, while fostering an inclusive and diverse work environment. 2.In 2025, workforce composition included 24.59% foreign nationals and 75.41% local employees; among them, 0.23% were indigenous peoples and 1.16% were persons with disabilities. Age distribution: 21.81% under 30, 69.37% between 30–50, and 8.82% above 50. 3.Female employees accounted for 51.51% of the workforce, and female managers represented 37.84% of all managerial positions.	

					and mental disability is absolutely forbidden. Turvo is dedicated to upholding employees' workplace human rights and providing a dignified and equal working environment.	4.The average gender pay gap was approximately 31.38%. 5.No significant discrimination or human rights violation incidents occurred in 2025.	
			Suppliers	Health and Safety	In the event of occupational safety incidents involving suppliers, Turvo requires them to fulfill legal responsibilities and implement compensation measures, including group insurance, occupational accident insurance, labor pensions, and related compensation, to protect affected workers' rights.	To reduce potential human rights and environmental risks in the supply chain, Turvo includes ISO 14001 and ISO 45001 certifications as key evaluation criteria in human rights due diligence. Suppliers are required to establish systematic environmental and occupational safety management systems to ensure worker safety, health protection, and environmental responsibility during operations. For suppliers without such certifications, Turvo provides guidance, training, and continuous communication to support the establishment of management systems and improve sustainability capabilities. Certification status is also incorporated into supplier performance evaluation and classification as a basis for ongoing	

						collaboration and improvement tracking. Additionally, Turvo has established a “Supplier Environmental Management Questionnaire” and a “Contractor Safety, Health, and Environmental Commitment Letter” to strengthen supply chain human rights risk management and ensure compliance with Turvo’s human rights policies and international standards.	
			Suppliers	Workplace Discrimination	Turvo strictly requires suppliers to comply with relevant labor and human rights regulations, prohibits child labor, and ensures fair labor conditions. Suppliers are expected not only to comply with laws but also to provide reasonable working hours, fair wages, and a work environment that respects fundamental human rights.	To ensure suppliers understand and comply with relevant policies, Turvo encourages them to conduct self-assessments to identify potential compliance risks and drive continuous improvement. We also provide self-assessment guidelines to strengthen their ability to adhere to labor and human rights standards. Meanwhile, Turvo establishes partnerships with suppliers, enhancing their sustainable management capabilities through counseling and educational training. In addition, we regularly conduct supplier performance evaluations to review their labor and human rights	

			performance and require the submission of relevant data. Based on the evaluation results, we engage in communication and drive improvements to ensure the effective implementation of policies and compliance. To track the implementation of due diligence, Turvo conducts annual reviews of the effectiveness of mitigation and remediation measures, and reports the results to the Sustainability Development Committee. Turvo has also established comprehensive grievance mechanisms and channels for employees, suppliers, and other stakeholders to report illegal or human rights–related violations. Employee grievance mailbox: angel-wang@turvo.com.tw Supplier grievance mailbox:johnnie-chiang@turvo.com.tw	
(II) Does the company formulate and implement reasonable employee benefit policies (including remuneration, leave and other benefits), and properly relate operating performance or results to employee remuneration?	V		1.In accordance with applicable laws and regulations, Turvo has established various types of leave entitlements and provides a range of employee care programs and club activities, supported by the Employee Welfare Committee. Turvo is committed to creating a gender-equal and safe workplace, offering gender-friendly healthcare and family-friendly measures, including well-equipped nursing rooms at each facility, childbirth incentives, and parental leave policies. 2.Turvo safeguards employees' legal rights in accordance with labor laws and regulations and contributes 6% of employees' monthly wages to the pension fund. An Employee Welfare Committee has been established to administer various welfare programs. Pursuant to Article 26 of Turvo's Articles of Association, after offsetting accumulated losses from the current year's profits—defined as profit before tax and before the allocation of employee and director remuneration—if there remains a surplus,	No significant deviation.

			3.5% to 7% of the remaining balance shall be allocated as employee compensation, and no more than 1.7% shall be allocated as director remuneration. Of the employee compensation, no less than 20% shall be distributed to grassroots employees. Turvo determines compensation based on the achievement of actual operating results, taking into account management-level indicators, departmental objectives, and individual performance, in accordance with the performance evaluation system. Turvo based on the achievement of actual operational results, determines compensation proportions from management indicators, departmental objectives, and individual performance evaluations, calculated according to performance management regulations. Reasonable remuneration is provided to appropriately reflect operational performance or achievements in employee salaries.	
(III) Does the Company offer a safe and healthy working environment for its employees and conduct safety and health education for employees on a regular basis?	V		1. Turvo has established an Occupational Health and Safety Committee, which holds regular meetings for review. It also implements employee training programs and continuously improves the working environment and safety measures to create a safe and healthy workplace. 2. Turvo holds the following certifications, all of which remain valid as of the annual report publication date. To reduce occupational health and safety risks, prevent workplace accidents, and provide a safe and supportive working environment for employees and contractors, Turvo maintains the effective operation of the ISO 45001 Occupational Health and Safety Management System and the ISO 14001 Environmental Management System in compliance with relevant regulations. Both certifications are valid from March 12, 2024 to March 11, 2027. 3. Turvo implements occupational safety management measures in accordance with its safety and health policy and annual safety objectives. Regular internal audits and management reviews are conducted to assess the effectiveness of safety and health operations. Key safety management measures include: * Regulatory Compliance and Facility Safety Management: ensuring that all	No significant deviation.

			machinery, facilities, and the working environment comply with safety standard , with protective measures in place to reduce operational risks. * Reduction of occupational safety and health risks: conducting risk assessments and establishing appropriate control measures for various work areas and high-risk operations. * Safety education and training: regularly providing occupational safety and health training to ensure employees possess the necessary safety knowledge and skills. * Full participation and continuous improvement: fostering a culture of "full participation" in safety through employee reporting mechanisms, safety proposals, and Health and Safety Committee meetings to continuously enhance safety management and ensure a safe and healthy working. In 2025, there were 4 in-plant minor injuries and 8 off-site traffic incidents. No major occupational accidents occurred. Turvo remains committed to strengthening workplace safety measures to reduce occupational risks. 4. Number of fire incidents, casualties, and the ratio to total employees for the current year, along with related fire prevention improvement measures: Fire Safety Management —Turvo had no fire incidents in 2025. However, to strengthen emergency response capabilities, Turvo conducts annual fire emergency response drills to ensure all employees can respond swiftly in the event of a fire, minimizing the impact on people, assets, and business continuity.	
(IV) Does the Company provide its employees with career development and training sessions?	V		Turvo plans an annual education and training plan every year to provide employees with relevant training required for their job functions, including newcomer training, on-the-job training and management training. In the most recent year, the total number of employee education and training classes was 480, with a total number of 4606 training participants, a total of 11,280.99 hours, and a total training expenditure of NTD1,516,731	No significant deviation.

(V) Does the Company comply with relevant regulations and international standards and formulate policies to protect customer rights and complaint procedures concerning the health and safety of the customers of the products and services, client privacy, marketing and labels?	V		Turvo has acquired ISO9001, ISO14001, ISO45001, IATF16949 and AS9100 certificate. Based on the conditions of quality, ability and environmental protection policy, the Company cooperates with high-quality suppliers for long-term cooperation to fulfill corporate social responsibilities. Meanwhile, the company maintains effective communication channels with customers and has established customer complaint management procedures for its products and services. In addition, dedicated communication channels are available on the company’s official website to facilitate customer engagement. The company actively listens to customer feedback, responds promptly, and handles issues appropriately to resolve disputes and reach consensus, ensuring that customer needs are addressed through diverse communication and grievance mechanisms.	No significant deviation.
(VI) Does the Company formulate supplier management policies, require the suppliers to comply with relevant rules regarding the environment, occupational safety and health, labor rights or other issues, and report the results of the implementation?	V		Turvo has established a Supplier Management Department and formulated clear and comprehensive supplier management policies. Through these policies and suppliers' commitments to social responsibility, the Company ensures that suppliers adhere to high standards in environmental protection, occupational health and safety, and labor rights. In terms of policy implementation, the Company employs measures such as self-assessment, guidance, and performance evaluations to ensure that suppliers not only understand but also actively practice these policy requirements. This strengthens the management of suppliers, and the Company may discontinue unnecessary dealings with suppliers found to violate corporate social responsibility.	No significant deviation.
V. Does the company refer to international compilation standards or guidelines to prepare the report on Corporate Social Responsibility and other reports which disclose information other than financial information? Were the disclosed reports assured orverified by a third party?	V	V	1. Turvo published its 2023 Sustainability Report in 2024 and has established a dedicated sustainability report section on its website. The report is prepared in accordance with the Sustainability Reporting Standards issued by the Global Reporting Initiative (GRI). Both Chinese and English versions of the report are available, and relevant information has been disclosed on Turvo’s website and the Market Observation Post System (MOPS). 2.Turvo’s 2023 Sustainability Report has not been subject to assurance or verification by an independent third-party assurance provider.	No significant deviation. Turvo will arrange such assurance in the future as deemed necessary or as required by applicable laws and regulations.

VI. If Turvo has established the corporate social responsibility principles based on “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” (“Principles”), please describe any discrepancy between the “Principles” and their implementation: Turvo formulated the “Corporate Social Responsibility Best Practice Principles” of Turvo in 2017 by the relevant operation of corporate governance and has implemented according to the relevant regulations. Additionally, the revised version of the principles was approved by the board of directors in April 2020, and it was renamed the “Sustainable Development Best Practice Guidelines.” This renaming reflects Turvo's commitment to strengthening the implementation of sustainable development and ensuring strict compliance with principles.
VII. Other important information to facilitate better understanding of the Company’s corporate social responsibility practices (I) Safety & Health: Turvo and our subsidiaries have set up dedicated personnel for environmental and Safety management. Turvo regularly holds environmental-related education courses and is committed to the promotion of safety & health policies. Also, Turvo has consistently improved manufacturing process and working environment. With the efforts made by employees, the Company improves occupational safety & health performances. (II) Provide equal employment opportunity: Turvo and its subsidiaries employ employees regardless of race, gender, age, political affiliation, or religious belief. The Company takes professional knowledge, skills, etc. into consideration for employment, providing candidates equal employment opportunities. (III) Social Contribution: Turvo encourages employees to participate in social welfare and community care activities. In 2025, Turvo made tangible contributions, including the purchase of charitable gift boxes offered by the Maxis Social Welfare Foundation during the Mid-Autumn Festival to promote social care services, with a total of 125 gift boxes purchased, amounting to NT$43,750. Turvo also sponsored the Mazu Pilgrimage Blessing event, providing employees with opportunities to engage in spiritual and cultural activities. Additionally, the company organized the Yulong Employee Blood Donation Campaign, inviting staff and other companies within the industrial park to participate, promoting the message that “one bag of blood can save a life.” Turvo regularly provides scholarships and donations to assist economically disadvantaged students, helping them gain resources to further their development. Furthermore, Turvo occasionally hosts factory visits to help young people better understand the workplace and explore future career paths. (IV) Industry-Academia Collaboration: The Company has signed industry-academia collaboration agreements with various universities and vocational training centers to provide employment and learning opportunities in the workplace.

2.3.6 Climate-Related Information of TWSE/TPEx Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	Turvo's Board of Directors serves as the highest governance body for sustainability, overseeing various risks and sustainability-related issues. Turvo has established the "Sustainability Practice Guidelines," with the Corporate Management Office responsible for proposing and implementing sustainability policies and systems. Dedicated teams, including the Corporate Governance Team, Environmental Sustainability Team, and Social Contribution Team, manage sustainability issues, including climate-related risks and opportunities. The Corporate Management Office regularly reports sustainability performance and implementation results to the Board of Directors.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	2025 Climate Risk and Opportunity Identification Results Four Major Climate Risks 1. Carbon pricing mechanisms (carbon fees, emissions trading, cap-and-trade)Timeframe: Medium term (3–5 years) Financial Impact: Increased costs Response Strategies: • Continue conducting GHG inventories, analyze emissions data, and drive energy-saving improvements. • Promote energy conservation and carbon reduction projects (e.g., replacing aging energy-intensive equipment, optimizing process parameters, and electricity usage analysis and management) • Monitor carbon-related regulations and carbon market trends in Taiwan and major export destinations • Evaluate the introduction of an internal carbon pricing mechanism and integrate carbon costs into operational decision-making models 2. Increasing customer requirements for sustainable supply chain management Timeframe: Short term (1–2 years) Financial Impact: Increased costs Response Strategies: • Set carbon reduction targets and regularly disclose progress. • Actively respond to customer requirements related to greenhouse gas emissions and participate in CDP disclosures annually. • Strengthen supply chain management and collaborate with upstream suppliers to promote emissions reduction. Impact of vehicle electrification on demand for traditional components: Timeframe: Medium to long term (3–10 years) Financial Impact: Risk of revenue decline Response Strategies:

	• Actively expand into non-automotive and cross-sector customer markets to diversify product applications. • Continue developing next-generation products in response to customer needs to reduce reliance on a single powertrain type. • Regularly track regulatory timelines in key markets and adjust market strategies accordingly. 4. Operational Disruptions Caused by Extreme Weather Events Timeframe: Short term (1–2 years) Financial Impact: Increased costs and potential revenue loss Response Strategies: • Establish facility-level climate resilience assessments and develop contingency plans for scenarios such as flooding and typhoons. • Strengthen protective measures for critical equipment and emergency backup power systems. • Regularly assess water resource utilization efficiency and promote water conservation and recycling initiatives. Four Major Climate Opportunities 1. Rising Demand for Precision Components in Electric and New Energy Vehicles Timeframe: Medium to long term (3–10 years) Financial Impact: Revenue growth Response Strategies: • Actively align with customer transformation needs while expanding product deployment across sectors. • Accelerate the promotion of Turvo's proprietary product, TUN ONE reducer, in AI and automation applications. • Upgrade production equipment and advance precision machining processes. • Continue patent development to strengthen technological differentiation and competitive advantages. 2.Transition to Low-Emission Energy Sources Timeframe: Short term (1–2 years) Financial Impact: Cost reduction Response Strategies: • Evaluate the feasibility and return on investment of installing rooftop solar power systems. • Assess signing Power Purchase Agreements (PPAs), prioritizing self-consumption with surplus electricity sold to the grid. • Set annual renewable energy usage targets and regularly monitor progress and outcomes. 3. Smart manufacturing and energy efficiency Improvements Timeframe: Long term (6–10 years) Financial Impact: Cost reduction Response Strategies:

	• Promote automation upgrades in production lines and utilize an Energy Management System (EMS) to monitor process electricity usage in real time, reducing energy waste and improving production stability 4. Lightweight materials and process innovation Timeframe: Medium term (3–5 years) Financial Impact: Revenue growth and cost reduction Response Strategies: • Conduct R&D and validation of lightweight material processing technologies. • Collaborate with material suppliers to jointly develop cost-effective alternative materials. • Proactively introduce lightweight product solutions to existing customers and assess cross-industry application potential
3. Describe the financial impact of extreme weather events and transformative actions.	Same as above.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	1. Turvo established its "Risk Management Policy and Procedures" in 2022 and made partial amendments in January 2024, which serves as the overarching framework for enterprise-wide risk management. 2. The Board of Directors acts as the highest supervisory body, supported by the Audit and Risk Committee in monitoring risk management execution. The Executive Decision-Making Committee handles risk assessment for major business decisions, while the Internal Audit Office conducts internal audits and reviews departmental risk management performance. Turvo takes a top-down approach to enterprise risk management, ensuring risks are aligned and properly managed across the organization. 3. Turvo's risk management covers economic development, corporate governance, environmental protection, and social and employee matters. Climate change risks are incorporated into the risk identification and assessment process, with findings from the Sustainability Committee's periodic climate risk reviews integrated into the overall risk management framework for ongoing monitoring.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Climate risk analysis is performed across multiple scenarios, incorporating Nationally Determined Contributions (NDCs), the Science Based Targets initiative (SBTi), and the SSP1, SSP2, and SSP5-8.5 scenarios set out in the IPCC Sixth Assessment Report (AR6) as the basis for physical risk assessment.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets	1. In response to the Science Based Targets initiative (SBTi), Turvo has set 2023 as the baseline year with a target to reduce Scope 1 and Scope 2 greenhouse gas emissions by 42% by 2030. A comprehensive

used to identify and manage physical risks and transition risks.	review of carbon reduction potential across Scope 1 (direct emissions) and Scope 2 (indirect energy emissions) has been conducted, with measures implemented including optimizing business travel management, systematically managing equipment electricity and water consumption, strengthening energy usage management, promoting electricity-saving initiatives, and adopting renewable energy to progressively achieve emission reduction targets. 2. Other relevant indicators: In addition to the primary indicator of greenhouse gas emissions, other indicators include energy consumption, electricity usage in kilowatt-hours (kWh), energy intensity, water withdrawal, wastewater discharge, and waste generation. 3. All related management practices comply with ISO standards, including energy and resource inventory, target setting, implementation of improvement plans, and performance tracking, to continuously enhance overall energy management effectiveness.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Under evaluation; not yet implemented.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	1. In response to the Science Based Targets initiative (SBTi), Turvo has set 2023 as the baseline year with a target to reduce emissions by 42% by 2030 (Scope 1 and Scope 2). 2. For Scope 1 (direct emissions) and Scope 2 (indirect energy emissions), Turvo conducts a comprehensive review of carbon reduction potential and implements measures including optimizing business travel management, managing equipment electricity consumption, replacing air conditioning units with high-efficiency systems, promoting energy-saving initiatives, and adopting renewable energy.
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	Turvo adopted the ISO 14064-1 standard for greenhouse gas inventory in 2023. Current disclosure covers the production operations of its Taiwan facilities. Starting from 2024, GHG inventories across Turvo's Taiwan sites are conducted in accordance with the GHG Protocol. The results will be disclosed in the 2025 Sustainability Report (to be published in August 2026).

1.Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/NT$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

Greenhouse Gas Emissions Overview	2024	2025
Scope 1 (metric tons CO_2e)	167.7976 CO_2e	166.6522 CO_2e
Scope 2 (metric tons CO_2e)	4,135.2734 CO_2e	3,373.0229 CO_2e
Scope 3 (metric tons CO_2e)	96.3302 CO_2e	4,864.465 CO_2e
Total Emissions (metric tons CO_2e)	4,399.401 CO_2e	8,404.14 CO_2e
Emission Intensity (metric tons CO_2e / NTD million)	4,399.401 / 1,802 = 2.4413	8,404.14 / 1,942 = 4.3276

Greenhouse gas emissions in 2025:
Data from the internal inventory assessment will be disclosed in the 2025 Sustainability Report (to be published in August 2026).

1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

Turvo will complete its greenhouse gas assurance in accordance with Article 10, Paragraph 2 of the relevant regulatory requirements by 2028.

2.Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

Turvo has set 2023 as the baseline year with a target to reduce Scope 1 and Scope 2 greenhouse gas emissions by 42% by 2030, progressively working toward this goal through management targets and reduction action plans.

Specific actions include implementing systematic management of electricity and water consumption across all electrical appliances and machinery within the facilities to promote responsible use of natural resources and continuously improve efficiency. Turvo also encourages all operating sites to replace aging equipment and adopt energy-saving and carbon reduction measures. Since 2021, a carbon management platform has been in place to track GHG emission activity data. As of 2025, the installed capacity of solar photovoltaic systems at Turvo's own facilities has reached 499.05 kWh.

2.3.7 Circumstances of the company fulfilling ethical corporate management and the differences with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons thereof

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
I. Establishment of ethical corporate management policies and programs (I) Does the Company establish ethical corporate management policies approved by the board of directors and declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its board of directors and management level to implement the policies?	✓		(I) Turvo has established the "Ethical Corporate Management Best Practice Principles", and "Codes of Ethical Conduct", which have been approved by the Board of Directors. These principles explicitly define the responsibilities of the Board of Directors and management level. Integrity in business operations is a core value of Turvo. This code also applies to all directors, managers, employees, and individuals with substantial control within the company. Turvo discloses the ethical corporate management policy on internal websites, annual report, and the Company's official website to ensure that suppliers, customers, and other business-related institutions and individuals have a clear understanding of the Company ethical corporate management philosophy and standards. (II) Turvo has formulated "Ethical Corporate	No significant deviation.

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
(II) Does the Company establish risk assessment procedures of unethical conduct, analyze and assess operation activities more likely involving unethical conduct to accordingly establish policies to prevent unethical conduct which include but are not limited to the precautions stated in Paragraph 2, Article 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/ TPEx Listed Companies?	✓		Management Best Practice Principles" to establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs, which include preventive measures listed in the Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".	No significant deviation.
(III) Does the company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, rules of appeal, commit to implementation of the policies, regularly review and revise the aforementioned policies?	✓		(III) Turvo strictly require the employees and management level to abide by corporate ethics. Turvo upholds the principle of honesty and integrity, and has clearly defined reporting and appealing procedures, behavior guidelines, punishment and appeal system for disciplines following the internal regulations, "Corporate Governance Best Practice Principles" and "Codes of Ethical Conduct,". In addition, Turvo will review regularly.	No significant deviation.
II. Fulfill operations integrity policy				

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
(I) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		(I) Before Turvo starts a formal business activity with our business partners, Turvo will conduct various evaluations including integrity behaviors. And after confirming the cooperation, Turvo will require the other party to sign a Letter of Commitment to show compliance with various integrity-related regulations set by Turvo.	No significant deviation.
(II) Does the Company establish an exclusively dedicated unit supervised by the Board to be in charge of corporate integrity and report the ethical corporate management policies, policies to prevent unethical conduct and the implementation of supervision to the Board of Director at least once a year?	✓		(II) Turvo has designated the General Manager's Office as the dedicated unit for promoting corporate integrity management. It is responsible for the formulation and supervision of integrity management policies and preventive measures. The office reports the implementation status to the board of directors annually, with the latest report submitted on November 5, 2025.	No significant deviation.
(III) Does the Company establish policies to prevent conflicts	✓		(III) Turvo has formulated the "Rules of Procedure	No significant deviation.

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
of interest and provide appropriate communication channels, and implement it?			for Shareholder Meetings" and "Codes of Ethical Conduct" in accordance with laws and regulations to deal with Directors' conflicts of interest. Turvo disseminates the concept to the employees from time to time that when the conflict of interest in business occurs, the Supervisor should be informed in advance and recuse himself/ herself.	
(IV) Has the Company established effective systems for both accounting and internal control to facilitate ethical corporate management, and is the implementation of the policies to prevent unethical conduct audited by internal auditors who plan according to the assessment of risks of unethical conduct or by CPAs?	✓		(IV) Turvo has formulated relevant accounting systems and internal control systems, and these systems are being managed in accordance with the requirements of accounting and internal audit legislations. By this means, Turvo can ensure that Turvo 's daily operations are abide by Ethical Corporate Management Best Practice Principles, and the auditors of Turvo regularly report the implementation of the inspection to the board of directors.	No significant deviation.
(V) Does the company regularly hold internal and external	✓		(V) To implement the policies of Ethical Corporate Management Best Practice Principles, Turvo	No significant deviation.

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
educational trainings on operational integrity?			actively participates in external advocacy activities related to legal updates and stays vigilant about updates from regulatory authorities. Additionally, Turvo incorporates the concept of Ethical Corporate Management into new employee training. A total of 332 hours have been allocated to the training for new recruits. Furthermore, the General Manager Office conducts internal courses on compliance with Ethical Corporate Management regulations annually. The content of these courses includes advocacy of business integrity policies, conflict of interest avoidance, confidentiality procedures for significant information, reasons for insider trading, identification processes, transaction examples, and explanations of reporting and complaint mechanisms. Turvo also arranges internal and external training courses related to accounting systems and internal controls.	
III. The functioning of the informing and complaint system of the Company (I) Has the Company established the informing and complaint	✓		(I) Turvo has stipulated “Ethical Corporate Management Best Practice Principles,” “Appeal	No significant deviation.

Items Evaluated	Implementation Status			Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies
	Yes	No	Brief Explanation	
system and channels for facilitating informing and complaint, and appointed designated personnel to appropriately handle the personnel accused of unethical practice?			and disciplinary measures related to the report of improper interests.” Turvo has set up a hotline and mailbox for customers’ complaints. For violations of ethic related matters, employees may speak up their grievances through phone and mailbox, inform the human resources department or management level.	
(II) Has the Company established the standard operation procedure for processing reports and complaints, the actions to be taken after the investigation, and the mechanisms of confidentiality.	✓		(II)Turvo has formulated “Ethical Corporate Management Best Practice Principles” that outlines the management of reports regarding violations of integrity, the internal investigation procedures and corresponding confidentiality mechanisms.	No significant deviation.
(III) Has the Company taken appropriate measures for the protection of the informants from undue treatment due to reporting on illegal or unethical practice?	✓		(III) There are measures for protecting whistleblowers from being improperly dealt with due to whistleblowing in Turvo’s “Ethical Corporate Management Best Practice Principles”, and these measures are included in the management regulations for implementation.	No significant deviation.

<table>
<tr><th rowspan="2">Items Evaluated</th><th colspan="3">Implementation Status</th><th rowspan="2">Variations (if any) with the Corporate Governance Best Practice Principles for TWSE/ GTSM Listed Companies and reasons for such discrepancies</th></tr>
<tr><th>Yes</th><th>No</th><th>Brief Explanation</th></tr>
<tr><td>IV. Strengthening information disclosure
Has the Company disclosed the content of its Ethical Corporate Management Best Practice Principles and the result of implementation at its official website and MOPS?</td><td>✓</td><td></td><td>Turvo discloses the " Ethical Corporate Management Best Practice Principles " and "Code of Ethical Business Conduct" on its official website to ensure transparency in corporate governance information. Regular advocacy efforts are made and channels for reporting misconduct are kept open. Turvo also discloses information on the Taiwan Stock Exchange Corporation's Market Observation Post System in a timely manner. As of now, there have been no incidents of breaches of integrity in business operations.ations.</td><td>No significant deviation.
.</td></tr>
<tr><td colspan="5">V. If the Company has established its Ethical Corporate Management Best Practice Principles in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE Listed and TPEx Listed Companies”, specify the practice and variation from the principles:
Turvo has stipulated “Rules of Procedure for Shareholder Meetings and Operation Management”, “Ethical Corporate Management Best Practice Principles,” “Codes of Ethical Conduct” and “Work Rules.” All the above-mentioned rules will be updated and revised according to Turvo’s practices and regulations. Turvo advocates that the personnel of Turvo should comply with the regulations from time to time. There has no significant difference between operating status and the established guidelines and has been implemented normally.</td></tr>
<tr><td colspan="5">VI. Any other vital information that help to understand the practice of ethical corporate management better:
(I) Turvo abides by the relevant regulations of TWSE/ TPEx Listed Companies, which is viewed as the basis of implementing ethical corporate management.
(II) Turvo has stipulated good handling and disclosure mechanisms for material inside information in “Procedures for Handling Material Inside Information,” which may prevent improper information disclosure and also avoid improper disclosure of information and ensure the consistency and accuracy of information published to the public.
(III) The explanation on Turvo’s “Ethical Corporate Management Best Practice Principles ethical corporate management and has been implemented on internal management and business activities.</td></tr>
</table>

2.3.8 Other important information sufficient to enhance the understanding of the operation status of corporate governance:

In response to Turvo's operation need and in accordance with the formulation and revision of the laws, Turvo has formulated the procedure of relevant measures and internal operating regulations to improve operational efficiency and risk control mechanism. And further improve the implementation on corporate governance.

Turvo also encourages the Directors to participate in the relevant courses of corporate governance. Every year, Turvo arranges corporate governance and professional knowledge courses according to "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies." For details on content of courses, please refer to Directors' continuing education status on page 78 of the annual report.

■ Directors' continuing education:

Title	Name	Date	Organizer	Course title	Hours	Whether the course complies with the law
Chairman	Zeng Hsing Industrial Co., Ltd. Representative: LIU, CHUN-CHANG	18 April 2025	Business Development Research Institute Foundation	Corporate Governance Study	3	Yes
		26 September 2025	Republic of China Securities and Futures Market Development Foundation	114th Annual Insider Trading Prevention Promotion Meeting	3	Yes
Director	Zeng Hsing Industrial Co., Ltd. Representative: LIN, CHIH-CHENG	13 June 2025	Republic of China Securities and Futures Market Development Foundation	Trump 2.0 Disrupts the Global Economic Order - Impact and Response	3	Yes
		06 November 2025	Republic of China Securities and Futures Market Development Foundation	Sustainability Strategies Based on Core Competencies: How Enterprises Can Build Long-Term Resilience and Competitive Advantage Through ESG	3	Yes
Director	Hong Ju Investment Co., Ltd. Hongju Investment Co., Ltd. changed its representative: YANG,CHENG-CHUN (Note2)	25 August 2025	Chinese Corporate Governance Association	A Discussion of Development Trends and Practical Cases in Corporate Mergers and Acquisitions from the Perspective of Directors and Supervisors	3	Yes
		10 November 2025	Taiwan Science Park Science and Technology Industry Association	Senior Management Compensation and ESG Performance System Design	3	Yes

Title	Name	Date	Organizer	Course title	Hours	Whether the course complies with the law
Director	Zeng Hsing Industrial Co., Ltd. Representative: LIU, TUNG-LIANG	13 June 2025	Republic of China Securities and Futures Market Development Foundation	Trump 2.0 Disrupts the Global Economic Order - Impact and Response	3	Yes
		06 November 2025	Republic of China Securities and Futures Market Development Foundation	Sustainability Strategies Based on Core Competencies: How Enterprises Can Build Long-Term Resilience and Competitive Advantage Through ESG	3	Yes
Director	Zeng Hsing Industrial Co., Ltd. Representative: TSAI,CHUNG-TING	13 June 2025	Republic of China Securities and Futures Market Development Foundation	Trump 2.0 Disrupts the Global Economic Order - Impact and Response	3	Yes
		06 November 2025	Republic of China Securities and Futures Market Development Foundation	Sustainability Strategies Based on Core Competencies: How Enterprises Can Build Long-Term Resilience and Competitive Advantage Through ESG	3	Yes
Director	Zeng Hsing Industrial Co., Ltd. Representative: TSAI, MING-TUNG	22 April 2025	Taiwan Institute of Directors	How to maintain core competitiveness and expand globally from Taiwan	3	Yes
		9 July 2025	Taiwan Stock Exchange	Cathay Sustainable Finance & Climate Change Summit Forum	6	Yes
		22 July 2025	Chinese Corporate Governance Association	Sustainable Development Promotion Conference - Taichung	3	Yes
Independent Director	HSUEH,FU-SHENG	26 September 2025	Republic of China Securities and Futures Market Development Foundation	114th Annual Insider Trading Prevention Promotion Meeting	3	Yes
		31 October 2025	Republic of China Securities and Futures Market Development Foundation	Legal Compliance Briefing on Insider Equity Transactions in 2014 (Online Briefing)	3	Yes
Independent Director	I ,CHANG-YUN	9 May 2025	Republic of China Securities and Futures Market Development Foundation	114th Annual Insider Trading Prevention Promotion Meeting	3	Yes
		15 June 2025	Chinese Corporate Governance Association Foundation	Mastering the key to industrial holding and group-based operationse	3	Yes
Independent Director	SHIH ,YUN-TING	9 July 2025	Taiwan Stock Exchange	Cathay Sustainable Finance & Climate Change Summit Forum	6	Yes

2.3.9. Internal Control System

A. Statement of Internal Control System

TURVO INTERNATIONAL CO., LTD.

Statement of Internal Control System

4 March 2026

Based on the findings of a self-assessment, TURVO INTERNATIONAL CO., LTD. states the following with regard to its internal control system during the year 2025:

1. TURVO INTERNATIONAL CO., LTD.' s board of directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and TURVO INTERNATIONAL CO., LTD. takes immediate remedial actions in response to any identified deficiencies.
3. TURVO INTERNATIONAL CO., LTD. evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component also includes several items which can be found in the Regulations.
4. TURVO INTERNATIONAL CO., LTD. has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, TURVO INTERNATIONAL CO., LTD. believes that, on 31 December 2025, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency and regulatory compliance of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of TURVO INTERNATIONAL CO., LTD.'s annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.

7. This Statement was passed by the Board of Directors in their meeting held on 4 March 2026, with none of the nine attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

TURVO INTERNATIONAL CO., LTD.

Chairman: LIU, CHUN-CHANG

Chief Executive Officer: TSAI,MING-TUNG

B. If a CPA is appointed to conduct a special audit on the internal control system, disclose the Auditor’s Report: None.

2.3.10. Material resolutions of a shareholders meeting or a board of directors meeting during 2024 or during the current fiscal year up to the date of publication of the annual report:

1. Material resolutions from the 2024 Shareholders' Meeting and Implementation Status

<table>
<tr><th>Date</th><th>Type of Meeting</th><th>Major Resolutions</th><th>Implementation Status</th></tr>
<tr><td rowspan="5">29 May 2025</td><td rowspan="5">Regular Shareholders' Meeting</td><td>Acknowledged the Company's Business Report and Financial Statement for 2024.</td><td>Approved and voted by all the present shareholders. Acknowledged Turvo's Business Report and Financial Statement of 2024. The consolidated revenue of the entire year was NTD3,658,705 thousand. The net income was NTD657,896 thousand. The Earnings Per Share was NTD10.96.mented.</td></tr>
<tr><td>Acknowledged the Company's appropriation of earnings in 2024.</td><td>Approved and voted by all the present shareholders. as the ex-dividend date was set on 5 August 2025, and the appropriation was completed on 25 August 2025. (The appropriation of cash dividends was 7.0 per share).</td></tr>
<tr><td>Approved the amendment to the Company's "Articles of Incorporation."</td><td>Approved and voted by all the present shareholders and had been implemented.</td></tr>
<tr><td>Proposal for the Re-election of Directors (including Independent Directors).</td><td>List of Newly Elected Directors (including Independent Directors):
<table>
<tr><th>Title</th><th>Name</th></tr>
<tr><td>Director</td><td>Zeng Hsing Industrial Co., Ltd.
Representative: LIN, CHIH-CHENG</td></tr>
<tr><td>Director</td><td>Zeng Hsing Industrial Co., Ltd.
Representative: LIU, CHUN-CHANG</td></tr>
<tr><td>Director</td><td>Zeng Hsing Industrial Co., Ltd.
Representative: LIU, TUNG-LIANG</td></tr>
<tr><td>Director</td><td>Zeng Hsing Industrial Co., Ltd.
Representative: TSAI, MING-TUNG</td></tr>
<tr><td>Director</td><td>Zeng Hsing Industrial Co., Ltd.
Representative: TSAI, CHUNG-TING</td></tr>
<tr><td>Director</td><td>Goodway Machine Corp.
Representative:YANG, CHENG-CHUN</td></tr>
<tr><td>Independent Director</td><td>YI, CHANG-YUN</td></tr>
<tr><td>Independent Director</td><td>SHIEU, FUH-SHENG</td></tr>
<tr><td>Independent Director</td><td>SHIH, YUN-TING</td></tr>
</table></td></tr>
<tr><td>Approved the lifting of non-competition restrictions for directors and their representatives of the Company.</td><td>Approved and voted by all the present shareholders and had been implemented.</td></tr>
</table>

2.The major resolutions of the board

The summary of important resolutions of the board of directors for the fiscal year 2025 and up to the date of publication of the annual report, is as follows:

Date of the Board Meeting (Term)		Proposals
08 January 2025	The 15th Board The 13th meeting	Discussion on the proposal for the 2025 annual budget of the Company.
		Review of the amendments to the "Articles of Incorporation" of the Company.
		Discussion on the amendments to the "Organizational Structure."
		Discussion on the change of managers of the Company.
		Discussion on the review of salary for newly appointed managers.
		Review of the 2024 year-end bonus distribution for managers.
05 March 2025	The 15th Board The 14th meeting	Discussion on the 2024 Internal Control System Statement of the Company.
		Discussion on the land acquisition and signing of investment agreement by TURVO International Co., Ltd. (YZ)
		Discussion on the 2024 Business Report and Financial Statements of the Company.
		Review of the 2024 distribution of employees' compensation and directors' remuneration.
		Discussion on the 2024 earnings distribution proposal.
		Resolution on the 2024 cash dividend distribution from earnings.
		Discussion on the change of the Company's certified public accountants.
		Discussion on the 2025 independence assessment of the certified public accountants.
		Discussion and approval of the 2025 appointment of the certified public accountants.
		Discussion on the application to HSBC (Taiwan) for a USD 11M short-term facility and USD 1.5M in derivative instruments.
		Discussion on the application for a credit line with Cathay United Bank.
		Definition of the scope of entry-level employees of the Company.
		Discussion on the re-election of directors (including independent directors).
		Review of the arrangements for the 2025 Annual General Meeting to be held on May 29, 2025.
		Discussion on the review of the 2024 directors' remuneration.
		Discussion on the review of the 2025 salary adjustment for managers.
		Discussion on the review of the second distribution of 2024 year-end bonus for managers.
		Discussion on the review of the 2024 employees' compensation distribution for managers.
		Discussion on the 2024 incentive scheme for additional year-end bonus and its distribution to managers.
17 April 2025	The 15th Board The 15th meeting	Discussion on the proposed list of nominees for directors (including independent directors).
		Discussion on the release of non-competition restrictions on newly appointed directors and their representatives.

08 May 2025	The 15th Board The 16th meeting	Discussion on the amendments to certain provisions of the "Table of Authority."
		Discussion on the amendments to the "Organizational Structure."
		Discussion on the consolidated financial statements for the first quarter of 2025.
		Discussion on the 2024 financial statements of TIPO (SAMOA) and T&M Joint (Cayman) Holding Co., Ltd.
		Discussion on the application to DBS Bank (Taiwan) for a USD 7M credit facility for working capital.
		Discussion on adjusting the authorized amount for the equity sale of T&M Joint (Cayman) or real estate sale of Matec (Thailand).
		Discussion on the retirement application of the Company's manager.
		Discussion on the application for preferential retirement benefits for the Company's manager.
		Discussion on the change of managers of the Company.
05 June 2025	The 16th Board The 1st meeting	Election of the Chairman of the Board for resolution.
06 August 2025	The 16th Board The 2nd meeting	Discussion on the proposal for the 2024 "Sustainability Report" of the Company.
		Discussion on the amendments to "Internal Control System - Procurement Cycle (PU)."
		Discussion on the amendments to "Internal Control System - Payroll Cycle (WA)."
		Discussion on the consolidated financial statements for the second quarter of 2025.
		Discussion on the application to CTBC Bank for facility maintenance and authorizing the Chairman to sign related contracts.
		Discussion on the application by TURVO International Co., Ltd. (YZ) to the Agricultural Bank of China for a RMB 500,000 credit facility.
		Discussion on the appointment of members for the 6th Remuneration Committee. B. Operation of the Remuneration Committee
05 November 2025	The 16th Board The 3rd meeting	Discussion on the proposal for the 2026 Internal Audit Plan.
		Discussion on the consolidated financial statements for the third quarter of 2025.
		Discussion on the 2025 audit fees for the certified public accountants.
		Discussion on the application to Mega Bank for a total credit facility of TWD 150 million.
		Discussion on the application to Taishin Bank for financing of TWD 140 million.
		Discussion on the application for a credit line with Citibank (Taiwan).
		Discussion on the application for a credit line with Cathay United Bank.
		Discussion on the proposal for a USD 2M loan from the Company to TIPO INTERNATIONAL CO., LTD. (SAMOA).
		Discussion on the proposal for a USD 100,000 loan from TIPO (SAMOA) to T&M Joint (Cayman) Holding Co., Ltd.
		Discussion on the proposal for a THB 30M loan from TIPO (SAMOA) to Matec Southeast Asia (Thailand) Co., Ltd.

		Discussion on the proposal for a RMB 70M loan from Dongguan Xin Feng Hardware Machinery & Plastics Industry LTD.
		Discussion on the adoption of "Regulations Governing Meeting Souvenirs and Collection of Deposits."
		Discussion on the change of the stock affairs agent effective from January 5, 2026.
		Discussion on the proposal for the Company to issue its first domestic unsecured convertible bonds.
		Discussion on the review of the appointment and dismissal of managers.
		Discussion on the review of salary for newly appointed managers.
		Discussion on the update of the 2024 employees' compensation distribution for managers.
26 December 2025	The 16th Board The 4th meeting	Discussion on the capital expenditure for the procurement of gear grinding related equipment.
21 January 2026	The 16th Board The 5th meeting	Discussion on the amendments to certain provisions of the "Internal Control System - Payroll Cycle (WA)" by the Board of Directors in 2026.
		Discussion on the amendments to certain provisions of the "Internal Control System - Production Cycle (PC)" by the Board of Directors in 2026.
		Discussion on the amendments to certain provisions of the "Table of Authority" by the Board of Directors in 2026.
		Discussion on the proposal for the 2026 annual budget of the Company by the Board of Directors in 2026.
		Review of the amendments to the "Articles of Incorporation" of the Company by the Board of Directors in 2026.
		Discussion on the construction budget for the new plant of Zhejiang Yuzuan Precision Components Co., Ltd. by the Board of Directors in 2026.
		Discussion on the acquisition of right-of-use assets for real estate by Dongguan Xinfeng Hardware Machinery Plastic Industrial Co., Ltd. by the Board of Directors in 2026.
		Discussion on the application for a credit line with Cathay United Bank by the Board of Directors in 2026.
		Review of the 2025 year-end bonus distribution for the managers by the Remuneration Committee in 2026.
04 March 2026	The 16th Board The 6th meeting	Discussion on the 2025 Statement of Internal Control System.
		Discussion on the 2025 Business Report and Financial Statements.
		Deliberation on the 2025 distribution of employee compensation and director remuneration.
		Discussion on the 2025 earnings distribution proposal.
		Resolution on the 2025 cash dividend distribution from earnings.
		Discussion on the 2026 independence assessment of the certified public accountants.
		Discussion and approval of the appointment of the certified public accountants for 2026.
		Discussion on the application to HSBC Bank (Taiwan) for a short-term comprehensive credit facility of USD 11 million and a derivative financial product limit of USD 1.5 million.
		Deliberation on the matters relating to the convening of the 2026 Annual General Meeting on May 26, 2026.
		Discussion on the 2026 salary adjustment proposal for the Company's managers.

2.3.11 Directors or supervisors have different opinions on major resolutions passed by the board of directors in the most recent year and up to the date of publication of the annual report, and there are records or written statements, the main contents of which are as follows:

Date of the Board Meeting (Term)		Proposals	Resolutions
06 August 2025	The 16th Board The 2nd meeting	Discussion on the appointment of members for the 6th Remuneratio*n Committee.	After the chairman consulted all directors attending the meeting, the voting result showed 6 votes in favor and 3 votes against. Since the affirmative votes exceeded the majority, the proposal was passed.

2.4 Information on CPA Fees

Unit: NTD (in thousands)

Name of CPA firm	Name of CPA	Period covered by CPA's Audit	Audit Fees	Non-audit fees (Note)	Total	Remark
EY Taiwan	JING-YA ,HUANG	1 January 2025 ~ 31 December 2025	2,880	377	3,257	
	WEN-CHEN,LO	1 January 2025 ~ 31 December 2025				

Note: Transfer Pricing Report was NTD180thousand. Other covered expenses were NTD197 thousand.

I. Information on CPA (External Auditor) Professional Fees:
The amount of payment to the CPAs of the Company and the CPA firm for audit and non-audit services and the content of the services specified as follows:

II. If the payment for CPAs audit services in the year of replacement of CPAs firm was less than the amount paid for the audit services of the previous year, disclose the amount of auditing fee reduced, the ratio of reduction and the reason: Not applicable.

III. If the auditing fee reduced by more than 10% from the same period of the previous year, disclose the amount reduced, the ratio and the reason: Not applicable.

2.5 Replacement of CPA

If there was CPA being replaced in the last two years and thereafter: Yes.

Due to regulatory requirements and the internal rotation mechanism of the executing accountingfirm, starting from Q1 of 2025, the CPAs for the Company's financial statements have been changed from Chen, Ming Hung and Lo, Wen Chen. to Huang Jing-Ya and Lo, Wen Chen.

2.5.1 Information regarding the former CPAs

<table>
<tr><td>Date of replacement</td><td colspan="5">First quarter of 2025</td></tr>
<tr><td>Reason and Explanation for the Replacement</td><td colspan="5">Due to regulatory requirements and the internal rotation mechanism of the executing accounting firm</td></tr>
<tr><td rowspan="3">whether it was the certified public accountant that voluntarily ended the engagement or declined further engagement or the company that terminated or discontinued the engagement</td><td colspan="3">Parties involved
Situation</td><td>CPA</td><td>Company</td></tr>
<tr><td colspan="3">voluntarily ended the engagement</td><td colspan="2" rowspan="2">N/A, due to the internal rotation in the accounting firm</td></tr>
<tr><td colspan="3">declined further engagement</td></tr>
<tr><td>Opinion and reason of issuing an audit report expressing other than an unqualified opinion during the 2 most recent years</td><td colspan="5">None</td></tr>
<tr><td rowspan="6">Whether there were any different opinions with the issuer</td><td rowspan="4">Yes</td><td></td><td colspan="3">Accounting principles or practices</td></tr>
<tr><td></td><td colspan="3">Financial report disclosure</td></tr>
<tr><td></td><td colspan="3">auditing scope or procedure</td></tr>
<tr><td></td><td colspan="3">Other</td></tr>
<tr><td>No</td><td colspan="4">✓</td></tr>
<tr><td colspan="5">Explanation</td></tr>
<tr><td>Other disclosure items (Disclosure required for the Item 1-4 to 1-7, Subparagraph 6, Article 10 of the regulations)</td><td colspan="5">None</td></tr>
</table>

2.5.2 Information Regarding the Successor CPAs

Name of the accounting firm	EY Taiwan
Name of the certified public accountant	Huang Jing-Ya, Lo, Wen Chen
Date of engagement	From Q1 of 2025
Prior to the engagement of the successor certified public accountant, the consultations and the consultation results of the Company consulted the newly engaged accountant regarding the accounting treatment of or application of accounting principles to a specified transaction, or the type of audit opinion that might be rendered on the Company's financial report	None
The written views from the successor certified public accountant regarding the matters on which the company did not agree with the former certified public accountant	None

2.5.3 The reply letter from the former certified public accountant pursuant to Item 1 and 2-3, Subparagraph 6, Article 10 of the regulations: N/A

2.6 The Company's Chairman, President, and managers in charge of its finance or accounting operations held positions in the Company's independent auditing firm or its affiliates in the most recent year:

None.

2.7 Movement in shareholdings of directors, supervisors, managers and shareholders with more than 10% shareholding

2.7.1 Changes in Shareholding Percentages by Directors, Supervisors, Management and Shareholders with 10% Ownership or More

Please refer to the Market Observation Post System (MOPS)

[https://mops.twse.com.tw] by navigating to: Summarized Reports ＞ Changes in Shareholding/Securities Issuance ＞ Shareholding/Pledge/Transfer by Directors, Supervisors, Managers, and Major Shareholders ＞ Summary of Shareholding of Directors, Supervisors, Managers, and Major Shareholders. In the search interface, please select "Listed" under Market Category, "Electrical and Machinery" under Industry Category, and enter the desired year and month to retrieve the data.

2.7.2 Information on the transfer of shareholding where the counterparty is a related party: None.

2.7.3 Information on the pledge of shares where the counterparty is a related party: None.

2.8 The Information show Name and Relationship between the Companies Top Ten Shareholders, or Spouses or Relatives within Two Degrees

28 March 2026; Unit: shares; %

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remark
	Shares	%	Shares	%	Shares	%	Title (Name)	Relationship	
Zeng Hsing Industrial Co., Ltd. Representative: LIN, CHIH-CHENG	15,712,000	26.06 %	–	–	–	–	LIU, CHUN-CHANG	Institutional shareholder director representative	
Goodway Machine Corp Representative: YANG, SHU-HAN	4,584,216	7.60%	–	–	–	–	None.	None.	
YU,KUO-WEI	2,149,000	3.56%	–	–	–	–	None.	None.	
LIU, CHUN-CHANG	1,249,599	2.07%	185,000	0.31%	–	–	Zeng Hsing Industrial Co., Ltd.	Institutional shareholder director representative	
SHIH,GUO-JHEN	1,111,000	1.84%	–	–	–	–	None.	None.	
Taishin Life Insurance Co., Ltd. -Taishin Securities Investment Trust Equity Investment DDE02	1,050,000	1.74%	–	–	–	–	None.	None.	
LeeMing Construction Co., Ltd. Representative: WU,CHUN-SHAN	1,000,000	1.66%	–	–	–	–	None.	None.	
CHEN,MEI-HUI	719,000	1.19%	–	–	–	–	None.	None.	
HUANG,KUN-CHENG	650,000	1.08%	–	–	–	–	None.	None.	
CHAO,FANG-YANG	594,000	0.99%	–	–	–	–	None.	None.	

2.9 The Total Number of Shares and Total Equity Stake Held in any Single Enterprise by the Company, Its Directors and Supervisors, Managers, and any Companies Controlled either Directly or Indirectly by the Company

31 December 2025 Unit: thousand shares; %

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
TIPO International Co., Ltd.	31,133	100%	-	-	31,133	100%
Hong Kong Xinfeng Enterprise Limited	(Note 1)	100%	-	-	(Note 1)	100%
Dongguan Xin Feng Hardware Machinery & Plastics Industry Ltd	(Note 1)	100%	-	-	(Note 1)	100%
TURVO International Co., Ltd (YZ)	(Note 1)	100%	-	-	(Note 1)	100%
T&M Joint (Cayman) Holding Co., Ltd.	4,913	35.71%	561	4.08%	5,474	39.79%
Matec Southeast Asia (Thailand) Co., Ltd.	216	99.99%	-	-	216	99.99%
TUF Technology Co., LTD.	90	100%	-	-	90	100%

Note 1: The Company is registered as a limited company and therefore no shares were issued.

III. Capital Overview

3.1 Capital and Shares

3.1.1 Sources of Capital

1. Capital formation process

31 March 2026 Unit: 1,000 shares; NTD thousands

Month/ Year	Par Value (NTD)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Other
December 1987	1,000	2	2,000	2	2,000	Established at 2,000	None.	Letter (76) Qi-Liu-Jian-San-Jia-Zi No. 377962 dated 29 December 1987
March 1995	1,000	5	5,000	5	5,000	Raising capital of 3,000 through offering new shares	None.	Letter (84) Ba-Si-Jian-Er-Zi No. 377962 dated 30 March 1995
July 1999	1,000	15	15,000	15	15,000	Raising capital of 10,000 through offering new shares	None.	Letter (88) Zhong-Ban-San-Zi No. 652718 dated 28 July 1999
December 2003	1,000	20	20,000	20	20,000	Raising capital of 5,000 through offering new shares	None.	Letter (92) Jing-Shou-Zhong-Zi No. 09233222820 dated 30 December 2003
December 2005	1,000	22	22,400	22	22,400	Capitalization of retained earnings into new shares amounting to 2,400	None.	Letter (94) Jia-Shou-Gang-Zi No. 09424000590 dated 27 December 2005
December 2006	10	15,000	150,000	2,380	23,800	Capitalization of retained earnings into new shares amounting to 1,400	None.	Letter (95) Jia-Shou-Gang-Zi No. 09524000830 dated 19 December 2006
July 2008	10	15,000	150,000	2,680	26,799	Capitalization of retained earnings into new shares amounting to 2,999	None.	Letter (97) Jia-Shou-Gang-Zi No. 09724000680 dated 11 July 2008

July 2009	10	15,000	150,000	2,822	28,219	Capitalization of retained earnings into new shares amounting to 1,420	None.	Letter (98) Jia-Shou-Gang-Zi No. 09824000450 dated 6 July 2009
October 2009	99.03	15,000	150,000	2,973	29,733	Raising capital of 1,514 through offering new shares	None.	Letter (98) Jia-Shou-Gang-Zi No. 09824000650 dated 7 October 2009
December 2009	210	15,000	150,000	3,347	33,474	Raising capital of 3,741 through offering new shares	None.	Letter (98) Jia-Shou-Gang-Zi No. 09824000890 dated 16 December 2009
January 2010	210	15,000	150,000	3,682	36,818	Raising capital of 3,344 through offering new shares	None.	Letter (99) Jia-Shou-Gang-Zi No. 09900500040 dated 8 January 2010
May 2010	10	50,000	500,000	19,200	191,999	155,181 Capitalization of additional paid-in capital into new shares amounting to 155,181	None.	Letter (99) Jia-Shou-Gang-Zi No. 09900500360 dated 28 May 2010
May 2010	10	50,000	500,000	25,382	253,818	Capitalization of retained earnings into new shares amounting to 61,819	None.	Letter (99) Jia-Shou-Gang-Zi No. 09900500360 dated 28 May 2010
June 2010	50.5	50,000	500,000	30,382	303,818	Raising capital of 50,000 through offering new shares	None.	Letter (99) Jia-Shou-Gang-Zi No. 09900500460 dated 21 June 2010
August 2011	10	50,000	500,000	34,133	341,330	Capitalization of retained earnings and employee bonuses into new shares amounting to 37,512	None.	Letter (100) Jia-Shou-Gang-Zi No. 10000500750 dated 7 August 2011

November 2011	63	50,000	500,000	37,468	374,680	Raising capital of 33,350 through offering new shares	None	Letter (100) Jia-Shou-Gang-Zi No. 10000500960 dated 29 November 2011
September 2013	10	50,000	500,000	41,215	412,148	Capitalization of retained earnings into new shares amounting to 37,468	None	Letter (102) Jia-Shou-Gang-Zi No. 10200500930 dated 18 September 2013
September 2014	92	50,000	500,000	49,215	492,148	Raising capital of 80,000 through offering new shares	None	Letter (103) Jia-Shou-Gang-Zi No. 10300500760 dated 17 September 2014
October 2018	10	80,000	800,000	60,288	602,881	Capitalization of retained earnings into new shares amounting to 110,733	None	Letter (107) Jia-Shou-Gang-Zi No. 1074003067 dated 17 October 2018

2. Type of Stock

31 March 2025 Unit: shares

Share Type	Authorized Capital			Remarks
	Shares Outstanding (Note)	Un-issued Shares	Total Shares	
Common shares	Issued shares 60,288,089	19,711,911	80,000,000	

Note: Specify if the shares are listed at TWSE or TPEx (specify if the shares are restricted for repurchase from TWSE or TPEx)

3. Information for Shelf Registration: Not applicable.

3.1.2 List of Major Shareholders

The names, number of shares held and shareholding ratio of the top 10 shareholders or shareholders with a shareholding ratio of 5% or mor

28 March 2026 Unit: shares; %

Shares / Shareholder's Name	Shareholdings (shares)	Proportion of shareholding
Zeng Hsing Industrial Co., Ltd.	15,712,000	26.06%
Goodway Machine Corp.	4,584,216	7.60%
YU,KUO-WEI	2,149,000	3.56%
LIU, CHUN-CHANG	1,249,599	2.07%
SHIH,GUO-JHEN	1,111,000	1.84%
Taishin Life Insurance Co., Ltd. - Taishin Securities Investment Trust Equity Investment DDE02	1,050,000	1.74%
LeeMing Construction Co., Ltd.	1,000,000	1.66%
CHEN,MEI-HUI	719,000	1.19%
HUANG,KUN-CHENG	650,000	1.08%
CHAO,FANG-YANG	594,000	0.99%

3.1.3 Dividend Policy and Implementation Status

1. Dividend policy as set out in the Articles of Incorporation

If earnings are available for distribution at the end of a year, 10% of net earnings – that is, after offsetting any loss from prior year(s) and paying all taxes and dues – shall be set aside as legal reserve and appropriated in accordance with the Securities Exchange Law. The remaining net earnings can be distributed along with prior accumulated unappropriated retained earnings. The board of directors will consider the above-mentioned factors when making the dividend distribution proposal. Dividends will be distributed in accordance with the resolution approved by the board of directors and at the annual shareholders’ meeting.

In accordance with Paragraph 5, Article 240 of the Company Act, a company may, by a resolution adopted by a majority of the shareholders present who represent two-thirds or more of the total number of its outstanding shares of the company, have the surplus profit distributable as dividends and bonuses in whole or in part distributed in the form of new shares to be issued by the company for such purpose as stipulated in Paragraph 1, Article 241 of the Company Act, and reported to the shareholders' meeting.

The Company is growing and in view of its capital expenditure, business expansion and sound financial planning for sustainable development, the Company's dividend policy is to appropriate 20% or more of the available earnings for dividend distribution in accordance with the Company's future budget for capital expenditure and funding requirements. The distributable earnings of the year shall be distributed to shareholders in the form of stock dividends and cash dividends, based on the retained earnings of the year as stipulated in the first paragraph, with the cash dividend ratio of not less than 30% of the total dividends to shareholders. However, the type and rate of distribution of such earnings may be adjusted by resolution of the shareholders' meeting after the board of directors has prepared a proposal for distribution, which is subject to the actual profitability and capital position of the year.

2. Proposal of/ Proposed Distribution of Dividend

The board of directors' meeting resolved on 4 March 2026 to distribute cash dividends of NTD4.0 per share from earnings for 2025, amounting to NTD241,152 thousand. The chairman is authorized to determine the ex-dividend date, distribution date and other related matters.

3.1.4 Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting: Not applicable.

3.1.5 Compensation of employees, directors, and supervisors

1. Information on Compensation of employees, directors and supervisors as set out in the Articles of Incorporation

As stipulated in the Company's Articles of Incorporation, the Company shall appropriate 3.5% to 7% of compensation to employees and no more than 1.7% of compensation to Directors based on the profitability of the year (i.e., profit before tax less compensation to employees and directors) after deducting accumulated deficits.

The amount of employee compensation referred to in the preceding paragraph shall allocate no less than 20% for distribution to entry-level employees.

A company may, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation and submitted to the shareholders' meeting. Employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, are required to meet certain requirement to be entitled to receive shares or cash.

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

The compensation to employees and directors for 2025 was made in accordance with the provisions of the Company's Articles of Incorporation and was approved by the board of directors on 4 March 2026. If the actual amount of distribution differs materially from the amount resolved by the board of directors, the change in accounting estimate is accounted for and the effect of such change is recognized in profit or loss in the following year.

3. Distribution of compensation of employees, directors, and supervisors approved by the board of directors

(1) Distribution of cash bonuses or stock bonuses to employees, and remuneration to directors and supervisors. If there is any discrepancy between such an amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, reasons therefor, and how it is treated shall be disclosed.

The proposed distribution of compensation to employees and remuneration to directors by the board of directors on 4 March 2026 is as follows and there is no discrepancy with the estimated amount in the year in which the expense is recognized.

A. Compensation of employees (Cash): NTD17,227,669.

B. Compensation of employees (Stocks): NTD0.

C. Remuneration of directors: NTD8,205,560.

(2) The amount of any proposed distribution of employee stock bonuses, and as a percentage of the sum of the current after-tax net income and total employee bonus.

The distribution of the Company's 2025 earnings is not to be distributed to employees in the form of stocks and therefore is not applicable.

4. The actual distribution of employee bonus and remuneration to directors/supervisors for the previous fiscal year (including the number, dollar amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee bonus and director/supervisor compensation, additionally the discrepancy, reasons therefor, and how it is treated.

The Company's board of directors resolved on 5 March 2025 to distribute employees' compensation and remuneration to directors for 2024. The actual amounts distributed are as follows and are not materially different from the amounts posted to the account.

A. Compensation of employees (cash): NTD26,840,337.

B. Compensation of employees (stocks): NTD0.

C. Compensation of directors: NTD12,702,951.

3.1.6 Buy-back of stock: None.

3.2 Corporate Bonds

3.2.1 Status of Corporate Bond Issuance

Unit: NT$ thousand

Type of Corporate Bond	1st Domestic Unsecured Convertible Bonds
Issuance (Handling) Date	January 23, 2026
Par Value	NT$100,000
Place of Issuance and Trading	N/A
Issue Price	Issued at 101% of the par value
Total Amount	NT$1,300,000 thousand
Interest Rate	Coupon rate: 0%
Maturity	Term: 3 years; Maturity Date: January 23, 2029
Guarantor	N/A
Trustee	Taishin International Bank Co., Ltd.
Underwriter	Taishin Securities Co., Ltd.
Legal Counsel	Attorney-at-Law: Ya-Wen Chiu
Certified Public Accountants (CPAs)	Ernst & Young; CPAs: Ching-Ya Huang and Wen-Chen Lo
Method of Redemption	Except for cases where the holders of these Convertible Bonds (CBs) convert them into the Company’s common shares in accordance with Article 10 of the "Regulations Governing the Issuance and Conversion of the 1st Domestic Unsecured Convertible Bonds," or where the Company redeems them prematurely in accordance with Article 18, or where the Company repurchases and cancels them through securities firms' business premises, the Company shall redeem the CBs held by the holders in cash at par value in a single lump sum within ten business days after the maturity date. If the aforementioned date falls on a non-business day of the Taipei exchange market, it shall be postponed to the next business day.
Outstanding Principal	NT$1,300,000 thousand
Redemption or Prepayment Clauses	Please refer to the Company’s "Regulations Governing the Issuance and Conversion of the 1st Domestic Unsecured Convertible Bonds."
Restrictive Covenants	N/A
Credit Rating Agency, Date, and Rating	N/A

<table>
<tr><td rowspan="2">Other Rights Attached</td><td>Amount of common shares, GDRs, or other securities converted (exchanged or subscribed) as of the publication date of the annual report</td><td>None</td></tr>
<tr><td>Issuance and Conversion (Exchange or Subscription) Regulations</td><td>Please refer to the Company’s "Regulations Governing the Issuance and Conversion of the 1st Domestic Unsecured Convertible Bonds."</td></tr>
<tr><td colspan="2">Potential Dilution of Equity and Impact on Existing Shareholders</td><td>Before the bondholders exercise their conversion rights, there is no dilution effect on the Company’s equity. Since bondholders can choose the most favorable time to convert within the conversion period, the dilution effect is deferred. As the CBs are converted into common shares, liabilities will decrease and shareholders' equity will increase, thereby raising the net value per share. In the long run, the impact on existing shareholders' equity is expected to be limited.</td></tr>
<tr><td colspan="2">Custodian for Exchange Objects</td><td>N/A</td></tr>
</table>

3.3 Preferred Shares

None.

3.4 Global Depository Receipts

None.

3.5 Employee Share Subscription Warrants

None.

3.6 New Restricted Employee Shares

None.

3.7 Status of New Shares Issuance in Connection with Mergers and Acquisitions

None.

3.8 Financing Plans and Implementation

As of the end of the quarter preceding the publication date of this annual report, the Company has no outstanding issues or private placements of securities that remain uncompleted, nor any projects completed within the past three years whose planned benefits have yet to be realized.

IV. Operational Highlights

4.1 Business Content

4.1.1 Business Scope

1. The main business content of the Company

The Company's main business activities are processing, manufacturing, and trading of precision metal parts such as automotive industry, medical industry, industrial industry, household application industry and optical industry. The product scope of the Company's business includes:

1.CE01030 Optical Instrument Manufacturing
2.CB01010 Machinery and Equipment Manufacturing
3.F113010 Machinery Wholesale Industry
4.F213080 Retail Sale of Machinery and Equipment
5.CB01990 Other Machinery Manufacturing (Machine Parts)
6.F106010 Wholesale of Ironware
7.F206010 Retail Sale of Ironware
8.CP01010 Hand Tool Manufacturing
9.F401010 International Trade
10.CD01030 Automobiles and Parts Manufacturing
11.CC01080 Electronic Parts and Components Manufacturing
12.F113030 Wholesale of Precision Instruments
13.F199990 Other Wholesale Trade
14.ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

2. Operating Ratio

Unit: NTD (in thousands); %

Year / Main Product	2025	
	Sales Amount	Operating Ratio
Precision metal parts	3,274,939	100.00%
Other	-	-
Total	3,274,939	100.00%

3. The Company's current merchandise (service) items

The Company mainly produces automotive engine systems, drivetrain systems, brake systems, fuel cells, bicycles, medical equipment, connectors, sensors, temperature control equipment for aerospace and industrial communication applications, and other processed and manufactured precision metal parts.

4. New products (services) planned for development

Provide complete module machining solutions, including surface treatments, turning, milling, drilling, grinding, precision gearing, forging, die casting, injection molding, stamping and assembly, etc. high value-added products and services.

4.1.2 Industry Outlook

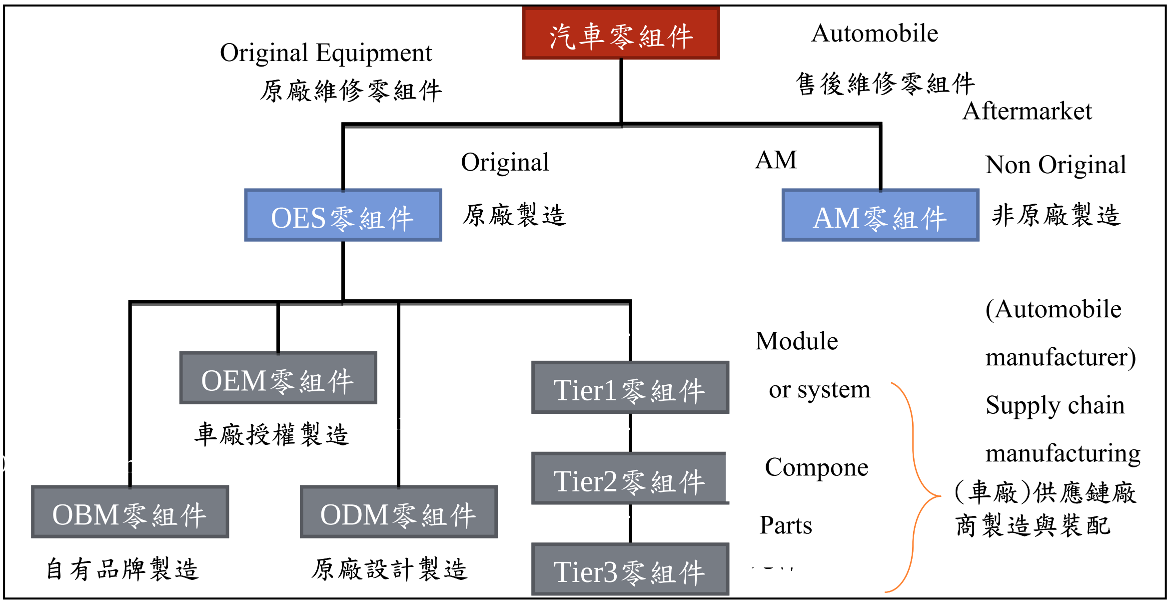
1. Current status and development of the industry

The Company specializes in the machining of precision metal components, with applications spanning the automotive, bicycle, industrial equipment, and other precision machinery-related industries. Automotive and bicycle components currently form the core foundation of the Company's operations. Leveraging its long-standing expertise in precision machining, the Company has gradually expanded into emerging application areas, including industrial automation equipment and liquid cooling systems for high-performance computing (HPC) servers, supplying key components such as reducers and liquid cooling quick disconnects (UQD). The following section provides an overview of the market size and development trends of the Company's major application industries, outlining the current industry landscape and future outlook.

(1) The global automotive industry

The automotive industry is a high-precision, technical, and highly integrated comprehensive industry. The product development cycle is relatively long, typically lasting around three to four years, involving processes from market research, product research and development, and manufacturing, to sales and feedback. The production process is very complex and wide-ranging, requiring coordination among hundreds of satellite suppliers, and involves collaboration from various sectors to ensure smooth operations. The automotive industry requires a multitude of components, with the number of required components typically ranging between 8,000 to 15,000, depending on the complexity of the equipment. These components utilize various materials, including steel, non-ferrous metals, rubber, glass, asbestos, ceramics, fibers, and petrochemicals. The manufacturing processes for these components involve casting, stamping, forging, machining, and tempering. Once the components pass quality inspection, they are transported to central factories for assembly. The assembly process of automobiles at central factories involves multiple stages, including body welding, painting, pre-assembly of certain components, and final vehicle assembly. Before leaving the factory, automobiles must undergo various inspections and testing based on different criteria and standards. Only after meeting the required standards and being confirmed as qualified, can a safe and reliable vehicle be considered fully manufactured.

Types of international division of labor in the automobile components industry



Data source: IEK of Industrial Technology Research Institute (May 2013)

According to the 2026 Global Automotive Sales Forecast jointly released by J.D. Power and Global Data, global vehicle sales are projected to reach approximately 93.7 million units in 2026, reflecting moderate growth and indicating that demand in the conventional automotive market remains sizable and stable. The report notes that growth in mature markets is expected to remain limited, while emerging markets such as China and India will continue to serve as key drivers of global demand. Although slower global economic growth, geopolitical developments, and changes in trade policies may increase market uncertainties, major automakers are continuing to optimize supply chains and adjust production capacity to maintain stable vehicle deliveries and strengthen market resilience. Overall, the conventional automotive market is expected to maintain steady development in 2026, providing stable operating opportunities for suppliers within the internal combustion engine (ICE) component supply chain.

In general, the structure of an automobile can be roughly divided into five systems: power system, drivetrain system, electrical and electronic system, chassis, and body. If categorize based on the functional characteristics of each part, they can be further divided into seven components: power unit, transmission, controlling, steering, safety unit, frame and chassis, suspension. Each component is composed of thousands of individual components, making a highly complex structure. The automotive industry has very high demands for quality systems and yield rates. ISO-9001, QS-9000, and TS-16949 are only basic requirements, with procured components needing to be almost flawless. The names and functional characteristics of various automotive parts are as follows in the table:

Functional characteristics	Explanation	Major item
power unit	Included the engine and its devices such as fuel, ignition, cooling, charge, lubrication, start, exhaust, etc.	Engine, Fuel, Ignition, Cooling, Charge, lubrication, Start, Exhaust, etc.
transmission	The power generated by the engine is transmitted through this device to rotate the wheels and propel the vehicle forward.	Clutch System, Transmission, Drive Shaft
controlling	Mainly could be divided into the steering system and the brake system.	Turning block, brake
steering	A device located inside the driver's cabin and operated by the driver.	Light, Horn, dashboard
safety unit	Devices designed to maintain traffic order and ensure road safety.	Light, Horn, dashboard
frame and chassis	The majority of the devices mentioned above are fixed to the frame. The frame serves as the backbone of the vehicle, assembling the chassis, and the body is then installed on top of it, forming a complete vehicle.	Body, frame
suspension	A device designed to protect various components of a vehicle from damage caused by impact or rough road conditions.	Shock Absorber, Wheel

Data source: Compilation from the Metal Industries Research & Development Centre’s ITIS project.

Our company's main business activities include the processing, manufacturing, and trading of various precision metal parts. The application fields of our processing are quite broad and can be used in various industries. However, after assessing market conditions and the company's competitive niche, our focus in the automotive industry is primarily on the overseas OEM (Original Equipment Manufacturer) market, collaborating with major automotive parts suppliers (Tier 1). Currently, our largest customer is the Bosch Group, a Tier 1 satellite plant. We supply Bosch with engine system components, specifically fuel injector parts. After years of trusted cooperation and repeated certification experience, the product quality and pricing have gained the trust of the Bosch Group, resulting in continuous annual growth in our business revenue from Bosch.

(2) Bicycle Industry.

According to an industry report by Global Industry Insights (GII), the global bicycle market is projected to reach approximately USD 106.78 billion in 2026, reflecting steady growth driven by urbanization, short-distance commuting, and leisure cycling demand. With ongoing investments in transportation infrastructure and the promotion of green mobility policies across multiple countries, bicycles continue to serve as an economical and environmentally friendly transportation option, sustaining demand momentum in major markets. Although the industry faces challenges such as supply chain adjustments and raw material price volatility, overall inventory levels are gradually normalizing, and order activity is showing signs of recovery. Increasing product value-added features and the digitalization of distribution channels are expected to enhance industry competitiveness. Overall, the global bicycle market is anticipated to maintain stable growth in 2026, with corresponding opportunities extending throughout the precision component supply chain, as illustrated in the table of key bicycle components and their functions.

Main parts system	Description	Main item
Frame	The basic structure of the bicycle, with light weight and high intensity as the main demand. Common frame materials include aluminum alloy, titanium alloy, carbon fiber and synthetic steel, etc.	Headtube, top tube, down tube, seat tube, seat stay, chain stay, fork, saddle, seat post, seat post clamp
Steering system	The main part of controlling a bike.	Handlebar, brake lever, head parts, stem cap, stem
Brake system	Take control of the front and rear wheels, slow the bike down and stop the bike safely.	Caliper brake, brake blocky, brake cable
Drivetrain	The heart of a bike, which drives the bike forward.	Pedals, crank, chainwheel, bottom bracket, chain, freewheel, front derailleur, rear derailleur, derailleur cable
Wheelset	The bike moves or stops by the friction between the tires and the ground.	Rim, hub, spoke, nipple, cassette body, quick release, drop out, tire, valve

Data source: Internet data compilation

(3) Industrial Automation Industry

According to Precedence Research and related industry reports, the global industrial automation market is projected to grow at a compound annual growth rate (CAGR) of 9%, reaching over USD 250 billion by 2026. Unmanned material handling systems, centered on AGVs (Automated Guided Vehicles) and AMRs (Autonomous Mobile Robots), are expected to experience the fastest growth, driven by the stringent logistics efficiency requirements of e-commerce and smart manufacturing. Industry development is supported by two key drivers. First, high-performance motion and optimization: as unmanned material handling equipment becomes smaller yet capable of higher loads, the demand for precision reducers has shifted from size-focused specifications to high torque density and reliability, ensuring accurate positioning during 24/7 continuous operations. Second, modularization and thermal management trends: UQDs (liquid cooling quick disconnects) have become critical components in advanced HPC and AI server liquid cooling systems. As server rack power densities increase, traditional air cooling is insufficient. UQDs provide spill-free, reliable connections, ensuring stable operation of AI servers and the safety of thermal management systems. Liquid cooling technology is expected to gradually replace traditional cooling solutions on a large scale.

2. Relations with industries upstream, midstream, and downstream

The raw materials and related production facilities purchased by the Company to produce related products are upstream of the industrial supply chain. The main purchases include various metal bars, such as stainless steels bars, carbon steel bars, aluminum bars, copper bars and other metal bars. The manufactured products include auto parts, medical device parts, industrial application parts and aerospace related fastenings are the midstream of the industrial supply chain. The parts products produced by the Company are the key parts necessary for the products of downstream and have a wide range of applications. The application range covers vehicles, medical, optical lenses, consumer electronics, aerospace industry, etc. The relations with industries upstream, midstream, and downstream are as follows:

Upstream, midstream, and downstream

Raw materials
Stainless steel, carbon steel, copper bars, aluminum bars,

Devices:
Lathe,CNC machine center,CNC

Satellite-factory
(parts manufacturing plant)

Automotive industry
Medical industry
Industrial industry
Family application industry
Optical industry
Consumer electronics
Aerospace industry

3. Various trends of product development and competition status

(1) Industry Scaling and Specialization: Product and technological innovation remain key strategic priorities for automakers. By leveraging shared platforms, modular designs, and global strategies, they are able to achieve economies of scale and optimize cost management. A similar trend is observed in the industrial automation sector, where companies employ platform-based designs to enhance the compatibility of precision reducers and various equipment, such as AGVs and AMRs. To shorten development cycles and ensure product quality, component suppliers are increasingly required to participate across the full value chain—from research and development to sales and after-sales services.

(2) Vehicle and Equipment Application Technology Upgrades: Another pressure faced by component suppliers comes from the upgrading of vehicle application technologies, including miniaturization, lightweighting, and energy-saving technologies. Suppliers must also invest in R&D to meet the demand for these new technologies.

(3) Energy Efficiency and Low-Carbon Emission Trends: Due to sustained high oil prices and increasing environmental concerns, the share of fuel-efficient and hybrid vehicles is gradually rising. Beyond changes in automotive powertrains, automakers are also investing significant efforts in the development of compact, fuel-efficient models. This strategy not only helps meet regulatory requirements but also provides consumers with more affordable options in challenging economic conditions. Consequently, electric vehicles (EVs) remain a central focus of automakers' future development strategies.

(4) Core Technology Extension and Application: The Company employs a comprehensive range of manufacturing processes—including turning, milling, drilling, grinding, precision gearing, forging, die casting, injection molding, stamping, heat treatment, and surface finishing—combined with strict quality control procedures. Leveraging these capabilities, the Company has extended its services into the industrial automation sector, supplying critical components such as precision reducers and liquid cooling quick disconnects (UQDs), thereby supporting industry expansion and diverse market applications.

4. Competition status

Faced with global industry trends toward modularization and cost pressures, major manufacturers increasingly outsource precision components. The Company, with automotive components as its primary revenue source, has leveraged long-term experience in the automotive industry and a rigorous quality system to establish high-precision manufacturing barriers. These core capabilities have been successfully extended into the industrial automation sector, including products such as precision reducers and AI server infrastructure components (UQDs). Compared with the highly competitive traditional electronics market, the Company's focus on high-end motion systems and liquid cooling solutions with higher technical barriers has allowed it to operate in a relatively stable competitive landscape.

Currently, there are no direct competitors in the domestic precision metal component sector with a product portfolio identical to that of the Company. With the surge in demand for liquid cooling in global AI computing centers and the growing emphasis on unmanned material handling in smart logistics, the number of market entrants is expected to increase in the future. Building on a stable revenue base from automotive components, the Company will continue to strengthen its core manufacturing capabilities. By maintaining a technological edge in areas such as high airtightness and high torque density, the Company aims to consolidate its competitive advantage and expand market share in an increasingly competitive landscape.

4.1.3 Technology and research & development summary

I. R&D expenditures during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

Unit: NTD (in thousands); %

Year / Item	2025	As of 31 March 2026
R&D expenditures(A)	249,251	55,560
Net operating revenues (B)	3,274,939	813,177
Proportion of R&D expenditures (A)/(B)	7.61%	6.83%

II. Technologies and products successfully developed during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

Year	Technologies or products
2011	Automatic deburring machine
2012	Automatic measurement device, auto. Gluing machine, robotic arm
2013	Deburring marking height inspect machine, ultra-sonic washing machine
2014	Horning, heat treatment, Bosch Drain socket deburring machine, NN laser-cutting machine
2015	Inner hole grinding, cleanliness required process,
2015	Electric chemical machine, appearance inspect machine, cutting grove machine
2016	Multi-function machine, reaming machine, working station, precise washing process, metal structure analysis, precise grinding and honing technology upgraded
2017	Tool chamfering machine, automatic unloading equipment of turning, leakage inspection, precise step horning, tool chamfering process
2018	Punching machine, center bolt press pin machine
2019	Turning and grinding combine, center bolt welding ball machine, high pressure water deburring machine, laser welding machine
2020	Anti-drop of motor device
2020	Lubrication system of Gear reducer
2020	Appearance inspect machine by AI technology
2021	Grinding inspection on line & dimension compensation system CNC tool broken protection system Drain Socket working station and automatic deburring machine
2022	Logistics automatic system
2023	Electro chemical machining

4.1.4 Long-term and short-term development

I. Short-term development plan

(1) Marketing strategy

A. Maintain ongoing engagement with existing customers, thoroughly identifying and addressing their needs to reinforce core revenue streams.

B. Promote the application market for precision reducers and actively establish a presence within the AI supply chain.

C. Expand high-quality new customer bases in the bicycle and precision machinery sectors, implement revenue growth and profitability review policies, and respond flexibly to market changes.

(2) Production strategy

A. Improve procurement efficiency, follow the progress of raw materials, and reduce inventory.
B. Establish a satellite processing system to strengthen the cooperation with suppliers.
C. Advocate and implement Total Quality Management (TQM), reduce production costs, and improve product competitiveness.
D. Proactively expand the production capacity of Zhejiang Jiashan and Taiwan plant in response to short-term business growth and new product development needs.

(3) R&D strategy

A. Improve the production technology and efficiency of processed products and shorten the delivery time.
B. Continue to invest in R&D manpower, actively develop technology, and design new equipment, and expand new application markets.
C.Improve existing technological capabilities, introduce key technologies and equipment, and assist customers in developing customized products to improve customers' profits and competitiveness.

(4) Operations management

A. Build up a sound information system, including product system, enterprise resource planning (ERP) system, information security system and comprehensive knowledge management system.
B. Regularly arrange internal and external training to improve the quality of technology and development, business and the management.

(5) Financial management

A. Build strong relationships with financial institutions, stay attuned to financial market trends, and enhance financial performance.
B.Develop short-term financial plans based on medium- and long-term funding requirements, adhering to the principles of safety and stability.

2. Long-term development plan

(1) Marketing strategy

A. Provide one-stop service and solutions with advanced technology and equipment.
B. Proactively develop integrated design and manufacture to gain higher profits.
C. Increase different types of customer base and move towards global services.
D. Continue to promote the application of high precision planetary reducer and catering to the needs of customers requiring precise positioning.
E. Recruit outstanding personnel, organize a complete and harmonious team with capabilities of advanced product technology and active business development.

(2) Production strategy

A. Integrate raw material suppliers to ensure that all processes from raw material procurement to quality inspection, delivery date and other processes can be carried out smoothly.

B. Focus on the mode of OEM, improve product development capabilities, and enhance the integration of customers, manufacturers, and related industrial resources to create a win-win situation.

C. Enhance Total Quality Management (TQM) systems to make sure the product processing is safe, to ensure that follow-up process can run smoothly, and the products can be shipped on time in accordance with the delivery date.

(3) R&D strategy

A. Enhance the capability of design and integrated processing, and provide customized products and services.

B. Focus on OEM and adjust to the OEM mode of product modularity to improve product development capabilities.

(4) Operations management

A. Establish flat organization, effective management and reasonable performance assessment system for employees.

B. Regularly provide internal and external training for employee to enrich their professional and technical capabilities and improve communication efficiency in the workplace.

C. Strengthen the management of operational headquarters, enhance the operating performance of invested companies and improve financial planning capabilities.

D. Advocate the mindset of global competition and life-long learning, and achieve the goals to become multinational corporations.

E. Establish quality, efficient, and innovative corporate culture, and boost workplace cohesion.

(5) Financial management

A. The Company supplements the operating capital with net income, loans from financial institutions and cash capital increase to acquire funds needed for future development.

B. Appropriately arrange the Company's financial planning to decrease operating risks.

4.2 Market and Sales Overview

4.2.1 Market Analysis

1. Sales region of the Company's main products

Unit: NTD (in thousands); %

Area		2024		2025	
		Amount	%	Amount	%
Domestic market		425,040	11.62	383,230	11.70
Overseas market	Asia	2,053,257	56.12	1,554,621	47.47
	America	215,823	5.90	288,587	8.81
	Europe	964,585	26.36	1,048,501	32.02
	Others	—	—	—	—
	Subtotal	3,233,665	88.38	2,891,709	88.30
Total		3,658,705	100.00	3,274,939	100.00

2. Market Share

OEM is the Company's target goal in the automotive industry. The Company's customer base is the world's largest automotive component suppliers (Tier 1). Take Bosch as an example, it is the Company's best-selling customer at present. Products that sell to Bosch include spray nozzle of the engine system, high-pressure oil pumps, transmission controllers, Anti-lock brake system (ABS) and other components. Moreover, the Company's business scope has extended to many other world-renowned Tier 1 from Europe, the U.S. and Japan, such as Delphi, BorgWarner, Denso, Hitachi and so on. After accumulating years of mutual trust and cooperation and experiences of obtaining certification, the Company is deeply trusted by customers with its quality and price of the products, which further increases the Company's operating revenues over the years. For bicycle industry, the Company's successful business strategy for American customers in recent years has made the revenue of related products steadily increase year by year. For medical industry, the Company mainly supplies core metal components to world-renowned brands, and expands its business scope to orthopedic instruments and emergency room supplies and other fields.

3. Future supply, demand, and growth of market

(1) Automotive industry

Despite the ongoing global energy transition, internal combustion engine (ICE) vehicles continue to exhibit strong and rigid demand in key markets. According to research by S&P Global Mobility, ICE and hybrid electric vehicles (HEVs) are expected to maintain a significant share of global light vehicle production over the next five years, with fuel-powered systems remaining the dominant component of the global vehicle fleet through 2026.

Geopolitical risks and adjustments to European Union emission targets have led to consumer hesitancy in adopting fully electric vehicles, reinforcing the resilience of the fuel vehicle supply chain. As smaller suppliers increasingly shift toward EV component markets, gaps have emerged in the traditional ICE parts supply chain. Leveraging long-standing relationships with international automakers and high-precision manufacturing equipment, the Company has positioned itself as a preferred supplier of ICE components, effectively meeting customer demand while maintaining stable profitability.

In addition, the Company's technical team is actively supporting the development of key components for hydrogen fuel cell vehicles (FCVs). Research indicates that the global hydrogen vehicle market is projected to grow at a compound annual growth rate (CAGR) of over 45% through 2026, and the Company has proactively invested in technology reserves to prepare for this emerging market.

(2)Bicycle industry

In densely populated areas, bicycles have become a convenient and time-efficient alternative for commuting. The primary drivers of the global bicycle market stem from growing public awareness of regular exercise and healthy lifestyles, transforming bicycles from mere transportation tools into a core fitness activity. Electric bicycles (E-Bikes), in particular, combine eco-friendliness, low operating costs, and ease of use for all age groups, making them a viable alternative to public transportation and traditional pedal bicycles.

Research data indicates that the global electric bicycle market was valued between USD 52.68 billion and USD 57.5 billion in 2025 and is expected to expand at a compound annual growth rate (CAGR) of 10.2% to 14.4%. With advancements in battery technology and intelligent integration, the market size is projected to exceed USD 193 billion by 2034 and is expected to reach between USD 180 billion and USD 220 billion by 2035. Supported by global low-carbon transition policies, urban traffic congestion, and increasing consumer health awareness, electric bicycles have emerged as the preferred choice for high-performance green commuting. The Company will continue to leverage its core competencies in precision component manufacturing to strategically penetrate this high-growth segment of the global green mobility supply chain.

(3) Industrial Automation Industry

With shifts in the global labor structure and the explosive growth in AI computing demand, industrial automation has evolved from single-machine operations to a dual-track development of "smart logistics" and "high-performance computing thermal management." According to Precedence Research, the global industrial automation market is projected to surpass USD 250 billion by 2026. Within this market, the AGV/AMR (Automated Guided Vehicles/Autonomous Mobile Robots) segment is expected to benefit from the increasing demand for smart warehousing and automated logistics, with a projected compound annual growth rate (CAGR) of 15.5% from 2023 to 2032. The Company's precision planetary reducers are designed to meet the stringent requirements of high torque density and lightweight design demanded by material handling equipment.

Meanwhile, the surge in AI computing has driven a thermal management revolution. Data from Mordor Intelligence indicates that the global data center liquid cooling market is expected to reach USD 6–8 billion by 2026, with a CAGR of 24.6% between 2024 and 2033. Leveraging its core UQD (liquid cooling quick disconnect) processing technology, the Company is well-positioned to precisely meet the high demand for thermal management components from leading AI server manufacturers. As AI infrastructure deployment accelerates, this segment is expected to become a significant growth engine for the Company.

4. Competitive niche

(1)The manufacturing advantages include the diversification of product lines, mass production and planning management to meet customers' procurement needs.

(2)The Company maintains long-term, strong partnerships with key clients. For market intelligence and product development, the Company always provides opinions and needs to expand the market together. After years of hard work, the Company has become an important supplier of major international manufacturers and won awards and received commendations several times. In the supply chain system of global car dealerships, major suppliers will not be changed or replaced easily. Because the procurement and certification systems of global car dealerships are complex and take a long time to prepare, those global car dealerships focus on factors such as high quality, stable supply, and R&D efficiency instead of considering the costs. The intangible loss and time cost caused by the replacement of suppliers without deep consideration are the potential risks and costs that global car dealerships are truly concerned about.

(3)Continuous investment and improvement in R&D:

The Company puts a lot of effort into the investment in R&D and has made progress in the investment in manpower and equipment in recent years. Also, The Company has established a new plant in China, which located in Jiashan, Zhejiang, to shorten the time spending on development and show the Company's determination and efforts in the speed of product development, technology improvement and cost control.

(4)Competitive price:

The Company has tapped into internationalization and global procurement to cope with the pressure of rising costs. Moreover, the Company has implemented strict production management and drove management improvement with technology improvement to meet the market demand for price reduction step by step.

(5) International certification:

The Company has obtained multiple internationally recognized quality certifications, including ISO 9001, ISO 13485, IATF 16949, and AS 9100, demonstrating that its quality management systems meet global standards. In line with evolving international management system trends, the Company has also progressively achieved ISO 27001, ISO 14064-1, ISO 14001, and ISO 45001 certifications. These certifications not only ensure compliance with the fundamental requirements of international automakers but also continuously strengthen the Company's global competitiveness.

(6) Precise inspection equipment:

The Company's inspection equipment is the equipment that meets international standards, and the yield rate of product is almost 100%.

(7)The Company is known for professional technical capability and stable quality. Since the establishment of the Company, the Company has consistently worked on innovation and R&D, cultivated independent professional capabilities, and produced customized products for customers to meet customers' special needs and improve the Company's competitiveness among customers. Furthermore, the Company's stable product quality is well recognized by customers.

5. Favorable and unfavorable factors and countermeasures of development prospect

(1) Favorable factors

① Resilient demand and green transition opportunities in the automotive and bicycle industries

● Automotive Industry: Despite the global push for energy transition, internal combustion engine systems continue to exhibit strong and rigid demand in key markets. As smaller suppliers shift toward the electric vehicle market, the Company has leveraged its long-standing preferred supplier relationships with international automakers, such as the Bosch Group, to establish a high-entry-barrier precision manufacturing moat, reinforcing its position as a preferred supplier. Additionally, the Company's technical team is actively supporting the development of key components for hydrogen fuel cell vehicles (FCVs), ensuring the Company captures diverse business opportunities amid the energy transition.

● Bicycle Industry: Observing the evolution of urban mobility, bicycles have transformed from traditional recreational equipment into a core solution for micro-mobility in metropolitan areas. The industry is rapidly shifting toward high-value-added electrification (E-Bikes) and lightweight specifications. Market requirements for precision, fatigue resistance, and durability of critical structural components are becoming increasingly stringent, with a growing demand for core parts featuring high-performance transmission and stability. Leveraging its long-standing expertise in automotive-grade quality management systems and high-precision manufacturing, the Company is able to precisely meet customer requirements for specialized components in electrified power systems. By participating in the industry’ s progression toward smart and sustainable transportation, and through scaled production advantages and cross-industry technology transfer, the Company effectively captures long-term growth opportunities arising from global bicycle industry specification upgrades.

② Broad application scope with Cross-Industry resilience and stable revenue streams

The Company’s products span precision components for automotive internal combustion engine systems, high-end bicycles, industrial automation equipment, and AI server thermal management solutions. Its customer base includes leading global automakers, automation equipment providers, server thermal solution suppliers, and electronic component manufacturers. With a diversified product application portfolio, the Company is able to mitigate fluctuations from any single industry, limiting exposure to macroeconomic systemic risks while maintaining consistent shipment momentum and demonstrating strong operational stability.

As demand for industrial automation and AI infrastructure surges, the Company has successfully leveraged its automotive-grade high-precision manufacturing expertise to enter the precision reducer and UQD markets, extending its product line into high-value-added industrial and computing infrastructure applications. Coupled with the global expansion of smart manufacturing, AI deployment, and green mobility, the demand for high-precision components continues to grow. This expansion further broadens the Company’ s market reach, enhancing business resilience while providing strong growth potential and a robust profitability structure.

③ The Company’s has put a lot of effort into technology and the market for years, and has reached a consensus on the mode of mutual assistance with customers

The Company has started the cooperation with Bosch since 2004. So far, the Company has become its first choice among all the suppliers. Furthermore, the Company has participated in R&D and design of Bosch based on technical cooperation to increase the Company's added value. After accumulating years of mutual trust, cooperation and repeated certification experience, the Company's product quality and price has earned recognition.

④ European, American, and Japanese component factories are eager to establish production bases for regional division of labor

Due to the rise of the Asia-Pacific market, international OEMs has entered the Asia-Pacific region. The relevant European, American, and Japanese component factories are eager to establish a production base for regional division of labor based on cost consideration and to serve customers within a short distance. With the excellent manufacturing management and quality management capabilities of Taiwanese manufacturers, it is a great chance for Taiwanese manufacturers to enter the international automotive component market.

(2) Unfavorable factors

① New emission regulations and the global push toward carbon neutrality have increased compliance costs for automakers. Coupled with intense competition in the vehicle market, major manufacturers often compress suppliers' margins to maintain their own competitiveness, placing downward pricing pressure on component manufacturers.

Countermeasures:

The Company continues to implement advanced manufacturing processes and high-precision automated equipment to improve production efficiency and shorten lead times, thereby effectively reducing manufacturing costs. At the same time, process optimization enhances product yield, production efficiency, and high-quality performance, strengthening the Company's competitive advantage and bargaining position within the supply chain.

② International raw material prices fluctuate greatly, causing raw material inventory management and cost control more challenging

Aluminum, copper, and steel are the main raw materials of the Company's products. With the continuous growth in operating revenue, the use of these raw materials has been significantly increased. The substantial fluctuation in raw material prices make it difficult for suppliers to control costs and delivery dates. Therefore, raw material and cost control is a big challenge to face during production procedure.

Countermeasures:

A. Sign long-term supply contracts with raw material suppliers. The Company expects that from raw material procurement, quality inspection, to delivery time and other processes can be carried out smoothly.

B. Continue to develop new technologies and new applications and actively develop niche products such as medical device application and aerospace industry application to increase the overall gross profit margin of the Company's products.

C. Further deepen participation in the automotive industry's value chain activities, enhancing professional expertise through research and development, sales, after-sales service, and other related aspects.

D. Seek multiple suppliers to prevent the increase in raw material prices and suitably adjust selling prices to reflect costs and maintain profit margin.

③ Rising regional wages and changes in labor structure increase operating costs

As labor wages and benefits continue to grow, the proportion of labor costs in manufacturing rises year by year, putting pressure on product gross margins.

Countermeasures:

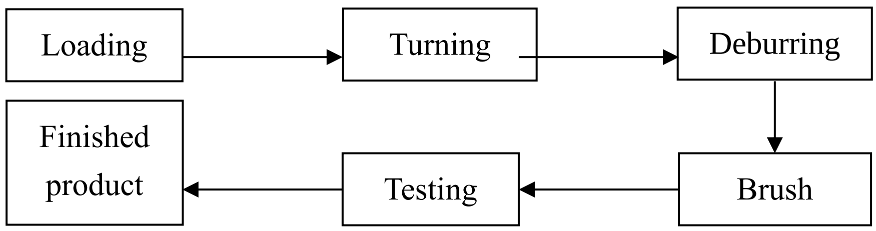
In addition to improving the production process to minimize raw material waste during manufacturing, the Company has also reduced labor hours to enhance production efficiency while lowering costs. Furthermore, the Company has increased the level of automation by introducing automated production machinery to replace manual labor, ensuring stable product quality and reducing labor costs.

4.2.2 Usage and manufacturing processes for the Company's main products

1.Usage for the Company's main products

The Company was established in 1987, and the Company mainly provides customers with precision metal processing of various metal materials, specializing in the manufacture of various automotive and motorcycle components, medical device components, industrial connector components, electronic equipment, communication device components, etc.

2. The manufacturing process of main products



4.2.3 Supply Status of Main Materials

Major raw materials	Main suppliers	Supply status
Stainless steel bars	Acciaierie Valbruna S.P.A.	Good
Stainless steel bars	Jiangyin Xiehui Metal Materials Co., Ltd.	Good
Stainless steel bars	Deutsche Edelstahlwerke GmbH	Good
Carbon Steel Rod	SAAR-BLANKSTAHL GMBH	Good
Stainless steel bars	Jiangsu Shenyuan Group Co., Ltd.	Good

4.2.4 The suppliers and clients accounting for 10 percent or more of the Company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases.

1. Information on Major Suppliers for the Most Recent 2 Years

Unit: NTD (in thousands); %

	2024				2025			
Item	Name	Amount	Percentage of annual net purchases (%)	Relation with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relation with the issuer
1	Acciaierie Valbruna S.P.A.	194,022	13.79	None	Acciaierie Valbruna S.P.A.	186,712	14.91	None
2	Other Companies	1,213,330	86.21	None	Other Companies	1,065,584	85.09	None
3	Net purchase amount	1,407,352	100.00		Net purchase amount	1,252,296	100.00	

The reason for increases or decreases:

Due to a slowdown in growth caused by shifts in market demand and a decrease in customer orders in fiscal year 2025, the demand for materials required for production has declined. Consequently, the total procurement amount from suppliers in 2025 decreased compared to 2024, although the procurement amounts from individual suppliers varied.

2. Information on Major Customers for the Most Recent 2 Fiscal Years

Unit: NTD (in thousands); %

	2024				2025			
Item	Name	Amount	Percentage of annual net sales	Relation with the issuer	Name	Amount	Percentage of annual net sales	Relation with the issuer
1	Bosch San. ve Tic. A.S.(RBTR)	393,921	10.77	None.	Bosch San. ve Tic. A.S.(RBTR)	379,199	11.58	None.
2	Bosch Diesel System	400,643	10.95	None.	Bosch Diesel System	340,999	10.41	None.
3	Fox Factory Switzerland GmbH	396,260	10.83	None.	-	-	-	None.
4	Other companies	2,467,881	67.45	None.	Other companies	2,554,741	78.01	None.
5	Net sales revenue	3,658,705	100.00		Net sales revenue	3,274,939	100.00	

The reason for increases or decreases:

The products sold by our company to the Bosch Group include engine system components such as fuel injectors, with our business relationship starting in 2004. After many years of mutual trust, cooperation, and repeated certification experiences, the quality and pricing of our products have been highly recognized by the Bosch Group. With the continued recovery of the automotive market, increasing customer demand, and adjustments to their internal production lines, regional sales have fluctuated, resulting in increased sales for Bosch Automotive and Bosch-RBTR.

4.3 Employee data for the most recent two years and up to the date of publication of the annual report.

Year		2024	2025	As of 31 March 2026
Number of Employee	Indirect employee	623	518	527
	Direct employee	578	703	762
	Total	1201	1221	1289
Average Age		37.95	38.26	38.65
Average Years of Service		4.92	5.27	5.00
Education Distribution (%)	Ph.D.	0.17%	0.25%	0.23%
	Master's Degree	4.33%	4.91%	3.80%
	Bachelor's Degree	29.06%	29.16%	29.64%
	Senior High School	29.31%	26.94%	25.83%
	Below Senior High School	37.13%	38.74%	40.50%

4.4 Disbursement for Environmental Protection

(I) According to laws and regulations if it is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and set up an exclusively responsible unit/office for environmental issues, the description of the status of such applications, payment or establishment shall be made: At present, the Company has set up equipment for waste management and equipped with permit of pollution drainage, application for incorporating into the government management. The Company’s wastewater was discharged to Chungkang wastewater treatment plant and the Company should pay water pollution control fees every six months according to the related regulations. So far, the fees are collected by Taichung Branch，Bureau of Industrial Parks, Ministry of Economic Affairs. In addition to complying with the relevant laws and regulations on environment protection and requirements of the competent authority, the Company also formulates relevant regulations and continuously implements environment protection training to improve employees' environmental awareness and concepts. Furthermore, the Company has constantly worked on maintaining the validity of ISO 14001 & ISO 45001 certificates.

(II) In order to achieve the sustainable development goals of the United Nations, TURVO INTERNATIONAL CO., LTD. has implemented certain policies to protect the environment and save energy. Moreover, the Company has proactively promoted various energy conservation plans for implementing energy conservation and carbon emission reduction.

(III) Setting forth the Company's investment on the major anti-pollution facilities, the use purpose of such facilities and the possible effects to be produced:

Equipment	Quantity	Acquisition date	Acquisition costs	The use and the possible effects to be produced
Wastewater treatment equipment	1	28 June 2014	1,428 thousand	The industrial wastewater generated in the process is treated by wastewater treatment equipment to avoid causing harm to the environment
Wastewater treatment equipment	1	31 October 2024	5,775 thousand	The industrial wastewater generated in the process is treated by wastewater treatment equipment to avoid causing harm to the environment

(IV) Describing the process undertaken by the Company on environmental pollution improvement for the most recent 2 fiscal years and up to the prospectus publication date. If there had been any pollution dispute, its handling process shall also be described: None

(V) The losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid) and disclosing an estimate of possible expenses that could be incurred currently and, in the future, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

(VI) Explaining the current condition of pollution and the impact of its improvement to the profits, competitive position, and capital expenditures of the company, as well as the projected major environment-related capital expenses to be made for the coming 2 fiscal years: It is scheduled that the Company will start to engage in the affairs of USGBC certification and wastewater treatment equipment projects in the new construction project.

4.5 Labor Relations

(I) List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests

1. Benefit plans

The items of the Company and its subsidiaries' benefit plans include labor insurance, group insurance, health checkups, year-end bonus, year-end party, family day, holiday bonus for Chinese New Year, marriage and funeral subsidies, maternity benefit, commendation for employees' years of service and bonus for proposal, etc. Furthermore, the Company has established Employee Welfare Committee and held employees' years of service and allocated funds according to the articles of Employee Welfare Committee. The Company arranges domestic and overseas company trips, employee dinner parties, birthday parties and various group activities every year according to the funds. When the Company settles the profit and loss after the end of the year, the Company will allocate employee remuneration in the proportion stipulated in the articles of association, so that employees can share the Company's operating result.

2. Employee continuing education and training

In order to improve employees' professional skills and competency, the Company and its subsidiaries not only provide internal education training, but also encourage the employees to participate in various workshops and training courses. In the most recent year, there were 480 training courses for employee education, 4,606 participants, The total hour is 11,280.99, and the training expenditure was NTD1,516,731 in total.

(1) New employee orientation: The orientation consists of the information on company profile, the Company's organizational structure, corporate system, Ethical Corporate Management Best Practice Principles, introduction to the Company, occupational safety and health, quality policy and objectives, work rules, employee manuals and advocacy for code of conduct. The Company will arrange pre-service training according to each employee's position.

(2) On-the-job training: The Company and its subsidiaries plan the "annual training course schedule" every year based on the training needs of employees and the Company's development needs. The Company arranges employees to participate in internal and external training courses to assist in the Company's talent cultivation and long-term development of employees to increase their professional skills, enhance their quality and organizational performance.

3. Retirement systems and the implementation status

So far, all employees of the Company adopt the new labor retirement system. According to Labor Pension Act, the monthly allocated pension is deposited in the individual account for labor pension established by the Bureau of Labor Insurance , which helps arrange retirement dinner parties and provide retirement souvenirs.

4. The status of labor-management agreements

The Company's operating goals must rely on the joint efforts of both labor and management to achieve. The Company has always dealt with labor relation issues based on the concept that both employers and employees are equally important and work together towards mutual prosperity. The Company places emphasis on employees' opinions, and employees are available to talk about the problems they encounter in life and work by the Company's formal or informal communication channels at any time. Moreover, the Company has held labor-management meeting for two-way communication and coordination. Therefore, the Company has always maintained a harmonious labor-management relationship.

5. Measures for preserving employees' rights

(1) Establish Employee Welfare Committee:

The Company has set up an Employee Welfare Committee in accordance with the law that provides various benefit plans including domestic and overseas company trips, employee dinner parties, birthday celebration and all types of group activities.

(2) Insurance for employees: All employees of the Company have labor

insurance, health insurance and group insurance provided by the Company.

(3) Health checkup: In order to ensure the physical and mental health of employees, the Company regularly conducts health checkups for employees for free.

(4) Pay attention to labor relations: The Company holds labor-management meeting on a quarterly basis. The labor and the management may nominate representatives to participate in labor-management meetings as chairperson, and further improve the communication and coordination between the labor and the management.

(5) Employee safety regulation: The Company has complied with the regulations of Labor Standards Act and Occupational Safety and Health Act and arranged safety and health education and training for employees from time to time.

(6) Commendation systems for senior staffs: To encourage employees and boost workplace cohesion, the Company has established commendation systems for those senior staffs who have served for 10 years, 15 years, 20 years, and so on. Every five years of service is viewed as a unit.

(II) Losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes and disclosing an estimate of possible expenses that could be incurred currently and, in the future, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the reasons why it cannot be made shall be provided.

The Company pays attention to employees and strives to establish and maintain harmonious relations with employees. As a result, there was no loss suffered by the Company and its subsidiaries in the most recent fiscal year and up to the annual report publication date due to labor disputes. Also, there was no potential factor that would result in labor disputes. It is believed that if the Company continues to proactively promote and implement various employee welfare measures, there will be no labor disputes and losses in the future.

(III) Working environment and personal safety protection measures for employees

The Company has set up a safety and health office in accordance with Occupational Safety and Health Act to handle labor safety and health affairs. Those people in charge of environmental management, regularly inspect the working environment, provide environmental education courses, advocate relevant information on disaster prevention, raise awareness about disasters and provide employees with a safe and comfortable working environment. In addition, the Company also provides regular healthcare and wellness services for employees.

(IV) Code of conduct for employees

In order to make all employees understand the code of conduct and the code of ethics, the Company has specified the relevant code of conduct in the work rules and employee manuals and formulated the "Ethical Corporate Management Best Practice Principles" for the management and all the employees to follow. Furthermore, the Company had posted the code of conduct for employees on its internal bulletin board and internal website announcement area. In this way, all the employees can check relevant regulations at any time to comply with the code of conduct.

4.6 Cyber Security Management

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

1.Information Security Risk Management Framework and Organizational Operating Model

(1) The company's IT department is responsible for overall information security planning, risk management, promotion, and execution. It assigns dedicated personnel to serve as security managers to coordinate daily operations.

(2) The company's audit department serves as the supervisory unit for information security oversight. In the risk assessment of major issues by the company's Sustainable Development Committee, information security management is listed as a regular important risk assessment item. It regularly reviews the results of risk responses to reduce internal information security risks. It also reports the results of Sustainable Development Committee initiatives to the board of directors regularly and tracks improvement effectiveness.

(3) The Company conducted ISO 27001:2022 Information Security Management System (ISMS) implementation consulting in 2024 and obtained certification from a third-party certification body in May 2025. The certificate is valid from May 13, 2025 to May 12, 2028.

In addition to strengthening security measures—such as threat intelligence, configuration management, and cloud service management—the Company has adopted the PDCA approach to effectively advance its information security management practices. This ensures the comprehensive establishment of the Company's information security framework in terms of "confidentiality," "integrity," and "availability."

Furthermore, the Company continues to enhance its information security management through structured planning across different stages, including "pre-incident prevention," "incident response," and "post-incident recovery."

2.Information Security Policy

(1) Ensure appropriate management and protection of information assets within the organization, and ensure uninterrupted operation.

(2) Identify and assess potential information security risks to prevent hacker attacks, various viruses intrusion, and destruction.

(3) Risk prevention, data privacy protection to prevent data leakage.

3.Specific Management Measures for Information Security

(1) Network Security and Access Control

a. Implement enterprise-level firewalls and security policies, intrusion detection systems, and antivirus software to block illegal intrusions by hackers.

b. Access permissions for all operating systems are opened and used only after approval by the responsible supervisor, and access traces are recorded.

c. Control measures are implemented for portable computers and storage media to prevent unauthorized access to data, systems, or networks.

d. Desktop computers, portable computers, and servers are configured with automatic logout/lock after periods of inactivity, and periodic password changes are enforced to prevent unauthorized access.

(2) Virus Protection

a. Servers are installed with protection software (MDR) and malicious program monitoring software.

b. Endpoint computer virus codes are updated automatically, and the status of antivirus software updates is checked regularly.

(3) Vulnerability Management

a. Periodic vulnerability scanning for vulnerability patching and tracking improvements.

(4) Asset Protection Management

a. Access control for server room entry and exit, with records for the entry and exit of computers, servers, and other equipment.

b. Independent air conditioning is installed in the server room to maintain appropriate temperature conditions for operation.

c. An Uninterruptible Power Supply (UPS) is installed in the information equipment room to ensure continuous operation of IT equipment in the event of power abnormalities.

d. All IT and communication-related equipment is registered and managed through an asset inventory system, with regular asset audits conducted to prevent unauthorized or illegal devices and to strengthen information security.

4. Investment in Information Security Resources

The Company's IT department consists of five personnel responsible for information and cybersecurity. Weekly internal meetings are held to review the status of various security measures, inspect facilities, and address any anomalies to ensure their effective operation.

Key information security activities—such as operating system and critical software upgrades for system servers, as well as disaster recovery drills—are properly planned and executed. The Company also engages professional institutions on an ad hoc basis to conduct vulnerability scanning and penetration testing, and promptly remediates identified hardware and software vulnerabilities.

In addition, an annual budget is allocated for cybersecurity upgrades, including the replacement of outdated equipment and software updates, to ensure overall information security. The Company continues to maintain ISO 27001 Information Security Management System (ISMS) certification, and no material deficiencies have been identified in related information security audits.

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

4.7 Important Contracts

Agreement	Counterparty	Period	Main Contents	Restrictions
Borrowing agreement	Bank of Taiwan	Start the counting of 7 years from the first day of appropriation	Medium- and long-term loans	Note 1
Borrowing agreement	Bank of Taiwan	June 2019-June 2029	Medium- and long-term loans	Note 1
Borrowing agreement	Bank of Taiwan	Start the counting of 10 years from the first day of appropriation	Medium- and long-term loans	Note 1
Lease agreement	Chungkang Branch, Export Processing Zone Administration	December 2016-December 2026	Land lease agreement	None.
Lease agreement	Chungkang Branch, Export Processing Zone Administration	July 2015-June 2025	Land lease agreement	None.
Lease agreement	Chungkang Branch, Export Processing Zone Administration	July 2025-June 2035	Land lease agreement	None.
Procurement agreement	Bosch (China) Investment Ltd.	From 30 July 2012	Procurement agreement	None.

Agreement	Counterparty	Period	Main Contents	Restrictions
Procurement agreement	DENSO KOREA CORPORATION	From 27 March 2020	Procurement agreement	None.
Procurement agreement	DENSO MANUFACTURING HUNGARY LTD.,	From 30 October 2020	Procurement agreement	None.
Lease agreement	Chungkang Branch, Export Processing Zone Administration	December 2023-December 2033	Land lease agreement	None.

Note 1: Under the restriction of "Regulations Governing Loan Projects for Returning Taiwanese Businesses to Invest in Taiwan."

4.8 Intellectual Property Management Plan

(I) Intellectual Property Management Strategy

1. Ensure compliance with corporate governance regulations
2. Strengthen intellectual property management mechanisms
3. Protect and leverage R&D outcomes
4. Create value from intellectual property
5. Strengthen patent portfolio strategy

(II) Intellectual Property Management Plan

1. Ensure compliance with corporate governance regulations
2. Drive innovative R&D and process optimization toward low-carbon manufacturing
3. Conduct intellectual property-related training to enhance employees' management capabilities
4. Protect and utilize R&D outcomes
5. Strengthen intellectual property management mechanisms

(III) Intellectual Property Management Measures

1. I In accordance with relevant laws and regulations such as the Patent Act, Trademark Act, Copyright Act, and Trade Secrets Act, the Company has established the "Intellectual Property Rights Management Regulations," which are incorporated into the corporate governance framework. Responsible units regularly review and dynamically update these regulations each year based on operational needs and legal amendments to ensure appropriateness and compliance. The Company has also established a comprehensive "Patent and Trademark Inventory" to monitor patent status and trademark usage. Through proactive brand portfolio strategy and proper protection of R&D outcomes, the Company reduces infringement risks and enhances market competitiveness.

2. Trade Secret Management

(1) The Company has implemented classified management of confidential information, including procedures for authorization levels, management, storage, and confidentiality, along with corresponding control measures.
(2) The Company has strengthened employee management by clearly defining intellectual property ownership during employment. Employees are required to return all company data and documents containing trade secrets before leaving and must comply with confidentiality obligations to protect the rights and interests of both parties.
(3) Confidentiality agreements are signed with business partner suppliers to safeguard mutual rights and the Company's proprietary technologies.

(IV) Implementation Status

The Company reported on intellectual property–related matters to the Board of Directors on May 6, 2026. Since 2020, the Company has actively promoted its intellectual property management program and has continued to advance patent and trademark management. As of the end of 2025, the Company's intellectual property portfolio and achievements are as follows:

1. Patents: As of the end of 2025, the Company has obtained a cumulative total of 7 granted patents worldwide and continues to file additional patent applications, actively expanding its global patent portfolio in alignment with market development and operational needs.

2. Trademarks: As of the end of 2025, the Company has accumulated a total of 30 approved trademarks worldwide.

V. Review and Analysis of Financial Conditions, Financial Performance, and Risks

5.1Analysis of Financial Status

The annual report shall list the main reasons for any material change in the company's consolidated assets, liabilities, or equity during the past 2 fiscal years, and describe the effect thereof. Where the effect is of material significance, the annual report shall describe the measures to be taken in response:

Unit: NTD (thousand); %

Item \ Year	2024	2025	Difference	
			Amount	%
Current assets	3,032,629	3,292,592	259,963	8.57
Property, plant and equipment	2,274,985	2,228,458	(46,527)	(2.05)
Intangible assets	12,069	20,231	8,162	67.63
Other assets	767,481	1,083,290	315,809	41.15
Total assets	6,087,164	6,624,571	537,407	8.83
Current liabilities	1,436,376	2,092,941	656,565	45.71
Non-current liabilities	595,707	566,553	(29,154)	(4.89)
Total liabilities	2,032,083	2,659,494	627,411	30.88
Equity attributable to shareholders of the parent	4,047,148	3,960,744	(86,404)	(2.13)
Capital stock	602,881	602,881	0	–
Capital surplus	818,217	818,217	0	–
Retained earnings	2,663,698	2,645,442	(18,256)	(0.69)
Other equity interest	(37,648)	(105,796)	(68,148)	181.01
Treasury stock	–	–	–	–
Non-controlling interest	7,933	4,333	(3,600)	45.38
Total equity	4,055,081	3,965,077	(90,004)	(2.22)

Description of material changes: (a change of more than 20% and a change of more than NTD10 million)

1. Increase in Other Assets: Mainly attributable to an increase in financial assets measured at amortized cost – non-current, as well as an increase in other non-current assets.
2. Increase in Current Liabilities and Total Liabilities: Mainly attributable to an increase in short-term borrowings to meet operational funding needs.
3. Decrease in Other Equity: Mainly attributable to exchange rate fluctuations, resulting in a decrease in exchange differences on translation of foreign operations.

5.2 Analysis of Financial Performance

1. The annual report shall list the main reasons for any material change in consolidated operating revenues, operating income, or income before tax during the past 2 fiscal years, provide a sales volume forecast and the basis therefor, and describe the effect upon the company's financial operations as well as measures to be taken in response.

Unit: NTD (thousand)

Year / Item	2024	2025	Difference	%
Operating revenue	3,658,705	3,274,939	(383,766)	(10.49)
Gross profit	1,360,228	1,015,019	(345,209)	(25.38)
Operating (loss) income	688,470	413,935	(274,535)	(39.88)
Non-operating income and expenses	98,272	79,726	(18,546)	(18.87)
Income (loss) before income tax	786,742	493,661	(293,081)	(37.25)
Profit of continued operations.	657,896	399,942	(257,954)	(39.21)
Loss of discontinued operations	—	—	—	—
Net (loss) income for the year	657,896	399,942	(257,954)	(39.21)
Other comprehensive income (income after tax)	133,134	(67,929)	(201,063)	(151.02)
Total comprehensive income	791,030	332,013	(459,017)	(58.03)
Net income attributable to shareholders of the parent	661,028	403,761	(257,267)	(38.92)
Net income attributable to non-controlling interest	(3,132)	(3,819)	(687)	21.93
Comprehensive income attributable to shareholders of the parent	793,486	335,613	(457,873)	(57.70)
Comprehensive income attributable to non-controlling interest	(2,456)	(3,600)	(1,144)	46.58

Description of material changes: (a change of more than 20% and a change of more than NTD10 million)

1. Decrease in Gross Profit and Operating Income: The decrease was mainly attributable to weak market demand and inventory adjustments in customers' industries in 2025. In addition, intensified industry competition and rising cost factors adversely affected overall operating performance.
2. Decrease in Profit Before Tax, Net Profit from Continuing Operations, and Net Profit for the Period: The decrease was mainly attributable to the decline in revenue in 2025, which led to lower operating income.
3. Decrease in Other Comprehensive Income for the Period (Net of Tax): The decrease was mainly attributable to exchange rate fluctuations, resulting in a decrease in exchange differences on translation of foreign operations.
4. Decrease in Total Comprehensive Income for the Period, Net Profit Attributable to Owners of the Parent, and Comprehensive Income Attributable to Owners of the Parent: The decrease was mainly attributable to the decline in revenue in 2025, which resulted in lower profitability.

2. The Sales Volume Forecast and the Basis Therefor and the Description of the Effect upon the Company's Financial Operations as well as Measures to be Taken in Response.

Expected shipments for 2025 are based on overall production capacity, expected contract and existing customer order growth. Shipments are expected to grow steadily on higher volumes with new production capacity.

5.3 Analysis of Cash Flow

The annual report shall describe and analyze any cash flow changes during the most recent fiscal year, describe corrective measures to be taken in response to illiquidity, and provide a liquidity analysis for the coming year:

1. Analysis of Changes in Cash Flow during the Most Recent Year

Item \ Year	2024	2025	Difference (%)
Cash flow ratio (%)	56.96	30.98	-25.98
Cash flow adequacy ratio (%)	89.75	91.75	2
Cash reinvestment ratio (%)	8.35	3.91	-4.44
Analysis of financial ratio change: (Increase or decrease of 20% or more) 1. Cash flow ratio: The primary reason is the increase in short-term borrowings driven by operational needs.			

2. Corrective Measures to be Taken in Response to Illiquidity: None.

3. Liquidity Analysis for the Coming Year

Unit: NTD (thousand)

Cash and Cash Equivalents, Beginning of Year	Net Cash Flow from Operating Activities	Net Cash Flow from Investing and Financing Activities	Estimated Cash Surplus (Deficit)	Remedy for Estimated Cash Deficit	
				Investment Plan	Financing Plan
2,258,802	839,171	(1,318,770)	1,779,203	N/A	N/A
1. Analysis of Expected Changes in Cash Flows for the Next Fiscal Year (1) Operating Activities: The Company expects its operating scale to continue expanding. Accordingly, revenue and profitability are expected to grow, resulting in net cash inflows from operating activities. (2) Investing Activities: The Company plans to continue expanding its capital expenditures, which is expected to result in net cash outflows from investing activities. (3) Financing Activities: The Company expects to repay borrowings and distribute cash dividends, which will result in net cash outflows from financing activities. 2. Remedial Measures for Expected Cash Shortfalls and Liquidity Analysis: Not applicable.					

5.4 Major Capital Expenditure Items

The major capital expenditure incurred to date in 2025 is for the expansion of the plant and the purchase of additional equipment to cater to future revenue growth.

5.5 Investment Policy in the Last Year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year

Unit: NTD (thousand)

Investees	Investment amount as of 31 December 2025 (Note 3)	Recognized Investment Gain or Loss for the Most Recent Year (2025)	Reinvestment Policy	The Main Reasons for the Profits/Losses Generated	The Plan for Improving Re-investment Profitability	Investment Plans for the Coming Year
TIPO International Co., Ltd.	946,313	318,160	Investment holding	Recognition of investment gains and losses in Dongguan Xinfeng and Zhejiang Yuzuan.	—	Subject to operating conditions
Hong Kong Xinfeng Enterprise Limited (Note 1)	216,811	187,420	Investment holding	Recognition of investment gains and losses in Dongguan Xinfeng.	—	Subject to operating conditions
Dongguan Xin Feng Hardware Machinery & Plastics Industry Ltd (Note 2)	230,289	187,667	Trading manufacturing	Growth in revenue and effective cost control	—	Subject to operating conditions
TURVO International Co., Ltd (YZ) (Note 1)	686,956	114,925	Trading Manufacturing	Growth in revenue and effective cost control	—	Subject to operating conditions
T&M Joint (Cayman)Holding Co., Ltd. (Note 4)	61,760	(2,121)	Investment holding	Recognition of investment gains and losses in Matec Southeast Asia (Thailand) Co., Ltd.	—	Subject to operating conditions
Matec Southeast Asia (Thailand) Co., Ltd. (Note 5)	204,635	(5,681)	Manufacturing	In line with the operational strategy, the company plans to proceed with dissolution and liquidation, resulting in a moderate reduction in overall business scale.	—	Subject to operating conditions
TUF Technology Co., Ltd. (Note 6)	900	13	Trading	In the early stages of establishment and has not yet commenced operations.	—	Subject to operating conditions

Note 1: TIPO International Co., Ltd. operates through its wholly owned subsidiaries, both directly and indirectly.
Note 2: A subsidiary held by Hong Kong Xinfeng Enterprise Limited.
Note 3: It's the accumulated investment amount exported from Taiwan.
Note 4: 35.71% owned subsidiary of the Company.
Note 5: 99.99% owned subsidiary of T&M Joint (Cayman) Holding Co., Ltd.
Note 6:It was established on July 25, 2023.

5.6 The Analysis and Assessment for Risk

The board of directors plays a key role in helping the Company identify and manage risks. The Company's risk management organization adopted a risk management policy by the board of directors in May 2020. The Risk management department regularly communicates information on risk events and risk response plans to internal and external stakeholders related to risk events.

The risk policy of Turvo Co. is implemented by a cross-functional team composed of the president or the highest-ranking supervisor of each plant according to the category of risk, and emphasizes comprehensive risk control by all employees and the implementation of prevention at all levels in order to manage risk effectively. In addition, the Company actively builds up risk management awareness and makes dynamic adjustments in response to changes in the environment, as well as strengthening the understanding of supervisors and employees of each department on the Company's risk management policies, procedures, and risk identification.

Scope of Risk Management

- Changes in the government policies and regulatory
- Environment
- Global or regional economic conditions
- Changes in the industry market and the response to supply and demand
- Technological developments and competition
- Financial transactions and strategic investment risks
- Response to various man-made and natural disasters

Enterprise Risk Management Framework

- Risk Identification and Assessment
    - The risk management organization and the board of directors' review and approve implementation of risk strategy and prioritization of risk controls
    - The risk management execution team identifies and assesses the frequency of risk events and evaluates their operational impact.

- Risk Control and Mitigation
    - Conduct cross-functional risk communication to facilitate each function for enhancing risk prevention and mitigation controls
    - The risk management organization implements risk control
    - The effectiveness of risk controls is included into annual review of internal control self-assessment

- Risk Response
    - Establish crisis management and response plan for crisis
    - Mechanism of response and exercise for material crisis events
    - Business continuity plan

- Risk Monitoring and Reporting
    - Risk management organization reports to risk management team and board of directors on the focus of enterprise risk management, risk assessment, and mitigation efforts

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

1. The effect of interest rate fluctuations

Interest rate risk is the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in market interest rates. The Group's interest rate risk arises primarily from floating rate debt instrument investment, fixed-rate borrowings and variable-rate borrowings.

The Group manages interest rate risk through maintaining an appropriate mix of fixed and floating rates but does not apply hedge accounting as it does not meet the requirements for hedge accounting.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including short-term fixed-rate borrowing contracts and long-term variable-rate borrowing contracts. At the reporting date, a change of 10 basis points of interest rate in a reporting period could cause the profit for the years ended 31 December 2025 and 2024 to increase/decrease by NTD1,704 thousand and NTD980 thousand, respectively.

2. The effect of exchange rate fluctuations

The Group's exposure to exchange rate risk relates primarily to operating activities (where revenues or expenses are incurred in currencies different from the Group's functional currency) and to net investments in foreign operating entities.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. The Company also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group’s profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Group’s foreign currency risk is mainly related to the volatility in the exchange rates for USD and RMB. The information of the sensitivity analysis is as follows:

When NTD strengthens/weakens against USD by 1%, the profit for the years ended 31 December 2025 and 2024 is increased/decreased by NTD 6,350 thousand and NTD 3,864 thousand, respectively. Equity is not impacted.

When NTD strengthens/weakens against RMB by 1%, the profit for the years ended 31 December 2025 and 2024 is increased/decreased by NTD 293 thousand and NTD 151 thousand, respectively. Equity is not impacted.

When NTD strengthens/weakens against EUR by 1%, the profit for the years ended 31 December 2025 and 2024 is increased/decreased by NTD 2,923 thousand and NTD 724 thousand, respectively. Equity is not impacted.

3. The effect of inflation

The dramatic fluctuations in the international raw materials market may have an unfavorable impact on the Company and subsidiaries' profit and loss. In response to inflation, the Company and its subsidiaries will closely monitor the changes in the market for raw materials, make regular purchases of raw materials for production and strengthen inventory control in order to minimize the impact of changes in raw material prices on the Company's profit and loss.

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

1. Engagement in high-risk and highly leveraged investments:

The Company and its subsidiaries maintain a conservative approach to financial operations and do not engage in high-risk, highly leveraged investments.

2. Loans to other parties:

In the event that the Company is to carry out capital financing, the Company will comply with the "Procedures for Lending Funds to Other Parties" and make timely and accurate disclosure of all endorsement and guarantee information as required by law.

3. Endorsements/ guarantees:

In the event that the Company is required to provide an endorsement and guarantee for others, the Company will comply with the "Procedures for Endorsement and Guarantee" and make timely and accurate disclosure of all endorsement and guarantee information as required by law.

4. Derivatives transactions:

In the event that the Company is to enter into derivative transactions, the Company will comply with the “Procedures for Acquisition or Disposal of Assets” and “Procedures for Financial Derivatives Transactions” established by the Company and make timely and accurate disclosure of all endorsement and guarantee information as required by law.

5.6.3 Research and development work to be carried out in the future, and further expenditures expected for research and development work.

1. Research and development work to be carried out in the future

(1) Development, design, and improvement of new products

a. Vacuum Heat Treatment Technology
b. Aluminum Surface Treatment Technology
c. Precision Forging Technology
d. Tool Grinding and Coating
e. Honing and Grinding Technology
f. Precision Internal and External Grinding
g. High cleanliness required process and measurement
h. Micro Laser Welding
i. Gun-drilling Technology
j. Splines technology

(2) Client project design and implementation

a. Development of precision sensor-related components
b. Development of shock absorbing system components
c. R&D of engine timing system
d. Development of injector body
e. Development of bicycle hub and fixture
f. Development of electric operation tool.

(3) Research, development, and application of new technologies.

a. Development of grinding media
b. Advanced cleanliness of parts surface
c. Development of optimize nylon brush deburring
d. Development of high-pressure water deburring
e. Development of machine center 4.5 axis deburring
f. Development of 2 spindle 2axis turning machine

The amount of R&D expenses has been progressively allocated in line with the progress of new technology development and is estimated to be NTD 272,320 thousand in 2026. As turnover grows in the future, annual research and development expenses will be gradually increased to support future research and development programs and to increase the competitiveness of the Company and its subsidiaries in the market.

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

The Company and its subsidiaries adhere to the relevant domestic and international laws and regulations in daily operations and keep abreast of domestic and international policy trends and regulatory changes in order to fully grasp and respond to changes in the market environment. There have been no significant changes in legal environment at home or abroad that has material impact on the financial operations of the company.

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

The Company and its subsidiaries keep abreast of technological changes and developments in the industries and work closely with customers to keep abreast of the latest trends in the industry. In addition, the company and its subsidiaries have continuously enhanced the research and development capabilities and actively expanding into future market applications. Therefore, the developments in science and technology (including cyber security risks) as well as industrial change have no material impact on the financial operation of the company.

5.6.6 Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response.

Since its establishment, the Company and its subsidiaries have maintained a good corporate image, complied with relevant laws and regulations, actively promoted various quality certifications, and at the same time maintained harmonious labor and local relations in order to continuously maintain a good corporate image. There have been no instances that have affected the corporate image.

5.6.7 Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken

The Company and its subsidiaries had no mergers and acquisitions during the year and had no plans for significant capital expenditure as at the date of publication of the annual report.

5.6.8 Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken

In order to meet future market and customer demand, the Company and its subsidiaries are in the process of expanding their plants and intend to expand their production capacity and increase the scale of production in order to capture business opportunities. The expansion of the plant will be financed by the capital increase and therefore the potential risk arising from the expansion of the plant equipment is limited.

5.6.9 Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken

1. Risks associated with consolidation of purchasing operations

The Company and its subsidiaries did not have a single supplier whose share of purchases exceeded 20% of net purchases for the most recent year and up to the date of publication of the Annual Report. The Company has maintained a long-standing and good relationship with its suppliers and the supply of goods has remained stable. There have been no shortages of supplies that have affected production operations As new products are developed in the future, the Company and its subsidiaries will gradually increase the sources of supply to ensure the availability of production capacity.

2. Risks associated with consolidation of sales operations

The proportion of net sales to the top ten customers of the Company and its subsidiaries in 2024 and 2025 are 74.41% and 69.94% respectively; the proportion of net sales to the largest customer in 2024 and 2025 are 10.77% and 11.58% respectively, there is no consolidation of sales and therefore the risk should be limited.

Mitigation measures:

A. Capacity Expansion

In addition to fully utilizing the existing production capacity, the Company and its subsidiaries have completed the expansion of their plants this year in response to the rapid growth of their business in the future, in order to meet the growth of their business, satisfy the demand of their customers, achieve economies of scale, and further reduce the risk of consolidation of sales to a single customer.

B. Participation in Research and Development Design Based on Technical Cooperation to Enhance the Added Value of the Company

Not only have the Company and its subsidiaries take orders actively, the Company and its subsidiaries strive to enhance their research and development capabilities by actively participating in the development projects of the Bosch Group with major automobile manufacturers, based on their previous cooperation with the Bosch Group and their reliable technology. By participating in the research and development design and development projects of the final sales companies through their sales customers, the Company and its subsidiaries are able to seize market opportunities and increase the added value of the Company.

5.6.10 Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken.

There has been no significant transfer of shareholding by directors, supervisors or substantial shareholders holding more than 10% of the shares in 2024 up to the date of publication of the Annual Report, and there has been no significant change in the management and therefore there has been no significant impact on the operations of the

Company.

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

5.6.12 Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, any company supervisor, the president, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: None.

5.6.13 Other important risks, and mitigation measures being or to be taken: None.

5.7 Other Important Matters

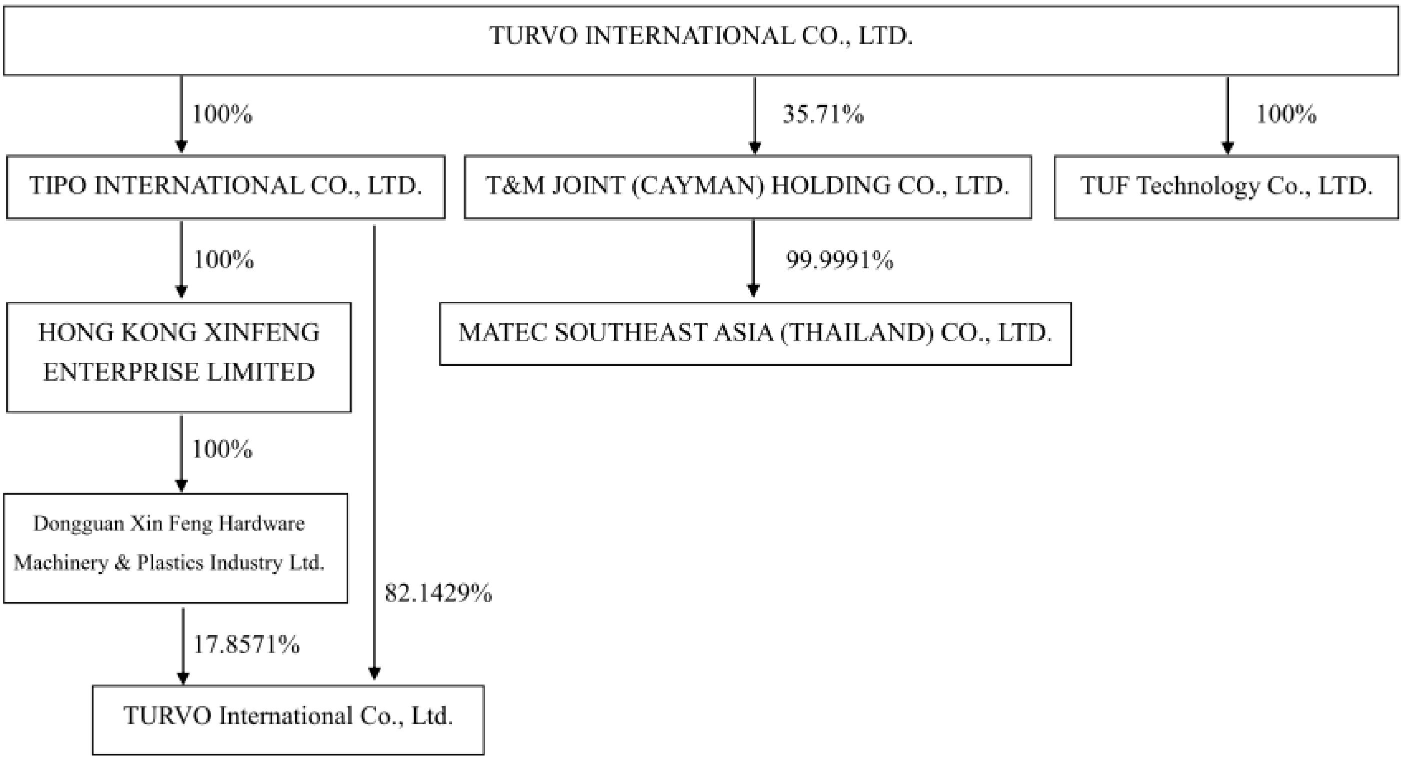
None.

VI. Special Disclosure

6.1 Information on affiliated companies

6.1.1 Consolidated Business Report of Affiliates

1. Organizational chart of affiliated companies



2. Summary of affiliated companies

Unit: NTD (in thousands)

Name	Establishment date	Address	Paid-in capital	Main business content
TIPO International Co., Ltd.	14 May 2008	Vistra Coporate Services Centre, Ground Floor NPF Building, Beach Round, Apia, Samoa	946,313	Investment holding
HONG KONG XINFENG ENTERPRISE LIMITED	17 November 2004	Unit A56, 29/F., Legend Tower, 7 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong	216,811	Investment holding
Dongguan Xin Feng Hardware Machinery & Plastics Industry Ltd	25 March 1996	No. 45, Shangxing Road, Shangjiao Management District, Chang'an Town, Dongguan City, Guangdong Province	230,289	Processing, manufacturing, and sales of precision metal parts.
TURVO International Co., Ltd (YZ)	28 June 2010	No. 69 Hongfu East Road, Yaozhuang Town, Jiashan County, Jiaxing City, Zhejiang Province	841,917	Processing, manufacturing, and sales of precision metal parts.
T&M Joint (Cayman)Holding Co., Ltd.	22 July 2014	P.O. Box 31119 Grand Pavilion, Hi biscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands	204,687	Investment holding
Matec Southeast Asia (Thailand) Co., Ltd.	26 October 2012	588 Moo 7 Thatoom Srimahaphot, Prachinburi 25140, Thailand	204,637	Precision metal forging
TUF Technology Co., Ltd.	25 July 2023	21F.-6, No. 402, Shizheng Rd., Xit un Dist., Taichung City, Taiwan (R.O.C.)	900	Processing, manufacturing, and sales of precision metal parts.

Note 1: The affiliated companies do not hold any of the Company’s share.
Note 2: The affiliated companies are limited companies; therefore, there are no issued shares.

3. The shareholder in common and is concluded as the existence of the controlling and subordinate relation: None.

4. The business operated by the affiliated companies overall and the mutual dealings and division of work among such affiliated companies

TURVO INTERNATIONAL CO., LTD. and its affiliated companies are specialized in the manufacturing and development of precision metal parts. The products are used in connectors for, sensors, temperature controlling devices, industry automation, medical equipment components, high-end bicycle components, etc. for automotive engine systems and industrial communication applications. TURVO INTERNATIONAL CO., LTD. has set up production plants in China, Thailand, and other places to provide global customers with timely service and technical services for products.

5. Director, supervisor, and president of affiliated companies

Unit: shares; %

Company name	Title	Name or representative	Shareholding	
			Number	%
TIPO International Co., Ltd.	Chairman	LIU, CHUN-CHANG	-	-
HONG KONG XINFENG ENTERPRISE LIMITED	Chairman	LIU, CHUN-CHANG	-	-
Dongguan Xin Feng Hardware Machinery & Plastics Industry Ltd	Chairman	LIU, CHUN-CHANG	-	-
TURVO International Co., Ltd (YZ)	Chairman	LIU, CHUN-CHANG	-	-
	Supervisor	TSAI, MING-TUNG	-	-
T&M Joint (Cayman)Holding Co., Ltd.	Director	TURVO International Co., Ltd. Represented by LIU, CHUN-CHANG	4,912,749	35.71%
	Director	TSAI, MING-TUNG	-	-
	Director	CHEN, YING-CHIEH	-	-
	Director	TAKEHIKO MASUYAMA	-	-
	Director	WU, HSIAO-JUI	82,474	0.60%
Matec Southeast Asia (Thailand) Co., Ltd.	Director	TSAI, MING-TUNG	-	-
	Director	CHEN, YING-CHIEH	-	-
	Director	LIN, SHU-TA	-	-
	Director	WU, HSIAO-JUI	-	-
	Director	TAKEHIKO MASUYAMA	-	-
TUF Technology Co., Ltd.	Chairman	LIU, CHUN-CHANG	-	-

6. Summarized operation results of affiliated companies

31 December 2025 Unit: NTD (in thousands) (the earnings per share is in NTD)

Company name	Paid-in capital	Total assets	Total liabilities	Net worth	Operating revenues	Operating profit(loss)	Profit(loss) in the period (after-tax)	Earnings per share (after-tax)
TIPO International Co., Ltd.	946,313	3,531,161	42,672	3,488,489	—	(9,148)	313,610	10.07
HONG KONG XINFENG ENTERPRISE LIMITED	216,811	1,962,139	57	1,962,082	—	(161)	187,420	—
Dongguan Xin Feng Hardware Machinery & Plastics Industry Ltd	230,289	2,224,404	265,945	1,958,459	1,164,545	167,739	187,830	—
TURVO International Co.,Ltd (YZ)	841,917	1,964,641	233,820	1,730,821	1,112,399	131,545	140,794	—
T&M Joint (Cayman)Holding Co., Ltd.	204,687	9,783	3,044	6,739	—	(244)	(5,940)	—
Matec Southeast Asia (Thailand) Co., Ltd.	204,637	45,457	35,677	9,780	984	(5,037)	(5,692)	—
TUF Technology Co., Ltd.	900	880	—	880	—	—	13	—

6.1.2 Consolidated Financial Statements of Affiliates

The entities that are required to be included in the consolidated statements of affiliates of TURVO INTERNATIONAL CO., LTD. as of and for the year ended 31 December 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 International Financial Reporting Standards No.7 "Consolidated Financial Statements". Relevant information required to be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Consequently, TURVO INTERNATIONAL CO., LTD. and its subsidiaries did not prepare a separate set of consolidated financial statements of affiliates.

6.1.3 Affiliation Report:

1. Statement of Affiliation Report

TURVO INTERNATIONAL CO., LTD.

Statement of Affiliation Report

The Company's affiliation report for the year 2025 (from January 1 to December 31, 2025) drew up by "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises." There was no major discrepancy between the disclosures and the notes of the above -mentioned period's financial statements.

Hereby declared

TURVO INTERNATIONAL CO., LTD.

Chairman：LIU, CHUN-CHANG

March 4, 2026

2. Statement of Affiliations

Representation Letter

To: TURVO INTERNATIONAL CO., LTD.

Subject: Statement of opinion regarding the 2025 Affiliation Report prepared by the management of your Company.

Explanation:

1. The 2025 Affiliation Report of your Company has been prepared by the management, who has issued a statement declaring that the aforementioned report was prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" and that the disclosed information contains no significant inconsistencies with the relevant information disclosed in the notes to the 2025 financial statements.
2. According to the review by our CPAs, no significant inconsistencies were found between the statement issued by the management regarding the preparation of the 2025 Affiliation Report and the relevant information mentioned above.

Ernst & Young
Approval for auditing and attesting the financial reports of public companies by the competent authority
Approval Document Numbers:
(104) Financial-Supervisory-Securities-Auditing-1120349153
(104) Financial-Supervisory-Securities-Auditing-1110348358
HUANG, JING-YA
CPAs:
LO, WEN-CHEN
4 March 2026

3. The Relationship Between the Subordinate Company and the Controlling Company

Unit: shares; %

Name of the Controlling Company	The Reasons for the Control	Details of Shareholding and Pledges for the Controlling Company			Directors or Supervisors Appointed to the Subordinate Company by the Controlling Company, or Controlling Company Appointees Engaged as Managerial Officers of the Subordinate Company.	
		Shareholdings (shares)	Proportion of shareholding	Shares Pledged	Title	Name
Zeng Hsing Industrial Co., Ltd.	Lead major relevant activities with substantial control.	15,712,000	26.06%	0	Chairman Director Director Director Director	LIU, CHUN-CHANG LIN, CHIH-CHENG LIU, TUNG-LIANG TSAI, MING-TUNG TSAI, CHUNG TING

4. Purchase & Sale Transaction Status：None.

5. Property Transactions：None.

6. Financing Status：None.

7. Asset leasing Status：None.

8. Other Significant transactions and Dealings：None.

9. Endorsements and Guarantees：None.

6.2 Has the Company carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

None.

1636.3 Are there any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the Company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the publication date of the annual report

None

6.4 Other matters that require additional description

None

TURVO INTERNATIONAL CO., LTD.

Chairman: LIU, CHUN-CHANG