Stock code: 8176

Z-COM, Inc.,

2025 Annual Report

Website：http://mops.twse.com.tw

Company Website：https://www.zcom.com.tw

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I. Names, titles, phones and emails of the spokesman and the deputy spokesman:

Spokesman	Deputy spokesman
Name：WU CHIA-FANG	Name：PENG, CHIH-YUNG
Title：General Manager	Title：Accounting Supervisor
Tel.：(03)577-7364	Tel.：(03)577-7364
Email：catherine@zcom.com.tw	Email：Joe.Peng@zcom.com.tw

II. Addresses and phones of Headquarters, Branches and Plant:

Address：5F, No. 8, Hsin-Ann Road, Hsinchu Science Park, Hsinchu 300

Phone：(03)577-7364

III. Name, address, website and phone of the Stock Agent：

Name：SinoPac Securities Corp.-- Stock Registration Division

Address：3F., No. 17, Bo-ai Rd., Zhongzheng District, Taipei City 100, Taiwan

Website：www.sinotrade.com.tw

Phone： (02)2381-6288

IV. Name, Firm, address and phone of the acting independent auditors：

CPAs：Liu, Jung-Chin and Chang, Cheng-Tao

CPA Firm：EY Taiwan.

Address：9F., No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City

Website：www.ey.com/taiwan

Tel.：(02)2757-8888

V. **Foreign securities exchange corporation listing：None**

VI. **Website：www.zcom.com.tw**

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I、Letter to Shareholders

Dear Shareholders, Ladies and Gentlemen:

We sincerely appreciate your continued support and encouragement for Z-Com. Looking back at 2025, although geopolitical tensions have slightly eased, the inauguration of a new U.S. administration and its use of high tariffs as leverage against major trading nations have led to the restructuring of tariff policies and supply chain strategies worldwide. This has introduced significant uncertainties to international trade, pushing the global economic environment into a period of deep adjustment. Due to market uncertainty caused by high tariffs, shipments to major overseas customers declined last year, resulting in a significant decline in revenue. However, through effective cost control, the Company was still able to maintain profitability. Amid these changing conditions, Z-Com has actively deployed next-generation ICT technologies into vertical application scenarios, successfully transforming Wi-Fi 7 high-speed transmission and Edge AI computing into practical applications. The Company aims to achieve stable growth while pursuing strategic breakthroughs, and expect that a recovery in the European economy will help increase shipments this year, while vertical applications will drive business growth and profitability.

The following is a report on the Company's operating results for 2025 and the business plan for 2026:

I. Review of 2025 Operating Results

Over the past year, the Company has not only continued to strengthen relationships with key customers, but has also actively translated R&D capabilities into real-world applications, achieving tangible results in several key business areas:

(1) Advancing Digital Inclusion and Social Resilience (ESG): Guided by the core principle of "digital inclusion," in 2025 the Company actively collaborated with regional education network centers and academic institutions to support policies aimed at enhancing network resilience in rural areas, thereby fulfilling public-private partnership goals (SDG 17). During the year, wireless network infrastructure was successfully deployed in over 40 schools in Hsinchu County, including those in remote mountainous areas. This initiative reduced the digital divide between urban and rural regions, ensured equal access to digital learning opportunities (SDG 4 & 10), and strengthened communication resilience in remote areas during emergencies (SDG 9). By assisting the government in improving digital accessibility, the Company has integrated its technological

strengths with social responsibility, fulfilling its commitment to safeguarding information equity through technology.

(2) Strengthening Information Security and Compliance Competitiveness：In 2025, the Company officially obtained ISO 27001 certification for its information security management system. Security protection mechanisms have been deeply integrated into both product development and operational processes. With increasing attention to cybersecurity in AIoT devices, this certification not only ensures the security of company and customer data, but also enhances compliance and reliability when bidding for large enterprise supply chains and government projects. This achievement will help establish long-term trust in high-demand markets and support the promotion of vertical network solutions.

(3) 2025 Financial Performance：

1. Operating Results:

   Standalone revenue: NT$390 million (decline YoY)

   Gross margin: 20%

   Operating income: NT$1.531 million

   Net income after tax: NT$27.726 million

   Consolidated results:

   Revenue: NT$373 million

   Gross margin: 33%

   Operating income: NT$2.53 million

   Net income after tax: NT$28.254 million

   The Company's earnings per share (EPS) amounted to NT$0.40.

2. Budget Execution：The Company did not publicly disclose financial forecasts for 2025.

3. Financial Analysis:

   Consolidated revenue decreased by 34% year-over-year to NT$373 million, with a gross margin of 33%. Net income attributable to the parent company was NT$27.726 million, EPS NT$0.40, and accumulated losses continued to decrease.

II. 2026 Business Plan and Development Strategy

Looking ahead, Z-Com will adopt a strategy of "deep convergence of hardware and software, and expansion into global vertical markets" to drive profit growth through technological transformation. Key strategies include:

(1) Scaling zMEC Platform and Ecosystem Development：The Company will accelerate the market penetration of its zMEC Edge AI platform. Built upon a proactive cybersecurity architecture, it

promotes validated OT/IT integration solutions. With the continued empowerment of generative AI (GenAI), zMEC will transition from the development stage to scalable commercial deployment, providing enterprise customers with real-time decision-making capabilities. The platform will further integrate industrial control and IT applications in smart rail and energy IoT sectors.

(2) Deployment of Industrial Wi-Fi 7 and Cronus Management System：To meet high-speed transmission demands, the Company will fully promote its Wi-Fi 7 product line. Combined with its proprietary Cronus management system, it will offer a one-stop solution from communication hardware to cloud management platforms. This deep hardware-software integration will enhance product value and strengthen customer stickiness, capturing next-generation wireless communication opportunities.

(3) Strengthening Global SI Partnerships and Brand Expansion：While maintaining OEM customer relationships, the Company will modularize successful cases from Taiwan’s campus networks and critical infrastructure. Through strategic collaboration with domestic and international system integrators (SI), these proven solutions will be exported to high-growth regions, expanding global brand influence and market share.

(4) Expansion of Critical Network Applications：The Company will continue promoting enterprise network marketing while expanding applications of critical networks in areas such as hazardous slopes, smart construction sites, metro stations, railway crossings, and logistics hubs. These indoor and outdoor vertical solutions aim to expand business opportunities and brand visibility, with future expansion into Southeast Asia.

(5) Lean Manufacturing and ESG Integration：In response to rising trade protectionism and raw material volatility, the Company will enhance supply chain flexibility to ensure fast delivery. At the same time, ESG strategies will be integrated into product development, focusing on energy efficiency and carbon reduction to achieve sustainable development across economic, environmental, and social dimensions.

III. Conclusion

In the face of rapid AI advancements and geopolitical changes, Z-Com’s management team will continue striving to drive growth through technological innovation, creating long-term and stable value for shareholders.

Finally, we wish all shareholders good health and success in all endeavors.

Chairman, Fan En Technology Co., Ltd.

Representative: John S. Shieh

II、 Corporate Governance Report

(I) Directors, Supervisors and Management Team

A. Directors and Supervisors:

1. Directors and Supervisors:

2026.03.31

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Fan En Technology. Co., Ltd	-	2025.05.27	3	2013.05.31	3,609,909	5.03%	3,889,909	5.43%	0	0	0	0		Chairman of Z-COM, Inc.	None	None	None	re-election
		Legal Representative: John S. Shieh	M 70~79			1995.02.23	3,173,933	4.43%	3,182,933	4.44%	0	0	0	0	Ph.D. in Systems Engineering from the Georgia Institute of Technology, USA Associate Professor in the Department of Telecommunications Engineering at National Chiao Tung University, Taiwan Senior Consultant at the Industrial Technology Research Institute, a non-profit organization in Taiwan Research Manager at Bell Labs, American Telephone and Telegraph Company in New Jersey, USA Industry Analyst at the IBM Corporation in Gaithersburg, USA GENERAL MANAGER at Z-COM	Corporate Chairman Appoints Representative of Z-COM, Inc. R&D Executive Director at Z-COM, Inc. Director of NANJING Z-COM WIRELESS CO., LTD Director of Eco Energy Corporation.	None	None	None	

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R.O.C.	Winifred International Corp.	-	2022.05.26	3	1995.02.23	521,276	0.73%	521,276	0.73%	0	0	0	0		Director of Z-COM, Inc.	None	None	None	Removal
Director	R.O.C.	Legal Representative: WU, TZY-HSIN	F 61~70	2022.05.26	3	2015.06.11	0	0	0	0	0	0	0	0	Master's degree in Communication Disorders from the State University of New York in the United States General Manager of the Taiwan Chapter of Toastmasters International Speech therapist/ a recognized assistant professor by the Ministry of Education at Craniofacial Research Center of Chang Gung Memorial Hospital in Taipei	General Manager of CP Yen Foundation Director of Zhi-Shan Foundation, Taiwan Director of Winifred International Corp. Legal Representative and Chairman of the Board of Directors of －ZCOM, Inc. Director of Taiwan Active Aging Association. Director of GREAT SEQUOIA CORP.	None	None	None	Removal
Director	R.O.C.	CHEN, YU AN	M 71~80	2025.05.27	3	2015.05.29	894,935	1.25%	894,935	1.25%	63,194	0.09%	0	0	Master's degree in Engineering from the Transportation Research Institute at National Chiao Tung University Chairman of Ablerex Electronic Co., Ltd. Supervisor of United Integrated Services Co., Ltd Supervisor of Z-COM, Inc. Director of United Integrated Services Co., Ltd	Vice Chairman of Ablerex Electronic Co., Ltd. Director of Ablerex Electronic Co., Ltd. Director of Z-COM, Inc. Director of Eco Energy Corporation.	None	None	None	re-election

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R.O.C.	WU CHIA-FANG	F 51~60	2025.05.27	3	2019.05.31	907,027	1.27%	970,027	1.35%	0	0	0	0	Bachelor of English, National Changhua University of Education ITI Ministry of Economic Affairs Foreign Trade Association Trade Talent Development Program-Master's degree equivalent Marketing and Sales Director, Z-COM, Inc. General Manager,, Z-COM, Inc. Vice General Manager, Z-COM, Inc. Legal Representative and Director, Z-COM, Inc. Director, Z-Wireless Technology, LTD.	Director, Z-COM, Inc. Director of Fan En Technology. Co., Ltd. Director of Z-COM Technology, LTD. General Manager of JiangXi Zwaveasia Technology Co., Ltd. Director of CHUNGHWA SOCHAMP TECHNOLOGY INC. General Manager of Z-COM, Inc.	None	None	None	re-election
Independent Director	R.O.C.	CHOU, YIH-HENG	M 71~80	2025.05.27	3	2003.07.17	0	0	0	0	0	0	0	0	Ph.D. in Business Administration from National Chengchi University. Professor at the Department of Business Administration, National Sun Yat-sen University Founding Dean of the College of Management, National Chiayi University Dean of Academic Affairs and Vice General Manager of National Sun Yat-sen University Guest Professor at Kaohsiung Medical University GENERAL MANAGER of Accreditation of Chinese Collegiate School of Business (ACCBE) Executive Director of Chinese Management Association	General Manager of Accreditation of Chinese Collegiate School of Business Independent Director of Z-COM, Inc.	None	None	None	re-election

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	HUANG, TAI-SHENG	M 71~80	2022.05.26	3	2007.06.29	0	0	0	0	226,758	0.32%	0	0	National Taiwan University, Master of Civil Engineering Chief Engineer, Freeway Bureau, MOTC Lecturer and Associate Professor, Traffic and Transportation Graduate Program, National Yang-Ming Chiao Tung University Chairman of METRO CONSULTING SERVICE LTD.	Lecturer and Associate Professor, Department Transportation and Logistics Management Independent Director of Z-COM, Inc.	None	None	None	Removal
Independent Director	R.O.C.	SU, YUAN-LIANG	M 71~80	2022.05.26	3	2015.05.29	0	0	0	0	0	0	0	0	Ph.D. in Systems Engineering from Georgia Institute of Technology, USA GENERAL MANAGER of Networking Business Group at Lite-On Technology Corporation General Manager of ARIMA PHOTOVOLTAIC & OPTICAL CORP.	Chairman of Surplux Energy Inc. Independent Director of Z-COM, Inc. Independent Director of Ablerex Electronic Co., Ltd. Legal Representative and Director of ARIMA PHOTOVOLTAIC & OPTICAL CORP.	None	None	None	Note 1
Director				2025.05.27	3															

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	ZHENG SHENG-QING	M 61~70	2025.05.27	3	2025.05.27	0	0	0	0	0	0	0	0	Ph.D. in Computer Science, National Chiao Tung University Technical Director / Deputy Director, Information and Communications Research Division, Industrial Technology Research Institute (ITRI) Technical Director of Video Technology, Office of the Director, Information and Communications Research Division, ITRI Division Director, Video and Optical Communications Technology Group / Optical Communications and Broadband Integration Technology Group, Information and Communications Research Division, ITRI Executive Secretary, Communications Industry Development Promotion Task Force, Ministry of Economic Affairs (MOEA) Executive Secretary, Digital Video Industry Promotion Task Force, MOEA Deputy Division Director, Communications Systems Group, Electronics and Telecommunications Research Division, ITRI Deputy Division Director, Computer Communications Group, Electronics and Telecommunications Research Division, ITRI Manager / Deputy Manager, Network Management Systems Department, Electronics and Telecommunications Research Division, ITRI	Independent Director of Z-COM, Inc.	None	None	None	newly-elected

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	CHAI WAN-HUI	F 51~60	2025.05.27	3	2025.05.27	0	0	0	0	0	0	0	0	MS, Baruch College, the City University of New York Regional Chief Financial Risk Officer, Greater China and North Asia, Standard Chartered Bank (Hong Kong Branch)	Regional Chief Financial Risk Officer, Greater China and North Asia, Standard Chartered Bank (Hong Kong Branch) Independent Director of Z-COM, Inc.				newly-elected

Note1:Director Su Yuan-Liang originally served as an independent director of the Company’s 10th Board. On 2025.05.27, upon the full re-election of directors, he was elected as a director of the 11th Board.

2. Major shareholders of the institutional shareholders:

2026.03.31

Name of Institutional Shareholders	Major Shareholders	Ratio
Fan En Technology. Co., Ltd.	WU CHIA-FANG	36.61%
	John S. Shieh	24.64%
	SHIEH, CHUNG-SHENG	16.95%
	SHIEH, FAN	9.90%
	SHIEH, EN	9.90%
	HU TA YU	2.00%

3. Major shareholders of the Company’s major institutional shareholders: None.

4. Professional qualifications and independence analysis of directors and supervisors:

Criteria / Name	Professional Qualification Requirements& Work Experiences	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Fan En Technology. Co., Ltd. Legal Representative: John S. Shieh	1. Possess the professional qualifications and experience required for business, legal affairs, finance, accounting/company business. 2. Served as the chairman, Legal Representative of the Board of Directors and CTO of Z-COM, Inc., Director of NANJING Z-COM WIRELESS CO., LTD.		0
Winifred International Corp. Legal Representative: WU, TZY-HSIN (Note 1)	1. Possess the professional qualifications and experience required for business, legal affairs, finance, accounting/company business. 2. Served as Representative Director of Z-COM, Inc., General Manager of CP Yen Foundation, Director of Zhi-Shan Foundation, Taiwan, Director of Winifred International Corp., Director of Taiwan Active Aging Association, Director of GREAT SEQUOIA CORP.		0
CHEN, YU AN	1. Possess the professional qualifications and experience required for business, legal affairs, finance, accounting/company business. 2. Served as Representative Director of Z-COM, Inc., Director of Ablerex Electronic Co., Ltd., Director of JE Environmental Technology Co. Ltd., Director of United Integrated Services Co., Ltd, Director of Z-COM, Inc., Director of Eco Energy Corporation.		0

Criteria / Name	Professional Qualification Requirements& Work Experiences	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
WU CHIA-FANG	1. Possess the professional qualifications and experience required for business, legal affairs, finance, accounting/company business. 2. Served as General Manager of Z-COM, Inc., Legal Representative and Director, Z-COM, Inc., Director of Fan En Technology. Co., Ltd., Director of Z-COM Technology, LTD., General Manager of JiangXi Zwaveasia Technology Co., Ltd.		0

Criteria / Name	Professional Qualification Requirements& Work Experiences	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
CHOU, YIH-HENG	1. Qualifications: Lecturers or above from public or private universities or colleges with expertise in business, law, finance, accounting, or corporate operations. 2. Has served as an independent director, Executive Director of Chinese Management Association, General Manager of Accreditation of Chinese Collegiate School of Business (ACCBE)	Independent directors satisfy the requirements of independence including but not limited to: 1. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not serve as directors, supervisors or employees. 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any Z-COM shares. 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service“	0

Criteria / Name	Professional Qualification Requirements& Work Experiences	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
HUANG, TAI-SHENG (Note 1)	1. Qualifications: Lecturers or above from public or private universities or colleges with expertise in business, law, finance, accounting, or corporate operations. 2. Has served as an independent director of Z-COM, Inc., a Lecturer and Associate Professor, Traffic and Transportation Graduate Program, National Yang-Ming Chiao Tung University.	Independent directors satisfy the requirements of independence including but not limited to: 1. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not serve as directors, supervisors or employees. 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any Z-COM shares. 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service“	0

Criteria / Name	Professional Qualification Requirements& Work Experiences	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
SU, YUAN-LIANG (Note 2)	1. Qualifications: Lecturers or above from public or private universities or colleges with expertise in business, law, finance, accounting, or corporate operations. 2. Has served as the independent director of Z-COM, Inc., Chairman of Surplux Energy Inc., Chairman of Arima Lasers Corp., Independent Director of Ablerex Electronic Co., Ltd. , Legal Representative and Director of ARIMA PHOTOVOLTAIC & OPTICAL CORP.	Independent directors satisfy the requirements of independence including but not limited to: 1. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not serve as directors, supervisors or employees. 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any Z-COM shares. 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service“	1

Criteria / Name	Professional Qualification Requirements& Work Experiences	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
ZHENG SHENG-QING	1. Possess the professional qualifications and experience required for business, legal affairs, finance, accounting/company business. 2. Technical Director / Deputy Director, Information and Communications Research Division, Industrial Technology Research Institute (ITRI). Technical Director of Video Technology, Office of the Director, Information and Communications Research Division, ITRI. Division Director, Video and Optical Communications Technology Group / Optical Communications and Broadband Integration Technology Group, Information and Communications Research Division, ITRI. Executive Secretary, Communications Industry Development Promotion Task Force, Ministry of Economic Affairs (MOEA).Executive Secretary, Digital Video Industry Promotion Task Force, MOEA. Deputy Division Director, Communications Systems Group, Electronics and Telecommunications Research Division, ITRI. Deputy Division Director, Computer Communications Group, Electronics and Telecommunications Research Division, ITRI. Manager / Deputy Manager, Network Management Systems Department, Electronics and Telecommunications Research Division, ITRI.	Independent directors satisfy the requirements of independence including but not limited to: 1. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not serve as directors, supervisors or employees. 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any Z-COM shares. 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service“	0

Criteria / Name	Professional Qualification Requirements& Work Experiences	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
CHAI WAN-HUI	1. Possess the professional qualifications and experience required for business, legal affairs, finance, accounting/company business. 2. Regional Chief Financial Risk Officer, Greater China and North Asia, Standard Chartered Bank (Hong Kong Branch)	Independent directors satisfy the requirements of independence including but not limited to: 1. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not serve as directors, supervisors or employees. 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any Z-COM shares. 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service“	0

Note1: Winifred International Corp.、HUANG, TAI-SHENG was removed from office upon the full re-election of directors on 2025.05.27.

Note2: Director Su Yuan-Liang originally served as an independent director of the Company’s 10th Board. On 2025.05.27, upon the full re-election of directors, he was elected as a director of the 11th Board.

5. Diversity and independence of the Board of Directors:

Name	sex	Employee	Age			Term		Professional experience					Professional qualifications					
			< 60	61~69	> 70	less than 3 years	More than 3 years	Capability of Operational Judgement	capability of management	Capability of Leadership & decision making	Industry knowledge	capability of risk management	Communication Engineering	Transportation	Sales & Marketing	Financial Accounting	Environment & Energy	Medical Education
Representative of Fan En Technology. Co., Ltd. John S. Shieh S. Shieh	M	✓			✓			✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Representative of Winifred International Corp. : WU, TZY-HSIN Not re-election on May 27, 2025	F			✓				✓	✓	✓	✓	✓				✓		✓
CHEN, YU AN	M				✓			✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
WU CHIA-FANG	F	✓	✓					✓	✓	✓	✓	✓	✓		✓			
CHOU, I-HENG	M				✓		✓	✓	✓	✓	✓	✓			✓	✓		✓
HUANG, TAI-SHENG Not re-election on 2025.05.27	M				✓		✓	✓	✓	✓	✓	✓	✓	✓			✓	✓
SU YUAN-LIANG	M				✓		✓	✓	✓	✓	✓	✓	✓		✓		✓	✓
ZHENG SHENG-QING newly-elected on 2025.05.27	M			✓		✓		✓	✓	✓	✓	✓	✓	✓			✓	
CHAI WAN-HUI newly-elected on 2025.05.27	F		✓			✓		✓	✓	✓	✓	✓			✓	✓		

(1) Diversification of the Board of Directors:

In order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, Pursuant to Article 20 of the Corporate Governance Best Practice Principles, the Company has established policies to ensure board diversity. The composition of the Board of Directors should consider diversification. The Company should formulate appropriate diversification policies based on its own operation, operation type, and development needs. These policies should include, but not limited to, the following criteria:

Basic conditions and values: gender, age, nationality, and culture.
Professional knowledge and skills: professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industrial experience.
The composition of the Company's Board of Directors considers diversification, and appropriate diversification policies are formulated based on its own operation, operation type, and development needs. The nomination and selection of members of the Board of Directors follow the provisions of the Company's Articles of Association. In addition to evaluating the academic and professional qualifications of each candidate, stakeholder opinions are also considered, and relevant regulations such as the "Director Election Regulations" and "Corporate Governance Best Practices" are adhered to, ensuring the diversity and independence of the Board members.

The current Board of Directors consists of 7 members, including 4 directors and 3 independent directors, who possess expertise in finance, management, and the Company's industry. Each director and independent director has their own specific expertise. The 4 directors excel in leadership, operational judgment, management, crisis management, and possess industry knowledge and international market insight. Additionally, the 3 independent directors, namely CHOU, I-HENG, ZHENG SHENG-QING, and CHAI WAN-HUI, specialize in finance and taxation, environmental energy, communication engineering, transportation, and business marketing, providing valuable insights into the Company's operations. There are five directors who are not employees of the Company. Four directors are aged over 70, one director is aged between 61 to 69, and two directors are aged fewer than 60. Female directors occupy two seats. None of the seven directors has any circumstances defined in Article 30 of the Company Law. Our company also pays attention to the principle of merit in the selection of board members, while taking into account diversity in gender, age, nationality, and cultural background. Specific diversity objectives have been set as follows:

1. Gender diversity objective: The proportion of female directors is targeted to reach one-third or more, and this will continue to be incorporated into the director nomination evaluation mechanism.
2. Professional diversity objective: Board members should cover professional fields such as finance and accounting, industrial technology, business management, and risk management.
3. Age and experience composition: A balance of different age groups and industry experience is sought to enhance diversity in decision-making.

At present, the proportion of female directors has not yet reached the target ratio. In the future,

through the director selection and talent development mechanisms, the Company will gradually increase the proportion of female directors and will prioritize female candidates in future board elections to achieve the diversity policy objectives.
By integrating the diverse professional backgrounds of board members, the Company strengthens the quality of board decision-making and ensures the sound development of corporate governance.

(2) Independence of the Board of Directors:
The Board of Directors includes three independent directors whom are nominated and selected by stockholder meeting from the list of candidates and the proportion of independent directors is 43%. Their professional qualification and selection are in compliance with “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”.
Independent directors satisfy the requirements of independence including but not limited to: Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not serve as directors, supervisors or employees. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any Z-COM shares. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service“

(3) All members of the Company’s Board of Directors possess the professional knowledge and industry experience required to perform their duties. Based on their professional backgrounds, they contribute to the Company’s operations as follows:
1. Operational and strategic decision-making capability: Directors have experience in corporate management and strategic planning, enabling them to provide professional advice on the Company’s long-term development, operational strategies, and major investment decisions.
2. Financial and accounting expertise: Some directors have backgrounds in finance and accounting, assisting in the review of financial statements, strengthening internal control systems, and supervising financial risk.
3. Industry and technological expertise: Directors possess expertise in the communications industry and information and communications technology, helping the Company to grasp industry trends, technological developments, and product strategy directions.
4. Risk management and corporate governance: Through the Audit Committee and Board operations, directors oversee the effectiveness of the Company’s internal control systems, legal compliance, and risk management mechanisms.

B. Management team:

2026.03.31

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by nominee arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
General Manager	R.O.C.	WU CHIA-FANG	F	2019.01.01	970,027	1.35%	0	0	0	0	Bachelor of English, National Changhua University of Education ITI Ministry of Economic Affairs Foreign Trade Association Trade Talent Development Program-Master's degree equivalent Marketing and Sales Director, Z-COM, Inc. General Manager , Z-COM, Inc. Vice General Manager, Z-COM, Inc. Legal Representative and Director, Z-COM, Inc. Director of XIN HUI ZHI Investment Co., Ltd Director, Z-Wireless Technology, LTD. Corporate Governance Officer, Z-COM, Inc. (Note 1)	Director, Z-COM, Inc. Director of Fan En Technology. Co., Ltd. Director of Z-COM Technology, LTD. General Manager of JiangXi Zwaveasia Technology Co., Ltd. Director of CHUNGHWA SOCHAMP TECHNOLOGY INC. General Manager of Z-COM, Inc.	None	None	None	
R&D Executive Director	R.O.C.	John S. Shieh	M	2019.06.21	3,182,933	4.44%	0	0	0	0	Ph.D. in Systems Engineering from the Georgia Institute of Technology, USA Associate Professor in the Department of Telecommunications Engineering at National Chiao Tung University, Taiwan Senior Consultant at the Industrial Technology Research Institute, a non-profit organization in Taiwan Research Manager at Bell Labs, American Telephone and Telegraph Company in New Jersey, USA Industry Analyst at the IBM Corporation in Gaithersburg, USA GENERAL MANAGER at Z-COM	Corporate Chairman Appoints Representative of Z-COM, Inc. R&D Executive Director at Z-COM, Inc. Director of NANJING Z-COM WIRELESS CO., LTD Director of Eco Energy Corporation.	None	None	None	
Accounting officer (Note 2)	R.O.C.	CHUANG, HUI-HUA	F	2022.06.09	0	0%	0	0	0	0	Deputy Director of Finance Department, GIGA SOLAR MATERIALS CORPORATION Deputy Director of Finance Department, GIGASTORAGE CORPORATION Finance Manager, GINGY Technology Inc. Accounting manager of Z-COM, Inc. Corporate Governance Officer of Z-COM, Inc.(Note1)	None	None	None	None	

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by nominee arrangement		Experience（Education）	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Accounting officer (Note 3)	R.O.C.	PENG, CHIH-YUNG	M	2025.11.07	0	0%	0	0	0	0	Accounting Specialist, Altek Corporation Accounting Specialist, Altek Biotechnology Corporation Finance and Accounting Manager, iSTART-TEK INC. Finance and Accounting Department Manager, Z-COM, Inc.	None	None	None	None	
Audit Officer	R.O.C.	LI, HSIU HUA	F	2024.10.30	0	0%	0	0	0	0	Department of Industrial Engineering and Management, Oriental Institute of Technology Senior Engineer of Z-COM, Inc.	None	None	None	None	

Note 1 & Note 2: Ms. Chuang Hui-Hua, who originally served concurrently as Accounting Officer and Corporate Governance Officer, resigned and was removed from office on 2025.08.29. On the same date, General Manager Ms. Wu Chia-Fang temporarily assumed the duties of Corporate Governance Officer and was formally appointed to the position upon approval by the Board of Directors on 2025.11.07.

Note 2 & Note 3: Ms. Chuang Hui-Hua, who originally served concurrently as Accounting Officer and Corporate Governance Officer, resigned and was removed from office on 2025.08.29. On 2025.09.22, Mr. Peng Chih-Yung temporarily assumed the duties of Accounting Officer and was formally appointed to the position upon approval by the Board of Directors on 2025.11.07.

(II)Remuneration Paid to Directors, General Manager, Vice General Manager

A. Remuneration Paid to Directors and Independent Directors

2025.12.31 Unit: NT$ Thousand

Title	Name	Director's Remuneration								(A+B+C+D) as a % of Net Income (Note7)	
		Base Compensation(A) (Note1)		Severance Pay and Pensions (B)		Compensation to Directors (C) (Note2)		Allowances (D) (Note3)			
		ZCOM	From All Consolidated Entities (Note9)	Z-COM	From All Consolidated Entities	Z-COM	From All Consolidated Entities	Z-COM	From All Consolidated Entities	Z-COM	From All Consolidated Entities
Chairman	Fan En Technology. Co., Ltd. Representative : John S. Shieh	0	0	0	0	0	0	42	42	0.15%	0.15%
Director	Winifred International Corp. Representative : WU, TZY-HSIN	0	0	0	0	0	0	6	6	0.02%	0.02%
Director	CHEN, YU AN	0	0	0	0	0	0	42	42	0.15%	0.15%
Director	WU CHIA-FANG	0	0	0	0	0	0	42	42	0.15%	0.15%
Independent Director	CHOU, YIH-HENG	272.5	272.5	0	0	0	0	42	42	1.13%	1.13%
Independent Director	HUANG, TAI-SHENG	62.5	62.5	0	0	0	0	12	12	0.27%	0.27%
Independent Director / Director	SU ,YUAN-LIANG（Note 10）	62.5	62.5	0	0	0	0	42	42	0.38%	0.38%
Independent Director	ZHENG SHENG-QING	210	210	0	0	0	0	18	18	0.82%	0.82%

Independent Director	CHAI WAN-HUI	210	210	0	0	0	0	18	18	0.82%	0.82%

＊The remuneration disclosed in the Remuneration paid to the General Manager and vice General Manager differs from the concept of income defined according to Income Tax law; therefore, the table is for the purpose of information disclosure instead of tax levy.

2025.12.31 Unit: NT$ Thousand

Title	Name	Relevant Remunerations Received by Directors who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to net income (Note7)		Remuneration received from investee enterprises other than subsidiaries or from the parent company (Note8)
		Salary, bonuses and allowances (E) (Note4)		Severance Pay (F) (Note5)		Employee Compensation (G) (Note6)						
		Z-COM	From All Consolidated Entities	Z-COM	From All Consolidated Entities	Z-COM		From All Consolidated Entities (Note6)		Z-COM	From All Consolidated Entities	
						Cash	Stock	Cash	Stock			
Chairman	Fan En Technology. Co., Ltd. Representative : John S. Shieh	4,083	4,083	783	783	0	0	0	0	17.70%	17.70%	None
Director	Winifred International Corp. Representative : WU, TZY-HSIN	0	0	0	0	0	0	0	0	0.02%	0.02%	None
Director	CHEN, YU AN	0	0	0	0	0	0	0	0	0.15%	0.15%	None
Director	WU CHIA-FANG	3,868	4,731	783	783	0	0	0	0	16.93%	20.04%	None
Independent Director	CHOU, YIH-HENG	0	0	0	0	0	0	0	0	1.13%	1.13%	None

Independent Director	HUANG, TAI-SHENG	0	0	0	0	0	0	0	0	0.27%	0.27%	None
Independent Director / Director	SU ,YUAN-LIANG（Note 10）	0	0	0	0	0	0	0	0	0.38%	0.38%	None
Independent Director	ZHENG SHENG-QING	0	0	0	0	0	0	0	0	0.82%	0.82%	None
Independent Director	CHAI WAN-HUI	0	0	0	0	0	0	0	0	0.82%	0.82%	None

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:

   Policy and system: For the remuneration of independent directors, besides referring to results of director performance evaluations, each director's degree of participation and contribution to the Company's operations, performance and risks to remuneration shall be considered. It should not lead the independent directors to engage in behaviors that exceed the company's risk tolerance in pursuit of compensation. The compensation and remuneration system should be reviewed regularly based on the situation. To provide a reasonable and effective performance evaluation and compensation system for independent directors, the overall compensation and links the reasonableness and fairness of performance as well as the Company's business performance and the remuneration standards of competitor should be considered.

   Standards and structure: The remuneration of independent directors is the remuneration due to independent directors serving companies, including fixed remuneration, traveling expenses, remuneration and various bonuses.

   The relationship between the performance of the company's independent directors and their remuneration: The remuneration of the directors of the company is based on the provisions of Article 27 of the company's articles of association, which shall not exceed 3% of the current year's profit. The degree and performance evaluation shall be considered as a whole, and the considerations shall be based on six major aspects, including mastery of the company's goals and tasks, awareness of directors' responsibilities, degree of participation in company operations, internal relationship management and communication, directors' professional and continuing education, and internal control. Other special contributions or significant negative events are also taken into account in the performance evaluation, prepare distribution proposals and distribute after approval by the board of directors, and report at the shareholders' regular meeting.
2. Other than as disclosed in the above table, the remuneration earned by Directors providing services (e.g. providing consulting services as a non-employee) to the Company and all consolidated entities in the latest fiscal year: None

＊The content of remuneration disclosed in this form is different from the concept of income in the income tax law. Therefore, this form is for information disclosure and not for taxation purposes.

Note1: Refers to the remuneration (including director salary, duty allowances, severance pay, various bonuses, incentives, etc.) paid to the directors in the most recent year

Note2: The board of directors of our company resolved on 2026.03.02 not to distribute director and supervisor remuneration and employee remuneration.

Note3: Refers to the relevant business. For the housing, automobiles and other transportation vehicles, or the exclusive personal expenses provided, the nature and cost of the assets, the actual or imputed rent at fair market value, the gasoline expense, and other payments should be disclosed. In addition, for the chauffeur appointed, please explain in the notes regarding the remuneration paid but the amount will not be included in the total remuneration amount.

Note4: Refers to the salary, job allowance, severance pay, resignation compensation, prize money, incentive payments, traveling expenses, special expenses, allowances, dormitories, and transportation vehicles paid to the directors who are also employees (including concurrent General Manager, Vice General Manager, other managers, and employees) in the most recent year. For the housing, automobiles and other transportation vehicles, or the exclusive personal expenses provided, the nature and cost of the assets, the actual or imputed rent at fair market value, the gasoline expense, and other payments should be disclosed. In addition, for the chauffeur appointed, please explain in the notes regarding the remuneration paid but the amount will not be included in the total remuneration amount. In addition, the salary expenses recognized under IFRS 2 "Share-based Payment," including the acquisition of employee share option certificates, restricted employee rights to new shares, and participation in cash capital increases to subscribe for shares, should also be included in the remuneration.

Note5: Refers to retirement pensions legally allocated on a monthly basis and accounted for proportionally based on the number of individuals, but not actually disbursed.

Note6: Refers to the directors who are also employees (including concurrent General Manager, Vice General Manager, other managers and employees) obtained employee remuneration (including shares and cash) in the most recent year. The board of directors of our company resolved on 2026.03.02 not to distribute director and supervisor remuneration and employee remuneration.

Note7: Net income after tax refers to the net income after tax in the individual financial report of the most recent year. The net income after tax for 2025 was 27,726 thousand NTD.

Note8. a. The remuneration amount received by the board directors from the invested companies other than the subsidiaries or parent companies should be disclosed in this column (if none, please indicate "none").

b. Remuneration meant for the relevant rewards, income, employee bonus, and business expense collected by the board directors of the Company acted as a director, supervisor, or manager of the invested companies other than the subsidiaries or parent companies.

Note9: The total amount of remuneration paid to the directors of our company, as well as all other companies included in the consolidated financial statements, should be disclosed.

Note 10: Director Su Yuan-Liang originally served as an independent director of the Company’s 10th Board. On 2025.05.27, upon the full re-election of directors, he was elected as a director of the 11th Board.

B. Remuneration paid to the General Manager and vice General Managers:

2025.12.31 Unit: NT$ Thousand

Title	Name	Salary (A)		Severance Pay (B) (Note3)		Bonuses and Allowance etc. (C)		Employee Compensation (D) (Note1)				Ratio of total compensation (A+B+C+D) to net income (Note4)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		Z-COM	From all Consolidated Entities	Z-COM	From all Consolidated Entities	Z-COM	From all Consolidated Entities	Z-COM		From all Consolidated Entities		Z-COM	From all Consolidated Entities	
								Cash	Stock	Cash	Stock			
General Manager	WU CHIA-FANG	3,868	4,731	783 (Note 3)	783 (Note 3)	0	0	0	0	0	0	16.77%	19.89%	None
Chief Technology Officer (Note2)	John S. Shieh	4,083	4,083	783 (Note 3)	783 (Note 3)	0	0	0	0	0	0	17.55%	17.55%	None

＊The remuneration disclosed in the Remuneration paid to the General Manager and vice General Manager differs from the concept of income defined according to Income Tax law; therefore, the table is for the purpose of information disclosure instead of tax levy.

Note1: The board of directors of our company decided not to distribute any remuneration to directors, supervisors, and employees on 2026.03.02.

Note2: The Chairman of our company appointed the representative of our company, Mr. John S. Shieh as the CTO (Chief Technology Officer) on 2019.06.21.

Note3: Refers to the retirement pension allocated monthly according to the law, which is amortized and recognized according to the number of people, but has not been actually paid.

Note4: Net income after tax refers to the net income after tax in the individual financial report of the most recent year. The net income after tax for 2025 was 27,726 thousand NTD.

C. Employee Compensation amount paid to managers

2025.12.31 Unit：NT$ Thousand

Title		Name	Stock bonus amount	Cash bonus amount (Note1)	Total	Ratio of Total Amount to Net Income (%)
Manager	Representative appointed by the Chairman / CTO	John S. Shieh	0	0	0	0%
	General Manager / Corporate Governance Officer	WU CHIA-FANG	0	0	0	0%
	Accounting Officer (Note 2)	CHUANG,HUI-HUA	0	0	0	0%
	Accounting Officer (Note 3)	PENG, CHIH-YUNG	0	0	0	0%

＊The compensation disclosed in the Employee Compensation amount paid to manager differs from the concept of income defined according to Income Tax law; therefore, the table is for the purpose of information disclosure instead of tax levy.

Note1: Our company's board of directors decided not to distribute remuneration to directors, supervisors, and employees on 2026.03.02.

Note 2: Ms. Chuang Hui-Hua, who originally served concurrently as Accounting Officer and Corporate Governance Officer, resigned and was removed from office on 2025.08.29.

Note 3: On 2025.09.22, Mr. Peng Chih-Yung temporarily assumed the duties of Accounting Officer and was formally appointed to the position upon approval by the Board of Directors on 2025.11.07.

D. The remuneration of the top five highest-paid executives

2025.12.31 Unit：NT$ Thousand

Title	Name	Salary (A)		Severance Pay (B)		Bonuses and Allowance etc. (C)		Employee Compensation (D) (Note1)				Ratio of total compensation (A+B+C+D) to net income (%)(Note5)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
								Z-COM		From all Consolidated Entities				
		Z-COM	From all Consolidated Entities	Z-COM	From all Consolidated Entities	Z-COM	From all Consolidated Entities	Cash	Stock	Cash	Stock	Z-COM	From all Consolidated Entities	
General Manager	WU CHIA-FANG	3,868	4,731	783 (Note3)	783 (Note3)	0	0	0	0	0	0	16.77%	19.89%	None
Representative appointed by the Chairman / CTO	John S. Shieh	4,083	4,083	783 (Note3)	783 (Note3)	0	0	0	0	0	0	17.55%	17.55%	None
Accounting Officer(Note 2)	CHUANG ,HUI-HUA	909	909	44	44	0	0	0	0	0	0	3.44%	3.44%	None
Accounting Officer(Note 2)	PENG, CHIH-YUNG	313	313	19	19	0	0	0	0	0	0	1.20%	1.20%	None

＊The compensation disclosed in the Employee Compensation amount paid to manager differs from the concept of income defined according to Income Tax law; therefore, the table is for the purpose of information disclosure instead of tax levy.

Note1: Our company's board of directors decided not to distribute remuneration to directors, supervisors, and employees on 2026.03.02.

Note2: Ms. Chuang Hui-Hua, who originally served concurrently as Accounting Officer and Corporate Governance Officer, resigned and was removed from office on 2025.08.29. On 2025.09.22, Mr. Peng Chih-Yung temporarily assumed the duties of Accounting Officer and was formally appointed to the position upon approval by the Board of Directors on 2025.11.07.

Note3: This refers to the monthly provision of retirement pensions in accordance with the law, which is recognized as an expense based on the number of people and allocated accordingly, but has not actually been paid.

Note4: In the fiscal year 2025, our company had only four "managers" who met the requirements of the letter of instruction numbered 0920001301 issued by the Taiwan Financial Supervisory Commission. Therefore, this table only shows the remuneration of these four executives.

Note5: Net income after tax refers to the net income after tax in the individual financial report of the most recent year. The net income after tax for 2025 was 27,726 thousand NTD.

E. Remuneration Policy

Analysis of the proportion of total remuneration paid by the Company and all consolidated subsidiaries to the Company’s directors, supervisors, General Manager, and Vice General Manager in the most recent two fiscal years, relative to net income after tax in the individual or consolidated financial statements: In 2025, the total remuneration for directors and supervisors increased compared to 2024, mainly due to adjustments in independent directors’ compensation starting from the 11th Board term and the higher attendance rate at board meetings. The total remuneration for the General Manager and Chief R&D Officer also increased compared to 2024, primarily because part of the compensation was reduced in 2024 due to operating conditions, and was accordingly adjusted in 2025.

2025.12.31 Unit：NT$ Thousand

Item/year	Z-COM				All consolidated subsidiaries			
	2024		2025		2024		2025	
	Remuneration Amount	Ratio of total remuneration to net income	Remuneration Amount	Ratio of total remuneration to net income	Remuneration Amount	Ratio of total remuneration to net income	Remuneration Amount	Ratio of total remuneration to net income
Directors	624	2.03%	1081.5	3.90%	624	2.03%	1,082	3.90%
General Manager and CTO	9,026	29.30%	9,517	34.33%	9,886	32.09%	10,380	37.44%

Total	9,650	31.33%	10,599	38.23%	10,510	34.12%	11,462	41.34%
Net Income	30,806	100.00%	27,726	100.00%	30,806	100.00%	27,726	100.00%

1. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with risks and business performance:

   2-1. The company's policy, standards, and structure for directors' remuneration are as follows:

   (1) Independent directors of the company receive fixed compensation. Other directors are only reimbursed for transportation fees for attending board meetings and do not receive other fixed salary compensation.

   (2) Directors' remuneration is allocated based on the company's Articles of Association, Article 27, and cannot exceed 3% of the annual profit. If the company has accumulated losses, these must be covered first.

   (3) In years with profit distribution, directors' remuneration considers the company's operational performance, future risks, development strategies, and industry trends. Individual directors' performance evaluation results are also taken into account to ensure reasonable compensation. Performance evaluation and remuneration allocation are reported to the Compensation Committee and Board of Directors for review and approval. The remuneration allocation policy is reviewed as needed, considering the overall environment and business strategies to ensure sustainable operations and balance the interests of stakeholders.

   For the fiscal year 113, since there was no profit, directors' performance evaluations were conducted, but no remuneration was distributed to the directors.

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

   A. Mastery of company goals and missions: Directors fully understand the company's core values and have a clear understanding of all strategic goals set by the board of directors.

   B. Awareness of directors' duties: Fully understanding the legal obligations of directors, maintaining confidentiality of internal information obtained while performing their duties, etc.

   C. Participation in company operations: Attending board meetings, contributing effectively during meetings, assessing and supervising potential and existing risks, and engaging in discussions about the internal control system's implementation and follow-up. Avoid holding multiple directorships concurrently.

   D. Internal relationship management and communication: Good interaction with the management team, and effective communication with auditors and other board members.

E. Professional expertise and continuous learning: Maintaining professional knowledge required for board decision-making and continuing to strengthen skills through further education.

F. Internal control: Participating in conflict-of-interest discussions, effectively evaluating and supervising various internal control systems and risk management, accounting systems, financial conditions and reports, and audit reports and their follow-up.

2.2 The company's policy, standards, and structure for managerial remuneration are as follows:

(1) According to the company’s "Regulations on Directors and Managers' Salaries and Remuneration," the structure of managerial remuneration is described as follows:

A. Fixed Remuneration: Includes basic salary, additional compensation for managerial roles, meal allowances, and retirement contributions. Variable Remuneration: Includes bonuses for Dragon Boat Festival, Mid-Autumn Festival, and Lunar New Year, as well as work-related allowances and rewards, employee stock options, and various subsidies.

B. The distribution of annual bonuses is determined based on the company’s annual profit and employee salary regulations. If the total amount of managerial salaries and the three festival bonuses exceed 15 months, the remuneration distribution must be reviewed by the Compensation Committee and approved by the Board of Directors, based on managerial performance.

C. Employee Compensation: In accordance with Article 27 of the company’s Articles of Association, employee compensation is allocated based on managerial performance and distributed after the review and approval of the Compensation Committee and the Board of Directors.

D. Annual Salary Adjustment: Salary adjustments are determined annually based on managerial performance, with approval from the Compensation Committee and the Board of Directors.

(2) Performance evaluation indicators for managers must include the following three aspects:

A. Financial Performance Indicators: Revenue and profit, achievement of budget targets, growth, and new market development.

B. Strategic and Operational Management: Execution of plans and policies, strategic planning capabilities, and decision-making skills.

C. Corporate Sustainability: Sustainability commitments, risk management, and implementation of key ESG (Environmental, Social, and Governance) initiatives.

2.3 The relationship between remuneration and future risks: The remuneration paid to directors and managers by the company is subject to necessary adjustments based on changes in the overall economy and industry conditions. It also considers the company's future development, profitability, and operational risks, with appropriate adjustments based on future risk factors.

(III) Corporate Governance

A. Board of Directors:

(1) The Company has a total of seven directors (including independent directors).

(2) The term of office for the 10th Board: 2022.05.26 to 2025.05.25.

(3) The term of office for the 11th Board: 2025.05.27 to 2028.05.26.

(4) During fiscal year 2025 and up to the date of publication of the 2026 annual report, the Board of Directors convened a total of eight meetings (A), of which three were held under the 10th Board and five under the 11th Board. The attendance of directors is as follows:

Title	Name	Required to Attend (A)	Attendance in Person (B)	By Proxy	Attendance Rate (%)(B/A)	Remarks
Chairman	Fan En Technology Co., Ltd. Legal representative: John S. Shieh	8	8	0	100%	Re-elected
Director	Winifred International Corp. Representative: WU, TZY-HSIN	3	1	0	33%	The 10th
Director	CHEN, YU AN	8	8	0	100%	Re-elected
Director	WU, CHIA-FANG	8	8	0	100%	Re-elected
Director	SU, YUAN-LIANG	5	5	0	100%	The 11th
Independent Director	CHOU, YIH-HENG	8	8	0	100%	Re-elected
Independent Director	HUANG,TAI-SHENG	3	2	1	66%	The 10th
Independent Director	SU, YUAN-LIANG	3	3	0	100%	The 10th
Independent Director	ZHENG, SHENG-QING	5	3	1	60%	The 11th
Independent Director	CHAI, WAN-HUI	5	4	0	80%	The 11th
	Total	56	52	2	93%	

Other mentionable items:

(I) If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and company's responses should be specified:

◎：attendance ☆：by proxy ＊：absent

Date	2025. 03.05	2025. 04.09	2025. 05.07	2025. 05.27	2025. 08.04	2025. 09.22	2025. 11.07	2026. 03.02
Independent Director	10th BOD 12th time	10th BOD 13th time	10th BOD 14th time	11th BOD 1st time	11th BOD 2nd time	11th BOD 3rd time	11th BOD 4th time	11th BOD 5th time
CHOU,YIH-HENG	◎	◎	◎	◎	◎	◎	◎	◎
HUANG,TAI-SHENG	☆	◎	◎	N/A	N/A	N/A	N/A	N/A
SU, YUAN-LIANG	◎	◎	◎	N/A	N/A	N/A	N/A	N/A
ZHENG, SHENG-QING	N/A	N/A	N/A	*	◎	◎	◎	☆
CHAI, WAN-HUI	N/A	N/A	N/A	*	◎	◎	◎	◎

(i) Matters referred to in Article 14-3 of the Securities and Exchange Act.
Please refer to the important resolutions of our company's shareholders' meetings and board of directors (see pages 108-113 for details).

(ii) If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.

(II) The implementation of directors' recusal of interest-related proposals shall state the director's name, content of the proposal, reasons for recusal due to interests, and participation in voting:

On 2025.03.05, at the eighth meeting of the tenth board of directors, the issue of employee compensation for the year 2024 was discussed. According to Article 27 of the company's bylaws, the company should distribute 10% to 15% of the annual profits as employee compensation and not more than 3% of the annual profits as director compensation. However, if the company has accumulated losses, they should be compensated first. As there were no profits in 2024, there will be no distribution of employee or director compensation. The motion was passed without objection after the Chairman consulted the attending directors.

On 2025.08.04, at the 2nd meeting of the 11th board of directors, regarding the salary adjustment for managers and general employees for the fiscal year 2025, in accordance with Article 16 of the board of directors' regulations, those with conflicts of interest with themselves or their representatives should recuse themselves. Therefore, Chairman John S. Shieh of Fan En Technology. Co., Ltd and Director WU CHIA-FANG recused themselves. When the Chairman recused himself from the case, independent Director CHOU, YIH-HENG temporarily assumed the role of Chairman. The salary adjustment was made after consultation with the director according to the decision of the Compensation Committee. The attendance directors present had no objections, and the case was passed.

On 2025.11.07, at the 4th meeting of the 11th Board of Directors, regarding the remuneration proposal for the Corporate Governance Officer, in accordance with Article 16 of the Rules of Procedure for Board Meetings, any director who has a conflict of interest with themselves or the legal entity they represent shall abstain. Accordingly, General Manager Ms. Wu Chia-Fang, serving as Corporate Governance Officer, was requested to abstain. After the Chairman consulted the attending directors, the proposal was approved without objection.

On 2025.11.07, at the 4th meeting of the 11th Board of Directors, regarding the remuneration proposal for the Accounting Officer, in accordance with Article 16 of the Rules of Procedure for Board Meetings, any director who has a conflict of interest with themselves or the legal entity they represent shall abstain. Accordingly, Accounting Officer Mr. Peng Chih-Yung was requested to abstain. After the Chairman consulted the attending directors, the proposal was approved without objection.

(III) Listed OTC companies shall disclose information such as the evaluation cycle and period, evaluation scope, method, and evaluation content of the board of directors' self (or peer) evaluation, and fill in the implementation status of the board of directors' evaluation. Please refer the details on the implementation of the board of directors' self-evaluation for 2025.

(IV) Assessment of the objectives to strengthen the functions of the board of directors in the current and recent years (such as establishing an audit committee, enhancing information transparency, etc.) and the implementation status evaluation.

(i) Strengthen the Board's Functions: The Audit Committee of the Company holds at least one meeting per quarter as required by law, and may convene meetings as necessary to assist the Board of Directors in making decisions and strengthen the Board's supervisory function.

(ii) Improve information transparency: The major decisions and financial information of the Company's Board of Directors have been disclosed in accordance with regulations on the Taiwan Stock Exchange and Gre Tai Securities Market. Business information is also disclosed on the Company's website, ensuring that investors can obtain information in a timely manner.

(iii) From 2025 to 2026 the date of the printing date of the annual report, a total of 5 audit committee meetings and 8 board meetings were held, Except for the meetings on 2025.03.05 and 2026.03.02, where two independent directors attended, and the extraordinary board meeting on 2025.05.27, where one independent director attended, all other meetings were attended in person by all independent directors.

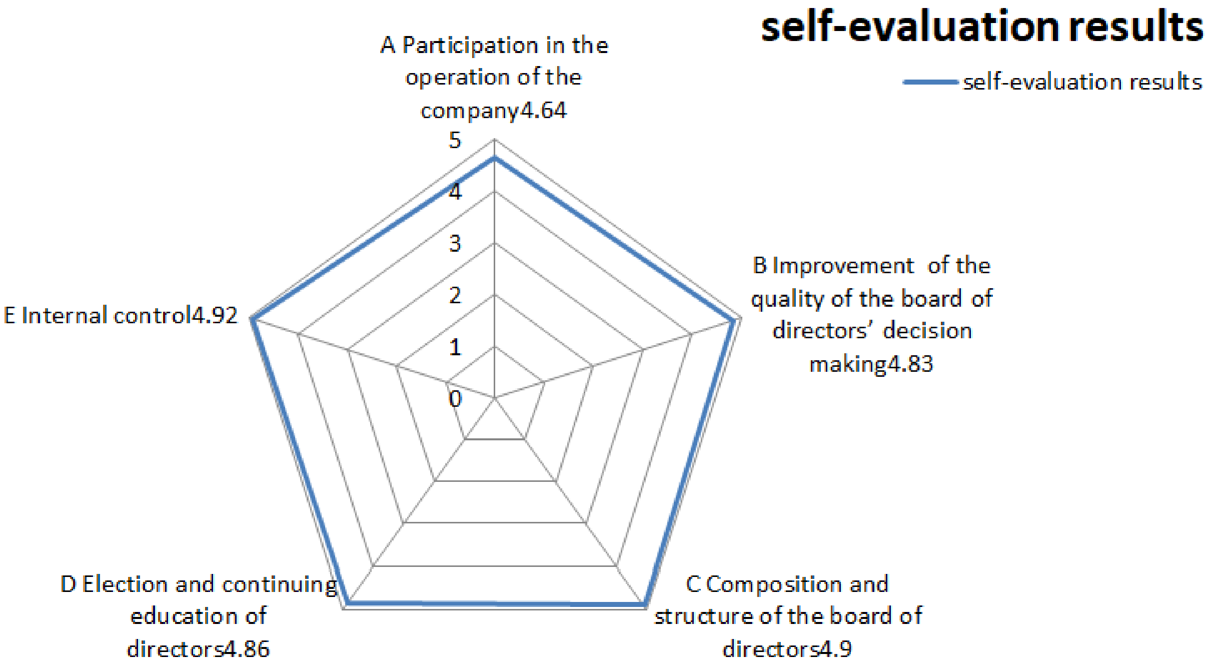
(iv) The operation of the board of directors of the company is held in accordance with Regulations Governing Procedure for Board of Directors we also arrange training courses for directors (please refer to Appendix One) to maintain core values and professional abilities.

B. Evaluation of the Board of Directors and Functional Committees:

1. The content and results of the performance evaluation of the board of directors are as follows:

evaluation cycle	evaluation period	evaluation scope	evaluation method	Evaluation items
Once a year	2025.01.01~ 2025.12.31	Board of Director	Board of directors self-evaluation	A. Participation in the operation of the company B. Improvement of the quality of the board of directors' decision making C. Composition and structure of the board of directors. D. Election and continuing education of directors E. Internal control.

(—) The board of directors	
score	**4.83**

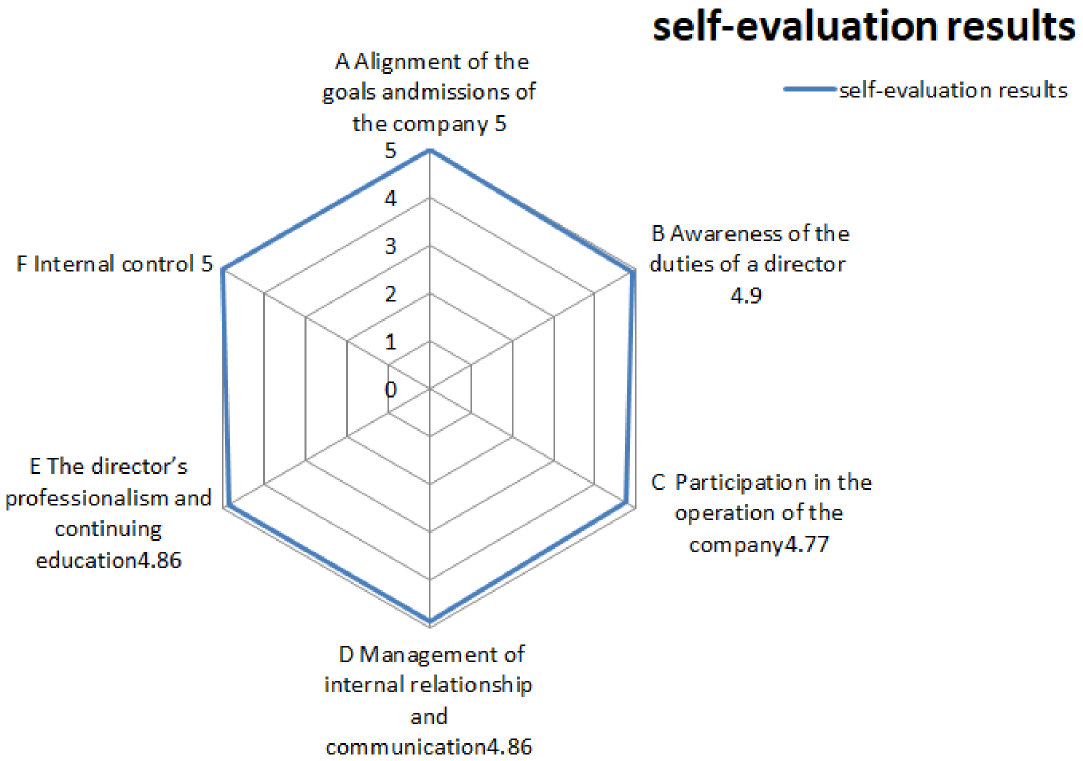


The average score for the overall performance of the Board of Directors is 4.83 out of 5, between "strongly agree" and "agree". As demonstrated, the overall board's operation has been effective. The board of directors has fully guided and supervised the company's strategy, major business and risk management, which meets the requirements of corporate governance.

2. The content and results of the performance evaluation of the directors are as follows:

evaluation cycle	evaluation period	evaluation scope	evaluation method	Evaluation items
Once a year	2025.01.01~ 2025.12.31	Individual directors' performance evaluation	board member's self-evaluation	A. Alignment of the goals and missions of the company B. Awareness of the duties of a director C. Participation in the operation of the company D. Management of internal relationship and communication E. The director's professionalism and continuing education F. Internal control

(二) Members of the board	
score	**4.90**



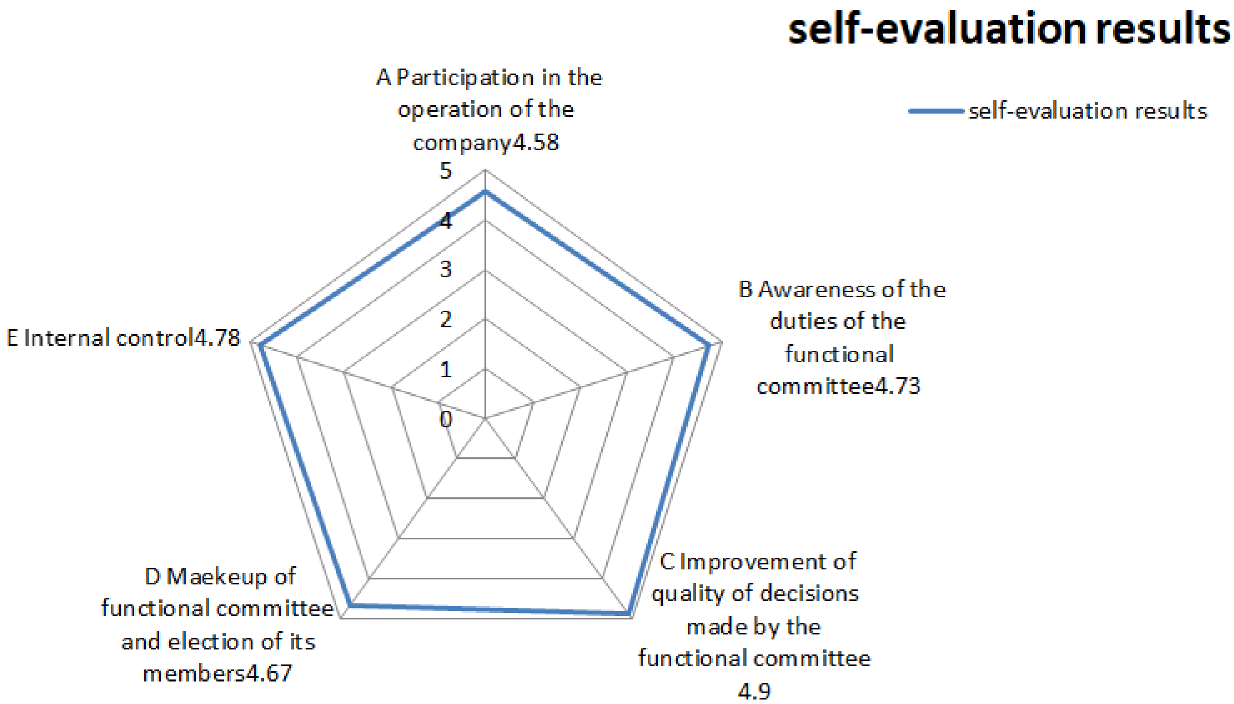
The average score for the performance of the individual directors is 4.90 out of 5, between "strongly agree" and "agree". The directors strongly agree with most of the performance of evaluation items. As demonstrated, the directors have positive comments on the efficiency and effectiveness of the operation of various indicators.

3. The content and results of the performance evaluation of the Audit Committee and the Compensation Committee are as follows：

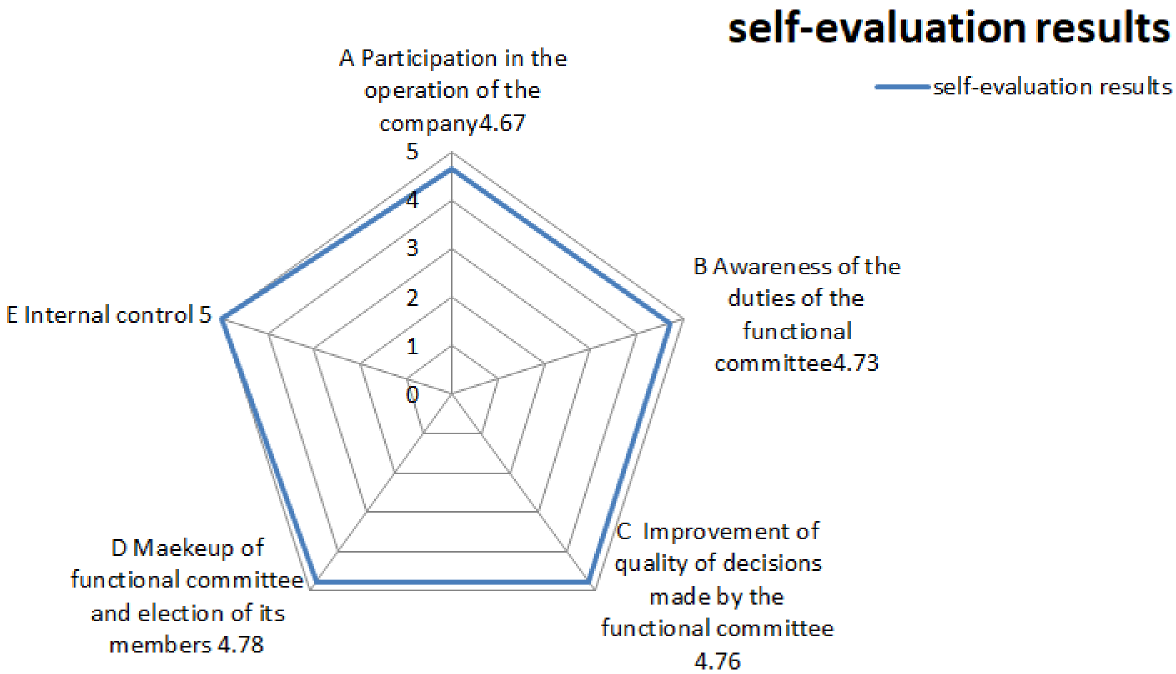
evaluation cycle	evaluation period	evaluation scope	evaluation method	Evaluation items
Once a year	2025.01.01 ~ 2025.12.31	Audit Committee	self-evaluation of Audit Committee members	A. Participation in the operation of the company B. Awareness of the duties of the functional committee C. Improvement of quality of decisions made by the functional committee D. Makeup of functional committee and

				election of its members E. Internal control
Once a year	2025.1.1~ 2025.12.31	Compensation Committee	self-evaluation of Compensation Committee members	A. Participation in the operation of the company B. Awareness of the duties of the functional committee C. Improvement of quality of decisions made by the functional committee D. Makeup of functional committee and election of its members E. Internal control

(三) Aduit Committee	
score	**4.73**



(三) Compensation Committee	
score	**4.79**



The average evaluation results of the Audit Committee and the Remuneration Committee ranged between 5 points (“Strongly Agree”) and 4 points (“Agree”), indicating that the overall operation of the functional committees is sound and that they have effectively exercised their intended authority and functions.

C. Audit Committee:

(1) The Company’s Audit Committee consists of three members.

(2) The term of office for the 2nd Committee: 2022.05.26 to 2025.05.25.

(3) The term of office for the 3rd Committee: 2025.05.27 to 2028.05.26.

(4) During fiscal year 2025 and up to the date of publication of the 2026 annual report, the Audit Committee convened a total of five meetings, of which two were held under the 2nd Committee and three under the 3rd Committee.

(A) The attendance of the independent directors was as follows:

Title	Name	Required to Attend (A)	Attendance in Person(B)	By Proxy	Attendance Rate (%)(B/A)	Remarks

Independent Director	CHOU, YIH-HENG	5	5	0	100%	Re-elected
Independent Director	HUANG, TAI-SHENG	2	1	1	50%	The 2nd BOD
Independent Director	SU, YUAN-LIANG	2	2	0	100%	The 2nd BOD
Independent Director	ZHENG, SHENG-QING	3	2	1	67%	The 3rd BOD
Independent Director	CHAI, WAN-HUI	3	3	0	100%	The 3rd BOD
	Total	15	13	2	87%	

Other mentionable items:

I、If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified.

(i) Matters referred in Article 14-5 of the Securities and Exchange Act.

(ii) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors.

II、The independent director's implementation of the recusal of the proposal of interest should state the name of the independent director, the content of the proposal, the reason for the recusal of the interest, and the status of participation in voting: None.

III、Descriptions of the communications between the independent directors, the internal auditors, and the independent auditors (which should include the material items, methods, and results of the audits on the corporate finance and/or operations, etc.).

(i) The communication between Independent directors' and CPAs:

Date	directors	Independent directors	Audit Committee	Discussion items with CPAs	Opinion & Result
2025.03.05		✓	✓	CPA explained the audit results of financial statements of 2024(consolidated and unconsolidated).	no objection
2025.08.04		✓	✓	CPA explained the audit results of financial statements for the 2rd quarter of 2025. Introduction to the Latest Developments in Sustainability Disclosure Standards	no objection
2026.03.02		✓	✓	CPA explained the audit results of financial statements of 2025(consolidated and unconsolidated). Updates on Securities Regulations Updates on Tax Regulations	no objection

				Updates on IFRS Latest Developments in Sustainability Disclosure Standards ESG Evaluation	

(ii) The communication between Independent directors and internal Auditors:

Date	directors	Independent directors	Audit Committee	Discussion items with Chief internal auditor	Opinion & Result
2025.01.02		✓	✓	Audit plan execution status for December 2024.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.02.03		✓	✓	Audit plan execution status for January 2025.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.03.05	✓	✓	✓	Execution status of the audit plan for 2024, tracking status of the audit report for 2024-Q4.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.03.07		✓	✓	Audit plan execution status for February 2025.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.03.31		✓	✓	Audit plan execution status for March 2025.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.05.02		✓	✓	Audit plan execution status for April 2025.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.05.07	✓	✓	✓	2025 Audit Report Tracking Status-Q1.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.06.02		✓	✓	Audit plan execution status for May 2025.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.07.01		✓	✓	Audit plan execution status for June 2025.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.08.04	✓	✓	✓	2025 Audit Report Tracking Status-Q2.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.08.06		✓	✓	Audit plan execution status for July 2025.	The Audit Committee has reviewed and approved it, and the independent directors have

					no objections.
2025.09.02		✓	✓	Audit plan execution status for August 2025.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.10.01		✓	✓	Audit plan execution status for September 2025.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.11.03		✓	✓	Audit plan execution status for October 2025.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.11.07	✓	✓	✓	2025 Audit Report Tracking Status-Q3.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2025.12.09		✓	✓	Audit plan execution status for November 2025.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2026.01.02		✓	✓	Audit plan execution status for December 2024.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2026.02.02		✓	✓	Audit plan execution status for January 2026	The Audit Committee has reviewed and approved it, and the independent directors have no objections.
2026.03.02	✓	✓	✓	Execution status of the audit plan for 2025, Tracking status of the audit report for 2025-Q4.	The Audit Committee has reviewed and approved it, and the independent directors have no objections.

(B) Audit Committee proposals and resolutions:

Meeting date	Subjects	Resolution results	Implementation	Matters referred in Article 14-5 of the	Other matters which were not approved by the Audit Committee but were approved

				Securities and Exchange Act	by two-thirds or more of all directors
The 11th meeting of the 2nd session on 2025.03.05	1. 2024 business report & 2024 annual financial statements 2. loss-off setting proposal for 2024 3. Discussion on the execution status of the audit plan for 2024 and the assessment of the effectiveness of internal control systems is proposed. 4. Assessment of Independence & qualifications of CPAs and renewal of 2025 CPAs. 5. List of non-assurance services to be provided by Ernst & Young and its related entities in 2025. 6. Amendment to the "Organizational Rules of Audit Committee".	The matter is approved by all Independent Directors. The matter is approved by all Independent Directors. The matter is approved by all Independent Directors. The matter is approved by all Independent Directors. The matter is approved by all Independent Directors. The matter is approved by all Independent Directors.	Execute according to the resolution. Execute according to the resolution. Execute according to the resolution. Execute according to the resolution. Execute according to the resolution. Execute according to the resolution.	V V V V	None
The 12th meeting of the 2nd session on 2025.05.07	1. 2025 first quarter financial statements. 2. Discussion on renewal of annual credit agreement with	The matter is approved by all Independent Directors. The matter is approved by all	Execute according to the resolution. Execute according to	V	None

	banks.	Independent Directors.	the resolution.		
The 1st meeting of the 3rd session on 2025.08.04	1. 2025 2nd quarter financial statements. 2. Discussion on renewal of annual credit agreement with banks. 3. Amendment to the" Regulations Governing the Acquisition and Disposal of Assets."	The matter is approved by all Independent Directors. The matter is approved by all Independent Directors. The matter is approved by all Independent Directors.	Execute according to the resolution. Execute according to the resolution. Execute according to the resolution.	V V	None
The 2nd meeting of the 3rd session on 2025.11.07	1. Appointment of Accounting Officer and Deputy Spokesperson. 2. 2025 third quarter financial statements. 3. Making 2026 internal audit plan. 4. Discussion on renewal of annual credit agreement with banks. 5. Amendment to the "Payroll Cycle Operating Procedures" 6. Amendment to the" Regulations Governing the Acquisition and Disposal of Assets."	The matter is approved by all Independent Directors. The matter is approved by all Independent Directors. The matter is approved by all Independent Directors. The matter is approved by all Independent Directors. The matter is approved by all Independent Directors. The matter is approved by all Independent Directors.	Execute according to the resolution. Execute according to the resolution. Execute according to the resolution. Execute according to the resolution. Execute according to the resolution. Execute according to the resolution.	V V V	None

The 3rd meeting of the 3rd session on 2026.03.02	1. 2025 business report & 2025 annual financial statements	The matter is approved by all Independent Directors.	Execute according to the resolution.	V	None
	2. loss-off setting proposal for 2025	The matter is approved by all Independent Directors.	Execute according to the resolution.	V	
	3. Discussion on the execution status of the audit plan for 2025 and the assessment of the effectiveness of internal control systems is proposed.	The matter is approved by all Independent Directors.	Execute according to the resolution.	V	
	4. Definition of the Scope of “Frontline Employees” for Fiscal Year 2025.	The matter is approved by all Independent Directors.	Execute according to the resolution.		
	5. Assessment of Independence & qualifications of CPAs and renewal of 2025 CPAs.	The matter is approved by all Independent Directors.	Execute according to the resolution.	V	
	6. List of non-assurance services to be provided by Ernst & Young and its related entities in 2026.	The matter is approved by all Independent Directors.	Execute according to the resolution.	V	
	7. Discussion on renewal of annual credit agreement with banks.	The matter is approved by all Independent Directors.	Execute according to the resolution.		

(Appendix I: Board of Directors training record in 2025)

Title	Name	Date of appointment	Training date		Organizer(s)	Courses	Training hours
			start	end			
Independent Director	CHOU, YIH-HENG	2025.05.27 Re-election	2025.12.08	2025.12.08	Taipei Foundation Of Finance	The Business Value of Generative AI and Digital Risks	3
Independent	CHOU,	2025.	2025.12.	2025.12.	Taipei Foundation	Kick-off for Transformation!	3

Title	Name	Date of appointment	Training date		Organizer(s)	Courses	Training hours
			start	end			
Director	YIH-HENG	05.27 Re-election	15	15	Of Finance	Key Highlights of the 2026 Corporate Governance Evaluation Transition to ESG Evaluation	
Independent Director	CHAI, WAN-HUI	2025.05.27 newly-elected	2025.08.18	2025.08.18	Taipei Foundation Of Finance	Corporate Responsibility and Duties of Directors and Supervisors under the Securities and Exchange Act	3
Independent Director	CHAI, WAN-HUI	2025.05.27 newly-elected	2025.08.22	2025.08.22	Taipei Foundation Of Finance	Understanding Financial Statements and Managing Risks: A Financial Governance Course for Directors and Supervisors	3
Independent Director	CHAI, WAN-HUI	2025.05.27 newly-elected	2025.09.19	2025.09.19	Taipei Foundation Of Finance	Lessons on Avoiding Virtual Currency Risks: A Strategic Guide for Board Directors and Supervisors	3
Independent Director	CHAI, WAN-HUI	2025.05.27 newly-elected	2025.12.08	2025.12.08	Taipei Foundation Of Finance	The Business Value of Generative AI and Digital Risks	3
Independent Director	ZHENG SHENG-QING	2025.05.27 newly-elected	2025.08.26	2025.08.27	Securities and Futures Institute	12-Hour Practical Training Program for Newly Appointed Directors and Supervisors (Including Independent Directors) and Corporate Governance Officers	12
Director	SU, YUAN-LIANG	2025.05.27	2025.05.05	2025.05.05	Taipei Foundation Of Finance	Information Security and Personal Data Protection Audit	3
Director	SU, YUAN-	2025.05.27	2025.05.16	2025.05.16	Taipei Foundation Of Finance	AI-Related Topics: The Business Value of	3

Title	Name	Date of appointment	Training date		Organizer(s)	Courses	Training hours
			start	end			
	LIANG					Generative AI and Digital Risks	
Director	WU CHIA-FANG	2025.05.27 Re-election	2025.07.22	2025.07.22	Taiwan Corporate Governance Association	Sustainability Development Advocacy Seminar – Taichung Session	3
Director	WU CHIA-FANG	2025.05.27 Re-election	2025.07.25	2025.07.25	Taipei Foundation Of Finance	Enhancing Operational Efficiency and Service Quality with AI, and Sharing AI Transformation Case Studies	3
Director	WU CHIA-FANG	2025.05.27 Re-election	2025.08.06	2025.08.06	The Chinese National Association of Industry and Commerce, Taiwan	In-Depth Analysis of Corporate Control Battles — Insights from Regulatory Authorities	3
Director	CHEN, YU AN	2025.05.27 Re-election	2025.04.09	2025.04.09	TSA Taiwan Securities Association	Causes and Prevention of Financial Fraud	3
Director	CHEN, YU AN	2025.05.27 Re-election	2025.05.07	2025.05.07	TSA Taiwan Securities Association	Legal Liability of Directors and Managers of Enterprises and Case Analysis	3
Legal representative of the board of directors	John S. Shieh	2025.05.27 Re-election	2025.04.11	2025.04.11	Taiwan Corporate Governance Association	Practical Discussion on the Latest Trends in Artificial Intelligence Development and Risk Management Frameworks	3
Legal representative of the board of directors	John S. Shieh	2025.05.27 Re-election	2025.09.19	2025.9.19	Taipei Foundation Of Finance	Lessons on Avoiding Virtual Currency Risks: A Strategic Guide for Board Directors and Supervisors	3

D. The company’s implementation of corporate governance and its deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause:

Assessment Item	Implementation Status (Note)			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
I、Does Company follow “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” to establish and disclose its corporate governance practices?	V		Since its establishment, Z-Com has been committed to excellent governance and insists on transparent operation. On May 31, 2013, the Company Governance Practice Guidelines were approved by the shareholders' meeting, and the Guidelines are periodically revised in accordance with laws and regulations. In addition, the Company has established a compensation committee and an audit committee under the board of directors to enhance the board's functions and to exercise its supervisory role. Moreover, the Company has formulated and implemented a sound internal control system and made every effort to ensure equal treatment of shareholders and protect their rights. For related measures and implementation status, please refer to the Market Observation Post System or our website: http://www.zcom.com.tw.	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies
II、Shareholding Structure & Shareholders’ Rights (i) Does Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If yes,	V		(i) To ensure the interests of shareholders, the company has established a spokesperson system, and cooperates with the stock affairs agency, "SinoPac Securities Corp., Shareholder	In compliance with the Corporate Governance Best

Assessment Item	Implementation Status (Note)			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
has these procedures been implemented accordingly?			Services Department," to handle matters such as shareholder proposals, inquiries, and disputes.	Practice Principles for Listed and OTC Companies
(ii) Does Company process a list of major shareholders and beneficial owners of these major shareholders?	V		(ii) The company has a dedicated person to handle matters related to shareholder services, and maintains close communication with the shareholder service agency to keep track of major shareholder shareholding changes and report on the shareholding status of insiders on a monthly basis, ensuring the stability of management rights.	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies
(iii) Has the Company built and execute a risk management system and "firewall" between the Company and its affiliates?	V		(iii) The management rights and responsibilities of the company and its affiliated companies are clearly defined; also, business transactions are conducted in accordance with the laws and regulations. We have established internal regulations such as the "Operating Procedures for Transactions with Related Parties, Specific Companies, and Group Enterprises," "Operating Procedures for Subsidiary Supervision," "Operating Procedures for Endorsement and Guarantee," "Operating Procedures for Lending Funds to Others," and "Asset Acquisition or Disposal Procedures" as operational norms for	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies

Assessment Item	Implementation Status (Note)			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
			financial and business transactions between related enterprises, establishing appropriate risk management mechanisms and firewalls.	
(iv) Has the Company established internal rules prohibiting insider trading on undisclosed information?	V		(iv) 1. On August 28, 2012, the company established the "Internal Handling of Material Information and Prevention of Insider Trading Management Procedures" to establish a sound internal mechanism for handling and disclosing material information, while strictly prohibiting employees and managers from trading securities with undisclosed material information in the market, in order to protect the interests of investors and maintain the rights of the company. 2. The company conducts education and training to current directors, managers, and employees on the "Regulations Governing the Prevention of Insider Trading" and related laws and regulations at least once a year, and arranges education and training for newly appointed directors and managers within 3 months after taking office. New employees are educated and trained by the Human Resources Department during pre-employment training.	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies

Assessment Item	Implementation Status (Note)			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
			3. In fiscal year 2025, the Company provided a total of 57 training hours to 16 participants among incumbent directors. The training courses covered topics such as the transition of corporate governance evaluation to ESG evaluation, AI-related issues, corporate and directors' responsibilities under the Securities and Exchange Act, financial governance courses for directors and supervisors, personal data security audits, and the legal responsibilities of corporate directors, supervisors, and managers. 4. On December 31, 2025, the Company conducted educational advocacy via email to corporate executives, employees, and directors. The related presentation materials were uploaded to the internal employee system for reference. In addition, on March 10, June 11, and September 10, 2025, the Company delivered advocacy sessions on the prevention of insider trading during quarterly meetings to all employees and executives. 5. During the Company's monthly investigation of insider shareholding changes, notifications are simultaneously issued to remind directors and insiders that they are prohibited from trading Company shares during blackout periods — specifically, within 30 days prior to the announcement of annual financial	

Assessment Item	Implementation Status (Note)			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
			reports and within 15 days prior to the announcement of quarterly financial reports — in order to prevent inadvertent violations. Going forward, the Company will regularly include reminders regarding insider trading regulations in the monthly notifications of insider shareholding changes.	
III、Composition and Responsibilities of the Board of Directors. (i) Has the Board of Directors established a diversity policy, set goals, and implemented them accordingly?	V		(i) 1. Our company has set out the criteria for the composition of the board of directors in the "Practical Guidelines for Corporate Governance" and "Regulations for Director Elections," emphasizing the importance of diversity. We have formulated appropriate diversity policies based on our own operations, business models, and development needs, which should include but are not limited to the following two aspects of standards: (1) Basic criteria and values: gender, age, nationality, and culture. (2) Professional knowledge and skills: professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience. 2. According to Article 20 of "Corporate Governance Best Practice Principles," the Board of Directors should generally	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies

Assessment Item	Implementation Status (Note)			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
			possess the necessary knowledge, skills, and attributes required to carry out their duties. To achieve the ideal goal of corporate governance, the Board of Directors should have the following overall capabilities: (1) Operational judgment ability. (2) Accounting and financial analysis ability. (3) Business management ability. (4) Crisis management ability. (5) Industry knowledge. (6) International market perspective. (7) Leadership ability. (8) Decision-making ability. 3. The company currently has 7 directors, including 3 independent directors, all of whom have the knowledge, skills, accomplishments and rich academic experience necessary to perform their duties. In addition, the company also pays attention to gender equality in the composition of the board of directors. The target ratio of female directors is more than 33.3%. Currently, out of 7 directors, including 2 female directors, the ratio has reached 29%. For more information on the diversity of our board of directors, please refer to page	

Assessment Item	Implementation Status (Note)			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
			21-23. 4. The board of directors has established a diversity policy which is disclosed at Z-COM's website.	
(ii) Other than the Compensation Committee and the Audit Committee which are required by law, does the Company plan to set up other Board committees?		V	(ii) The company established the Compensation Committee on 2011.12.06 and Audit Committee 2019.05.31. The company has not yet established other functional committees and will study and improve as needed in the future based on the company's requirements.	The company has not yet established other functional committees and will study and improve as needed in the future based on the company's requirements.
(iii) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis, reported the results of performance to the Board of Directors, and used the results as reference for directors' remuneration and renewal?	V		(iii) 1. The company has established the Regulations Governing the Board Performance Evaluation on 2020.03.10. The Company shall conduct the evaluation of board performance regularly. The evaluation methods include internal assessment, self-assessment of the board members, peer evaluation, or any other appropriate method. The evaluation report of the board and functional committees for 2025 has been submitted to the Board on 2026.03.02 and disclosed in Z-COM's website. The evaluation report can also be	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies

Assessment Item	Implementation Status (Note)			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
			reviewed by Market Observation Post System. 2. The article 8 of the Regulations Governing the Board Performance Evaluation specifies that performance evaluation results of the company's board of directors shall be used as a reference when selecting or nominating directors; and the performance evaluation results of individual directors shall be used as a reference for determining their salary and compensation.	
(iv) Does the Company regularly evaluate its external auditors' independence?	V		(iv) 1. According to the article 29 of "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" listed and OTC companies should select professional, responsible, and independent certified public accountants. They should regularly (at least once a year) refer to the Audit Quality Indicators (AQIs) to assess the independence and suitability of the accountant. 2. On 2025.03.05 and 2026.03.02, the board of the company approved the revision of the "Independence Assessment Measures for CPAs" which stipulates that the company should regularly (at least once a year) refer to the audit quality indicators (AQIs) to assess the independence of the	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies

Assessment Item	Implementation Status (Note)			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
			appointed auditors, and the evaluation results should be submitted to the board of directors for resolution. 3. The board meeting of the company approved the regular evaluation of the independence, competence and professionalism of CPAs and obtained the statement of independence by CPAs on 2025.03.05 and 2026.03.02. 4. The evaluation results of the independence of CPAs are as follows:	

Independence	Yes	No
(I) Has the CPA not served as a director of the company or an affiliated company?	V	
(II) Is the certified accountant not a shareholder of the company or an affiliated company?	V	
(III) Is the CPA not compensated by the company or any affiliated companies?	V	
(IV) Has the CPAs confirmed that their affiliated CPA firm has complied with relevant independence regulations?	V	
(V) Have any of the joint practicing CPAs of the CPA firm to which the CPA belongs not	V	

<table>
<tr><th rowspan="2">Assessment Item</th><th colspan="3">Implementation Status (Note)</th><th rowspan="2">Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Illustration</th></tr>
<tr><td></td><td></td><td></td><td><table>
<tr><td>served as a director, manager, or held a position with significant influence on audit matters for Z-COM within the past year?</td><td></td><td></td></tr>
<tr><td>(VI) The CPAs have not provided audit services for the company for seven consecutive years.</td><td>V</td><td></td></tr>
<tr><td>(VII) Has the CPAs complied with the regulations on independence in the Norm of Professional Ethics for CPA No.10?</td><td>V</td><td></td></tr>
</table>
6. In addition, on 2023.03.06, the Audit Committee and the Board of Directors passed the 5 major aspects and 13 indicators of the AQIs disclosure framework issued by the Financial Supervisory Commission to evaluate the ability and commitment of the accounting firm and the audit team to improve audit quality.</td><td></td></tr>
<tr><td>IV、Does the Company appoint competent and appropriate corporate governance personnel and corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for</td><td>V</td><td></td><td>The company has set up part-time personnel for corporate governance, responsible for corporate governance-related matters, including: handling matters related to meetings of the board of directors and shareholders' meetings in accordance with the law, handling company registration and changes in registration,</td><td>In compliance with the Corporate Governance Best Practice Principles for Listed and OTC</td></tr>
</table>

Assessment Item	Implementation Status (Note)			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
business execution by directors, assisting directors’ compliance of law, handling matters related to board meetings and shareholders’ meetings according to law, and recording minutes of board meetings and shareholders’ meetings)?			preparing minutes of meetings of the board of directors and shareholders' meetings, providing information required for the directors to carry out their duties, and updating in accordance with the directors' backgrounds and current laws, and regularly arranging annual director training courses.	Companies
V、Has the Company established a means of communicating with its Stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a Stakeholders Section on its Company website? Does the Company respond to stakeholders’ questions on corporate responsibilities?	V		1. The company has established communication channels with banks and other creditors, employees, customers, manufacturers and shareholders, and respects and safeguards their legitimate rights and interests. 2. The company website has a "Stakeholder Zone" set up to provide a smooth communication channel between various stakeholders and the company. 3. In addition, the company website also has multiple contact windows such as "Contact Us" and "Investor Zone" for diversified communication.	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies
VI、Has the Company appointed a professional registrar for its Shareholders’ meeting?	V		The company appointed SinoPac Securities (Shares) Co., Ltd. to handle the affairs of the shareholders' meeting.	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC

Assessment Item	Implementation Status (Note)			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
				Companies
VII、Information Disclosure (i) Has the Company established a corporate website to disclose information regarding its financials, business and corporate governance status?	V		(i) Z-COM discloses its financials business and corporate governance status on its website at http://www.zcom.com.tw (in Chinese and English). The company's financial and business information can also be inquired by "Market Observation Post System".	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies
(ii) Does the Company use other information disclosure channels (e.g. maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors' conference etc.)?	V		(ii) The company has set up an English website, and designated a special person to be responsible for information collection and disclosure, and implemented a spokesperson system. The spokesperson is: General Manager WU CHIA-FANG. The financial, business and governance information of the company can be inquired through the company's website or "Market Observation Post System."	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies
(iii) Does the Company announce and report the annual financial statements within two months after the		V	(iii) The company has not announced and submitted the annual financial report within two months after the end of the fiscal	will be made based on the company's

Assessment Item	Implementation Status (Note)			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
end of the fiscal year, and announce and report the first, second and third quarter financial statements as well as the operating status of each month before the prescribed deadline?			year, nor has it announced and submitted the first, second and third quarter financial reports and the operating conditions of each month in advance.	situation
VIII、Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?	V		The corporate governance best practices and related regulations formulated by our company can be accessed through "Market Observation Post System or Z-COM's website: http://www.zcom.com.tw/。 To prevent the company or insiders from erroneously or intentionally violating the relevant regulations on insider trading due to ignorance of laws and regulations, which will cause the company or insiders to be involved in lawsuits and damage their reputation, the company has established "Procedures for Handling Material Inside Information and the Prevention of Insider Trading" on August 28, 2012, to protect investors and safeguard company interests. The company conducts educational and promotional activities to inform colleagues of relevant laws and regulations and publishes the measures on the company website for reference. 1. Employees' rights and interests: The company has always treated employees with integrity and protected their legitimate rights and	In compliance with the Corporate Governance Best Practice Principles for Listed and OTC Companies

Assessment Item	Implementation Status (Note)			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
			interests in accordance with the Labor Standards Act. 2. In addition to implementing the pension system, plan employee group insurance and schedule regular health checkups, and encourage employees to participate in various training courses and technical seminars. 3. The company has a Welfare Committee, which provides employees with discounts and benefits from manufacturers related to food, clothing, housing, transportation, and entertainment. The company also holds annual employee and family activities to allow employees' families to participate in company events, care for employee physical and mental health, and promote harmony between the company and employees' families. 4. The company has multiple channels for employees to voice their concerns, with legal and administrative executives and the General Manager safeguarding employees' rights and interests. #Dedicated mailbox for sexual harassment at workplace. # Dedicated mailbox for complaint. 5.The company has a spokesperson mechanism to answer investor-related questions and maintain a good relationship with investors. ◦	

Assessment Item	Implementation Status (Note)			Deviating from the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and the root cause
	Yes	No	Abstract Illustration	
			6. The company's operating units maintain a good relationship with suppliers, and regularly hold supplier meetings. 7. The company's directors arrange training in accordance with relevant regulations. Please refer to page 49-51 of the annual report for details on Board of Directors training record in 2025. 8. Our company has established various internal regulations in accordance with the law to carry out various risk management and assessments. 9. Implementation of client or customer protection policy: The company maintains a good and stable relationship with customers to create company profits. 10. The implementation of the directors' recusal from matters involving conflicts of interest: Directors of the company who have conflicts of interest with the matters discussed in the board meetings have voluntarily recused themselves from voting. 11. The company has purchased liability insurance for directors in August 2025, with coverage from August 25, 2025, to August 25, 2026.	
IX、The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange and priority enhancements and measures for those that have not been improved.				

Assessment Item	Implementation Status (Note)			Deviating from the “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and the root cause
	Yes	No	Abstract Illustration	
The improvements in corporate governance evaluation results for the year 2025 are as follows: 1. The shareholder meeting handbook and supplementary materials were uploaded 30 days before the shareholders' meeting in 2025. 2. The interim financial reports for 2025 were approved by the Audit Committee and submitted to the Board of Directors for discussion and resolution. 3. In 2025, a Corporate Governance Officer was appointed to handle corporate governance affairs, with their responsibilities and training details explained on the company's website and annual report. 4. The company uploaded the annual financial reports disclosed in English 18 days before the shareholders' annual meeting in 2025. 5. Significant announcements in 2025 were also released in English simultaneously. The priority enhancements and measures for those that need to be improved in 2025: 1. The Company plans to enhance disclosure of the progress of sustainability initiatives on its official website..				

E. The composition of the Remuneration Committee, responsibilities, and operation:

1. Remuneration Committee members

category	Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director	Note
Independent Director (Convener)	CHOU, YIH-HENG	1. Qualifications: Lecturers or above from public or private universities or colleges with expertise in business, law, finance, accounting, or corporate operations. 2. Previous independent director of Z-COM, Inc., Executive Director of Chinese Management Association, and General Manager of Accreditation of Chinese Collegiate School of Business (ACCBE).	As an independent director, he/she meets the independence requirements, including but not limited to: the individual, spouse, and relatives within the second degree of kinship who have not served as a director, supervisor, or employee of the Company or its related enterprises; do not hold any shares of the Company; do not serve as a director, supervisor, or employee of companies with specific relationships with the Company; and have not received any compensation for providing business, legal, financial, accounting, or other services to the Company or its related enterprises in the past 2 years.	0	2025.05.27 Re-election
Independent director	HUANG, TAI-SHENG	1. Qualifications: Lecturers or above from public or private universities or colleges with expertise in business, law, finance, accounting, or corporate operations. 2. Previous Z-COM, Inc. independent director and concurrently served as the associate professor at transportation graduate school of National Chiao Tung University.	As an independent director, he/she meets the independence requirements, including but not limited to: the individual, spouse, and relatives within the second degree of kinship who have not served as a director, supervisor, or employee of the Company or its related enterprises; do not hold any shares of the Company; do not serve as a director, supervisor, or employee of companies with specific relationships with the Company; and have not received any compensation for providing business, legal, financial, accounting, or other services to the Company or its related enterprises in the past 2 years.	0	2025.05.27 Removal

category	Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director	Note
Independent director	SU , YUAN-LIANG	1. Qualifications: Lecturers or above from public or private universities or colleges with expertise in business, law, finance, accounting, or corporate operations. 2. Former independent director of Z-COM, Inc., chairman of Surplux Energy Inc., independent director of Ablerex, legal representative of Arima Communications Corp.	As an independent director, he/she meets the independence requirements, including but not limited to: the individual, spouse, and relatives within the second degree of kinship who have not served as a director, supervisor, or employee of the Company or its related enterprises; do not hold any shares of the Company; do not serve as a director, supervisor, or employee of companies with specific relationships with the Company; and have not received any compensation for providing business, legal, financial, accounting, or other services to the Company or its related enterprises in the past 2 years.	0	2025.05.27 Removal

category	Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director	Note
Independent director	ZHENG SHENG-QING	1. Possess the professional qualifications and experience required for business, legal affairs, finance, accounting/company business. 2. Technical Director / Deputy Director, Information and Communications Research Division, Industrial Technology Research Institute (ITRI). Technical Director of Video Technology, Office of the Director, Information and Communications Research Division, ITRI. Division Director, Video and Optical Communications Technology Group / Optical Communications and Broadband Integration Technology Group, Information and Communications Research Division, ITRI. Executive Secretary, Communications Industry Development Promotion Task Force, Ministry of Economic Affairs (MOEA).Executive Secretary, Digital Video Industry Promotion Task Force, MOEA. Deputy Division Director	Independent directors satisfy the requirements of independence including but not limited to: 1. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not serve as directors, supervisors or employees. 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any Z-COM shares. 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service“	0	2025.05.27 newly-elected

category	Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director	Note
Independent director	CHAI WAN-HUI	2. Possess the professional qualifications and experience required for business, legal affairs, finance, accounting/company business. 3. Regional Chief Financial Risk Officer, Greater China and North Asia, Standard Chartered Bank (Hong Kong Branch)	Independent directors satisfy the requirements of independence including but not limited to: 1. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not serve as directors, supervisors or employees. 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any Z-COM shares. 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service"	0	2025.05.27 newly-elected

2. The operation of Remuneration Committee

(1) There are three members in Remuneration Committee of the Company.

(2) Term of the 5th Committee: 2022.05.26 to 2025.05.25.

(3) Term of the 6th Committee: 2025.05.27 to 2028.05.26.

(4) In fiscal year 2025 and up to the date of publication of the 2026 annual report, the Compensation Committee convened a total of 4 meetings, including 1 meeting during the 5th term and 3 meetings during the 6th term.

(A) Member qualifications and attendance status are as follows: ：

Title	Name	Required to Attend (A)	Actual attendance (B)	Attendance by proxy	Actual attendance rate (B/A)	Note
Convener	CHOU,YIH-HENG	4	4	0	100%	Re-elected
Committee Member	HUANG,TAI-SHENG	1	0	1	0%	the 5th
Committee Member	SU , YUAN-LIANG	1	1	0	100%	the 5th
Committee Member	ZHENG SHENG-QING	3	2	1	67%	the 6th
Committee Member	CHAI WAN-HUI	3	3	0	100%	the 6th
	Total	12	10	2	83%	

Other required information:

A、If the Board of Directors does not accept or amend the suggestions of the Remuneration Committee, please state the Board meeting date, term, the motions, content of the resolutions of the Board, and the Company’s handling the opinions proposed by the Remuneration Committee: None.

B、For resolutions reached by the Remuneration Committee regarding which independent directors have voiced opposing or opinions of all members, and the handling of the opinions of the members: None.

The current members of 5th Remuneration Committee are 3 independent directors-- HUANG, TAI-SHENG, CHOU, YIH-HENG who is the convener of the committee, and SU , YUAN-LIANG . The members of the 6th Committee are Independent Directors Mr. CHOU,YIH-HENG, Mr. ZHENG SHENG-QING, and Ms. CHAI WAN-HUI of the Company. All of them have professional qualifications that comply “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”.

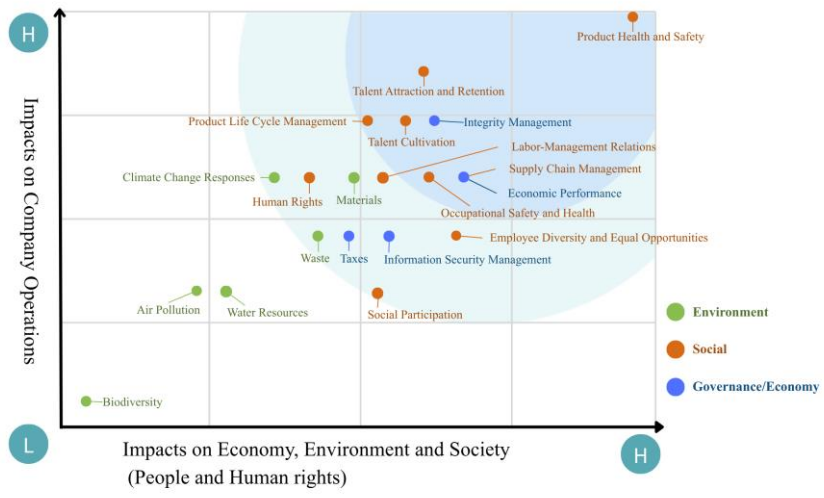
(Ｂ) Subjects and resolution results by the Remuneration Committee:

Remuneration Committee	Subjects	Resolution results	Company reaction base on the opinion of Compensation Committee
The 6th meeting of the 5th session on 2025.03.05	1. Report on the Performance Evaluation Results of the Remuneration Committee for the year 2024.	Approved as proposed.	Presented for Board Discussion
	2. Proposal to Establish the 'Compensation Regulations for Directors and Senior Managers.	Approved as proposed.	Presented for Board Discussion
The 1st meeting of the 6th session on 2025.08.04	1. Proposal for the Salary Adjustment of Managers for the Year 2025.	Approved as proposed.	Presented for Board Discussion
The 2nd meeting of the 6th session on 2025.11.07	1. Appointment and Compensation Proposal for Accounting Officer	Approved as proposed.	Presented for Board Discussion
	2. Appointment and Compensation Proposal for Corporate Governance Officer	Approved as proposed.	Presented for Board Discussion
The 3rd meeting of the 6th session on 2026.03.02	1. Report on the Performance Evaluation Results of the Remuneration Committee for the year 2025.	Approved as proposed.	Presented for Board Discussion
	2. Proposal to Define the Scope of “Entry-Level Employees” for Fiscal Year 2025	Approved as proposed.	Presented for Board Discussion

F. Sustainable Development Implementation Status and Deviations from the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies:

Evaluation Item	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx listed Companies and reasons
	Yes	No	Abstract Explanation	
I 、 Has the company established an ESG unit (full-or part time), with a senior manager authorized by the Board of Directors to handle and report related activities to the Board of Directors?	V		1. The company has established a comprehensive governance framework and management mechanism for sustainable development to ensure that the business operations address environmental, social, and corporate governance (ESG) goals. In addition to formulating a Sustainable Development Practices Code, the company also established a Sustainable Development Promotion Office in 2023, (Renamed as the Sustainability Management Department in Fiscal Year 2025). This office is responsible for coordinating and promoting sustainability-related matters, led by senior management and reporting regularly to the Board of Directors. 2. The Board of Directors reviews the progress of sustainability initiatives on a quarterly (or annual) basis to ensure that related policies, plans, and performance align with the company's strategic objectives and stakeholder expectations. The Board also ensures the continuous improvement of sustainability mechanisms to meet international standards and regulatory requirements.	Complies with “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies”

II、Does the company follow principles of materiality in evaluating the risks of environmental, social, and corporate governance, and establish relevant policies or strategies?	V		Our company adheres to the business philosophy of "excel in quality" and the principle of significance. While pursuing sustainable operation and profitability, we fulfill our corporate social responsibility, value the rights and interests of stakeholders, and pay attention to environmental, social, and corporate governance issues. Incorporate this into the company' s management policies and operational activities by formulating risk management policies and business continuity plans. Conduct risk impact assessments and promote countermeasures to mitigate the impact and influence of risks. Continuously revise and optimize these measures while conducting annual risk management and identification tasks. For ESG (Environmental, Social, and Governance) issues, the key topics are as follows: Economic Aspect: Economic performance, taxation, integrity management, and information security management. Environmental Aspect: Materials, climate change adaptation, water resources, waste management, and biodiversity. Social Aspect: Talent attraction and retention, social participation, labor relations, occupational health and safety, and product health and safety. The results of these evaluations are incorporated into senior management meetings for tracking and discussion, aiming to achieve the goal of sustainable business operations. Our company conducts risk assessments and analyses on key issues based on the principle of materiality in corporate social responsibility. We formulate corresponding policies and objectives and develop action plans accordingly. Please refer to	Complies with “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies”

			the materiality analysis matrix.  	
III、Environmental issue (i) Does the company establish an appropriate environmental management system based on its industry characteristics? (ii) Does the company strive to improve energy use efficiency and use environmentally	V V		(i) The company has obtained ISO14001 certification and established an Environmental Safety and Health Management Committee and an ISO14001 Environmental Management System. It continuously addresses global climate change and environmental issues by adhering to environmental protection, energy efficiency, and energy consumption-related laws and standards. The company evaluates risks and opportunities, formulates management plans, conserves energy, and reduces resource waste. (ii) The Company is committed to enhancing the efficiency of resource utilization. Clean energy reached 563.78 kWh,	Complies with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies Complies with Corporate Social Responsibility Best

friendly recycled materials with low environmental impact?			operating in parallel with the energy management policy. Green design is based on life-cycle thinking, integrating the 3R principles (Recycle, Reuse, Reduce) into product development. The goal is to create environmentally friendly products that are non-toxic, easy to assemble, and energy-efficient, emphasizing low carbon footprint, reparability, and reusability. The Company also promotes RMA repair and rework processes to capture opportunities in the circular economy and strengthen sustainable maintenance services.	Practice Principles for TWSE/GTSM-Listed Companies
(iii) Does the company assess the potential risks and opportunities of climate change on its current and future business, and take measures to address climate-related issues?	V		(iii) The Company's Sustainability Management Department is responsible for planning and executing all sustainability-related matters. In line with the TCFD (Task Force on Climate-related Financial Disclosures) framework, the Company regularly assesses potential risks and opportunities that climate change may pose to operations. By identifying physical risks (such as extreme weather events), transition risks (such as regulatory changes), and opportunities (such as improving resource efficiency), the Company formulates corresponding strategies and action plans. These measures include procuring energy-efficient equipment, strengthening environmental inspection management, promoting paperless operations, enhancing green manufacturing performance, and introducing renewable energy. Such initiatives aim to mitigate the impact of climate change on operations while seizing transition opportunities. To further strengthen climate	Complies with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies

			adaptation capacity, the Company continuously evaluates potential impacts and financial implications, adopts responsive measures to improve environmental performance, and implements carbon risk management, thereby enhancing corporate resilience and sustainable competitiveness.	
(iv) Has the company calculated the greenhouse gas emissions, water usage, and total waste weight over the past two years and developed policies for energy conservation, carbon reduction, greenhouse gas reduction, water conservation, or waste management?	V		(iv) Environmental Policy of the Company: The company has established continuous action plans and regularly reports information to the Environmental Protection Administration's Industrial Waste Declaration and Management Information System. It also outsources waste treatment to qualified waste disposal vendors. 1. Environmental Policy: Compliance with regulations and pollution prevention. Energy conservation and resource recycling. Continuous improvement and performance enhancement. 2. Compliance with Regulations: Dedicated personnel collect and compile the latest regulations weekly. Monthly preparation of an environmental regulatory identification table to ensure legal and regulatory compliance. 3. Energy Conservation 3.1 Electricity: 3.1.1 Replace traditional lighting with high-efficiency energy-saving lamps. 3.1.2 Daily inspections of the facility to turn off unnecessary lights and air conditioning. Air conditioning temperature set between 24℃ and	Complies with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies.

			26℃. 3.1.3 Use color-coded labels on power switches as reminders to conserve electricity. 3.1.4 Turn off lights during lunch breaks. 3.1.5 Adjust central air conditioning operating hours based on weather conditions. 3.2 Water: 3.2.1 Conduct daily facility inspections to check for leaks in toilets, water tanks, faucets, pipe joints, and underground pipelines. 3.2.2 Adjust water basin flow rates. 3.2.3 Place plastic bottles in toilet water tanks to reduce flush water usage. 4. Resource Recycling: Encourage employees to reuse cushioning materials. Donate usable discarded items to social welfare organizations. 5. Continuous Improvement: Optimize processes according to the ISO 14001 PDCA cycle. 6. Performance Enhancement: Set phased targets and align them with the PDCA cycle to improve overall performance. Statistics on greenhouse gas emissions and total waste volume from the past two years can be found on pages 87-90 Concrete results of the energy-saving policies and environmental initiatives are detailed on pages 87-90	
IV、Social issues				

(i) Does the company establish relevant management policies and procedures in accordance with relevant laws and international human rights conventions?	V		(i) The Company complies with the relevant laws and regulations of the Republic of China, and supports and respects international labor and human rights standards. With reference to international labor conventions, the United Nations Universal Declaration of Human Rights, the RBA Code of Conduct, and the spirit of people-oriented values, the Company has established guidelines consistent with business ethics, environmental and social issues, human rights, and other public policy commitments. These guidelines are implemented and disclosed on the Company's website. In accordance with labor laws, the Company safeguards employees' legal rights and benefits, allocates retirement funds, establishes an Employee Welfare Committee to handle various welfare matters, and regularly convenes labor-management meetings to understand both parties' perspectives and achieve mutually beneficial outcomes.	Complies with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies
(ii) Does the company establish and implement reasonable employee benefits (including compensation, leave, and other benefits), and appropriately reflect business performance or results in employee compensation?	V		(ii) The company has established "Employee Work Rules" and "Attendance Management Measures" in accordance with the Labor Standards Act, which cover the basic wage, working hours, leave, retirement benefits, labor insurance benefits, and occupational accident compensation for hired employees, all of which comply with relevant regulations. Additionally, the Employee Welfare Committee, which is elected by employees, is responsible for managing various welfare matters (please refer to the annual report for labor-management relations). For employees, regardless of	Complies with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies

			their seniority, department, position, or job changes, the company negotiates different salaries with them in accordance with relevant legal principles based on their job grades, without any differentiation based on gender, age, race, religion, political stance, marital status, or participation in groups. According to the company's bylaws, 10% to 15% of the annual profit is allocated for employee compensation (Among which, 7% to 12% shall be allocated for salary adjustments or compensation distribution to entry-level employees.), in addition to promotions and performance bonuses, with a comprehensive and reasonable "salary management and performance evaluation system" policy. There is also a compensation committee that combines the company's related policies, employee and managerial performance evaluation systems, and corporate social responsibility policies each year to consider the policies, systems, standards, and structures of salary compensation and incorporate them into the salary compensation policy.	
(iii) Does the company provide employees with a safe and healthy working environment, and regularly conduct safety and health education for employees?	V		(iii) Our company has an annual work environment testing plan developed by the Labor Safety and Health Office, which includes checking the concentration of carbon dioxide and lead in the work environment. The results show that the carbon dioxide concentration is tested twice a year, and all values are below 5000 ppm. The lead concentration is tested once a year, and the value is below 0.05 mg/m^3.	Complies with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies

(For statistics, please refer to pages 87-90)

To ensure employee safety, we have established occupational safety and health work rules, hazard communication, and emergency response management procedures as the basis for safety and health management. We also develop annual occupational safety and health management plans and implementation items.

1. The content includes: procurement and upgrading of protective equipment, emergency evacuation drills for personnel, fire safety training and equipment usage, conducting annual health check-ups and health seminars for employees, occupational safety and health (refresher) training for new and existing staff, promotion of safety and health-related information, and automated inspections of various equipment.
2. The company regularly conducts general health check-ups for in-service employees in accordance with the "Labor Health Protection Regulations".
3. Training

Content/Year	2024	2025
Hazard General Training (New Members)	12	9
Occupational Education Training for First Aid Personnel Safety and Health	4	42

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<tr>
<td>1. Fire Safety Education and Training
2. Occupational Safety and Fire Safety Education and Training</td>
<td>1. 17 employees
2. Company-wide fire evacuation drills on May 31 & November 8.</td>
<td>1. 51 employees
2. Company-wide fire evacuation drills on June 6 & December 18.</td>
</tr>
</table>
4. No fire incidents occurred in 2025.
</td>
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<tr>
<td>(iv) Does the company establish effective career and capability development training plans for employees?</td>
<td>V</td>
<td></td>
<td>(iv) The Company’s Sustainability Management Department is responsible for promoting:
(1) “Annual Training Plan”: Training courses are effectively planned according to the professional needs of employees in each department, thereby strengthening professional competencies. For other aspects of career development, as needed, the Sustainability Management Department selects external courses or training programs and recommends colleagues to participate. After attending external training, employees are required to share their learnings internally within the Company. "Management Training" provides education and training in management skills for colleagues who are promoted annually according to their needs in career development.
(2) “Management Training”: For employees promoted during the year, management competency training programs are provided according to their developmental needs.</td>
<td>Complies with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies</td>
</tr>
</table>

			(3) The Company values employees' self-development and has established "Education and Training Procedures." Internal training courses are fully subsidized, and for employees with at least one year of service, professional external training is also fully subsidized. Each year, the training budget is allocated at 1% of total salaries. (4) Integrating talent cultivation with the Company's business development strategy, a digital transformation of talent information is being carried out. Through practical applications of AI tools and systematic learning, competitiveness is enhanced.	
(v) Does the company comply with relevant laws and international standards related to issues such as customer health and safety, customer privacy, marketing, and labeling of products and services, and have they established policies and complaint procedures to protect consumer or customer rights?	V		(v) The Company has established the "Environmental Restricted Substances Management Procedures" and maintains effective communication channels with customers. Transparent and efficient complaint-handling processes are provided for products and services. Dedicated contact points and communication methods are set up for each business operation to safeguard consumer rights and ensure timely grievance procedures. All products manufactured and sold comply with international restricted substances regulations (RoHS, REACH)	Complies with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies
(vi) Has the company established a supplier management policy that requires suppliers to follow relevant regulations on environmental		V	(vi) The Company has established "Supplier Management Procedures," under which environmental, safety, and social impacts are included as evaluation criteria during	The supplier management policy is being gradually implemented.

protection, occupational safety and health, labor rights, and other issues, and what is its implementation status?			procurement activities. For components, suppliers are required to provide inspection reports issued by SGS-certified companies at the time of approval. The Company also stipulates in supplier contracts that suppliers must comply with relevant regulations on environmental protection, occupational health and safety, and labor rights.	
V、Has the company utilized international standards or guidelines when preparing non-financial disclosure reports, such as corporate social responsibility reports? Has the aforementioned report received an attestation or assurance opinion from a third-party verification entity?		V	Our company, in accordance with the "Regulations Governing the Preparation and Filing of Sustainability Reports by OTC Companies" issued by the Taipei Exchange, the Company has published a Sustainability Report annually since 2024. The report is prepared with reference to the Global Reporting Initiative (GRI) Standards as the foundational framework. Furthermore, the report has obtained limited assurance conducted by Ernst & Young Certified Public Accountants in accordance with Assurance Standard No. 3000.	Complies with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies
VI、If the company has established its own sustainability guidelines in accordance with the " Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, " please describe the differences between its operations and the established guidelines: The company has established its Corporate Social Responsibility (CSR) Practice Principles in accordance with the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies." The company's operations and practices are closely aligned with these principles, with no significant discrepancies identified.				
VII、Other important information for understanding the implementation of sustainable development includes: 1. In accordance with the regulations of the labor safety and health organization management and automatic inspection method, a labor safety and health organization (occupational safety and health office) and dedicated personnel are established in compliance with the scale and nature of the company to promote safety and health management matters. 2. A safe working environment is provided for employees, and necessary inspections are carried out for various operations, research and development experiments, air conditioning and lighting, and power equipment in accordance with the established plan (daily/weekly/monthly), and records are kept. In				

addition, to promote environmental activities, the company has set up resource recycling bins for waste sorting, and qualified vendors are commissioned to handle waste recycling operations. The resource recycling area is located at the back door of the factory, separated by a certain distance from the office space area of colleagues to ensure their safety and peace of mind. The office and factory area undergoes regular environmental disinfection each year, and disinfection vendors are specifically required to use non-toxic and low environmentally damaging cleaning products.

3. In compliance with the regulations for the employment of people with disabilities set by the Ministry of Labor, private enterprise organizations with a total workforce of 67 or more must employ people with disabilities at a rate of 1%, with a minimum of one person. The current number of employees in the company is below 67, in compliance with the legal requirements, and suitable employees with disabilities are given priority in recruitment policies.
4. Actively cultivating local talents (residents of Hsinchu County and City account for 70% of the total company employees) to fulfill corporate social responsibility.
5. Through public welfare activities, in-kind donations, corporate volunteer services, or other free professional services, the Company participates in community development and activities organized by charitable organizations (such as assistance provided, sponsorships, or donations of funds, materials, and public welfare activities). These initiatives are periodically launched by the Company's Sustainability Management Department and members of the Employee Welfare Committee. The public welfare donation of Z-COM in 2025 is as follows:

Statement	Recipient	The main content	Man-hours	Funding amount for social welfare organizations
The Company continuously cares for disadvantaged groups such as children and persons with disabilities, supports and actively participates in various social welfare activities, and	Hsinchu City Association of Visually Impaired Massage Therapists	To fulfill social responsibility and promote employment opportunities for the visually impaired, the Company arranges for visually impaired massage therapists to provide on-site massage services at the Company on a monthly basis.	The company	NTD 30,000
	Sanxiu Garden Cultural Foundation, Yunlin	The Company promotes local humanities, history, and cultural arts, while also assisting in the development of cultural and creative industries in Yunlin County.	The company	NTD 50,000

strengthens community relations and employee assistance.	Guardian Angel Cancer Care Association, Taipei City	By collaborating to organize health seminars, the Company enhances employees' health knowledge and provides health education consultations and referrals to medical resources, thereby establishing a comprehensive medical assistance system. At the same time, the Company supports associations in promoting cancer patient care services, demonstrating its social impact on cancer and healthcare issues.	The company	NTD 50,000
	Buddhist Tzu Chi Charity Foundation, Republic of China	Through cross-disciplinary collaboration, the Company engages both young employees and senior citizens in joint participation, promoting social care and intergenerational exchange. These initiatives enhance the psychological and social well-being of elderly individuals while fulfilling corporate social responsibility.	The company	NTD 14,124
	Children Are Us Foundation	The Company continuously purchases cakes and cookies produced by the Children Are Us Bakery to encourage persons with physical and mental disabilities in developing self-care abilities.	The company	NTD 6,750
	World Peace Foundation	With the mission "World peace originates from inner peace, and inner peace is rooted in childhood," the Company is committed to safeguarding children's mental well-being and fully supports rescue activities for children from disadvantaged and crisis families.	All colleagues	NTD 4,062

6. The CO2 and lead concentration testing data for the past two years are as follows:

Item	Date	Place	High	Place	Low	Testing agency
CO2	2024.03.25	511 Supervisor's office	565ppm	500 Meeting room	470ppm	GONG AN ENTERPRISE CO., LTD. Monitoring agency number B0048
CO2	2024.09.27	office area	629ppm	510 Experimental Fixture Room	563ppm	GONG AN ENTERPRISE CO., LTD. Monitoring agency number B0048
Lead Concentration	2024.03.25	NA	NA	RD Laboratory	<0.00056	Sun Win Technology Co., Ltd No.TOSHA-MA10 TAF Occupational Health Laboratory, Accreditation Number 2049

Item	Date	Place	High	Place	Low	Testing agency
CO2	2025.03.21	500 Meeting room	807ppm	520 Supervisor's office	529ppm	GONG AN ENTERPRISE CO., LTD. Monitoring agency number B0048
CO2	2025.08.22	Lobby	637ppm	510 Experimental Jig Room	555ppm	GONG AN ENTERPRISE CO., LTD. Monitoring agency number B0048
Lead Concentration	2025.03.21	NA	NA	RD Laboratory	<0.00054	Sun Win Technology Co., Ltd No.TOSHA-MA10 TAF Occupational Health Laboratory, Accreditation Number 2049

Note 1: The regulatory standard for carbon dioxide is 5,000 ppm.

Note 2: The allowable concentration for lead is 0.05 mg/m^3.

7. Waste weight (in kilograms) per year:

Filling date	Waste Code	Total

2024	D-0299, Waste Plastic Mixture	11
	D-1801, Commercial waste	202
	D-0799, Waste wood	40
	E-0217, Waste electronic components, substandard products, and defective products	321
2024 Total		574
2025	D-0299, Waste Plastic Mixture	12
	D-1801, Commercial waste	240
	D-0799, Waste wood	90
	E-0217, Waste electronic components, substandard products, and defective products	0
2024 Total		342

8. Waste removal:

Filling Date	Name of Cleaner	Name of Handler	Intermediate treatment method	Final disposal method
2024.03.02	Shun Chu Enterprise Co.	Hsinchu Refuse Incineration Plant	incineration treatment	Landfill treatment
2024.06.05	Shun Chu Enterprise Co.	Hsinchu Refuse Incineration Plant	incineration treatment	Landfill treatment
2024.12.16	JIIN YEEH DING ENTERPRISE CORP.	JIIN YEEH DING ENTERPRISE CORP.	Physical treatment	Landfill treatment
2025.01.20	Shun Chu Enterprise Co.	Hsinchu Refuse Incineration Plant	incineration treatment	Landfill treatment
2025.08/04	Shun Chu Enterprise Co.	Hsinchu Refuse Incineration Plant	incineration treatment	Landfill treatment

9. Implementation of energy-saving policies for water and electricity management has resulted in the following achievements:

Category	Performance measurement indicators.	Energy conservation goal for 2024	Achievement	Energy conservation goal for 2025	Achievement	Energy conservation goal for 2026

Energy Conservation	Annual Energy consumption/ Last year's total Energy consumption	Maintain a ±3% energy conservation rate until the chiller unit is replaced (expected) in 2026.	↑ 1.5%(Not Achieved)	Maintain a ±2% energy conservation rate until the chiller unit is replaced (expected) in 2026.	↑ 1.8% (Achieved)	Maintain a ±2% energy conservation rate

Category	Performance measurement indicators.	Energy conservation goal for 2024	Achievement	Energy conservation goal for 2025	Achievement	Energy conservation goal for 2026
Water	Annual Water consumption/ Last year's total water consumption	Maintain a ±3% water conservation rate (Exclude public water)	↓ 3.4% (Achieved)	Maintain a ±2% water conservation rate (Exclude public water)	↑ 9% (Not Achieved)	Maintain a ±2% water conservation rate (Exclude public water)

10. The specific achievements of implementing environmental policies for energy conservation and carbon reduction are as follows:
2023~2025

Year\ Item	Water(m^3)	Electronic(kW)	Carbon reduction(kg)	Greenhouse Gas Emissions Scope 1 (tCO2e)	Greenhouse Gas Emissions Scope 2 (tCO2e)	Total emissions (tCO2e)	Density (tCO_2e/million yuan in sales)
2023	1,141	178,440	89,753	7.659	89.753	97.412	0.226
2024	1,103	181,200	89,799	9.889	89.799	99.688	0.179
2025	1,221	184,480	88,403	7.1	88.4	95.5	0.26
Last year's equivalent savings.	↑118	↑3,280	↓1,396	↓2.7	↓1.2	↓4.188	↑ 0.081

F. Implementation Status of Sustainability Initiatives – Climate-related Information

Items	Implementation Status
1. Description of the Board of Directors and Management's Oversight and Governance of Climate-related Risks and Opportunities.	The Board of Directors is responsible for supervision and decision-making, while the Sustainability Management Department serves as the Company's dedicated unit. It regularly reports on climate change initiatives, planning, and outcomes, and submits periodic reports to the Board of Directors. Monthly management meetings are convened, chaired by the Chairman, during which the responsible units provide reports on energy conservation, carbon reduction initiatives, planning, and achievements.
2. Explanation of Identified Climate Risks and Opportunities and Their Impact on Business Operations, Strategy, and Financials (Short-term, Mid-term, and Long-term).	Based on the TCFD (Task Force on Climate-related Financial Disclosures) categories of climate-related risks and opportunities, the company evaluates specific risk issues and scenarios affecting operations. Climate-related risks and opportunities are identified and ranked according to their impact level, helping to uncover potential crises and opportunities arising from climate change. Short-, medium-, and long-term climate change risks and opportunities affecting business, strategy, and financial planning are identified. For example: Climate Risks: Policy and regulatory changes, such as carbon fees or taxes, may increase the company's tax burden, management costs, and investment expenses. Climate Opportunities: In terms of products and services, innovation and development of energy-saving, low-carbon, and energy management solutions can meet customer demand for sustainable products, thereby increasing revenue.
3. Explanation of the Financial Impact of Extreme Climate Events and Transition Actions.	Extreme climate events such as typhoons, heavy rainfall, floods, and heat-related disasters may impact the company's financial performance. These events could result in damage to facilities, equipment, and transported goods, or even lead to severe operational disruptions. Additionally, the imposition of carbon fees (taxes) would increase operational costs, further affecting the company's financial profitability. To mitigate financial risks, the company integrates climate change considerations into its risk management and decision-making processes. The company possesses relevant products and technologies that effectively support the monitoring and early warning of extreme climate events, earthquakes, and landslides, enhancing disaster response capabilities. The Sustainability Management Department formulates response strategies and action plans to mitigate the impact of climate change on operations, seize transformation opportunities, and enhance corporate resilience and

	sustainable competitiveness.
4. Explanation of How the Identification, Assessment, and Management of Climate Risks Are Integrated into the Overall Risk Management System.	Our company follows the framework of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board to disclose information on climate governance, strategies, risk management, and key metrics. Progress is reported annually in our sustainability report and financial statements. Our risk management policies and procedures have incorporated climate change as a risk category, outlining the identification, analysis, assessment, mitigation, management, and monitoring of relevant climate-related risks.
5. If scenario analysis is used to assess resilience against climate change risks, the applied scenarios, parameters, assumptions, analytical factors, and key financial impacts should be explained.	Our company has not yet conducted a TCFD scenario analysis to assess resilience against climate change risks.
6. If a transition plan has been implemented to manage climate-related risks, provide details of the plan, along with the indicators and targets used to identify and manage physical and transition risks.	Our company currently does not have a transition plan in place to manage climate-related risks.
7. If internal carbon pricing is used as a planning tool, explain the basis for price determination.	Our company currently does not use carbon pricing as a planning tool.
8. If climate-related targets have been set, provide details on the activities covered, the scope of greenhouse gas emissions, the planning timeline, and the annual progress achieved. If carbon offsets or Renewable Energy	Our company has long been dedicated to environmental protection, adopting a green operational model that maximizes production efficiency while minimizing environmental impact—creating a harmonious balance between economic growth and ecological sustainability. Since 2022, we have implemented a three-phase green action plan focused on source reduction and efficiency improvement. This initiative enhances ecological benefits in four key areas: energy conservation, water and electricity efficiency, waste reduction, and greenhouse gas emissions reduction, contributing to a sustainable

<table>
<tr>
<td>Certificates (RECs) are used to achieve these targets, specify the sources and quantities of carbon reduction offsets or the number of RECs utilized.</td>
<td>environment.
At this stage, our company does not rely on purchasing Renewable Energy Certificates (RECs) as a carbon reduction measure. Instead, we prioritize self-generation and self-consumption of renewable energy.</td>
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<td>9. Greenhouse Gas Inventory and Assurance Status, Reduction Targets, Strategies, and Specific Action Plans (to be detailed in sections 1-1 and 1-2).</td>
<td>1-1 The greenhouse gas inventory and assurance status for the past two years.
1-1-1 Greenhouse Gas Inventory Information.
<table>
<tr><th>Year</th><th>Scope 1.（tCO_2e）</th><th>Scope 2.（tCO_2e）</th><th>Total Emissions.（tCO_2e）</th><th>Intensity. (tCO_2e/ Per Million Revenue.)</th></tr>
<tr><td>2024</td><td>9.889</td><td>89.799</td><td>99.688</td><td>0.179</td></tr>
<tr><td>2025</td><td>7.1</td><td>88.4</td><td>95.5</td><td>0.26</td></tr>
</table>
1-1-2 Greenhouse Gas Assurance Information (Not Applicable).
Our company’s paid-in capital is below NT$5 billion. In accordance with the Financial Supervisory Commission’s directive No. 11103849344, the parent company entity is required to disclose inventory information starting from 2026 and assurance information starting from 2028.
1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans.
(1) Our company plans to implement a digital carbon management platform in 2025 and introduce the ISO 50001 energy management system in 2026. We will continue optimizing energy management and expanding renewable energy infrastructure. Future greenhouse gas reduction targets, strategies, and specific action plans will be formulated in alignment with the implementation timeline.
(2) Our company will follow the greenhouse gas disclosure schedule announced by regulatory authorities for listed companies. We will conduct greenhouse gas inventory and assurance procedures accordingly and establish group-wide reduction targets, strategies, and specific action plans.</td>
</tr>
</table>

G. Differences in the Implementation of Integrity Management and Reasons Thereof：

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
I、Development of integrity and ethics policy and plan (i) Has the company developed an integrity and ethics policy approved by the board of directors and clearly stated the policy and practices of integrity and ethics in its regulations and external documents, as well as actively implementing the commitment of the board of directors and senior management to the policy of management?	V		(i) 1. In order to establish a culture of integrity and promote sound business operations for sustainable development, this corporation passed the "Procedures for Ethical Management and Guidelines for Conduct" during the shareholders' meeting on May 25th, 2012. The relevant provisions will be regularly updated in accordance with changes in laws and regulations by the competent authorities, and implemented after approval by the board of directors and reporting to the shareholders' meeting. The code of conduct and guidelines will also be disclosed on the corporate governance section of the Public Information Observation Station, and applicable to directors, managers, employees, and individuals with substantial controlling power in this corporation and affiliated enterprises and organizations, all of whom are required to comply with relevant laws and regulations. 2. The Company explicitly states the ethical standards for conducting business with integrity in our employee	Complies with the regulations of the Code of Conduct for Integrity in Business Operations for listed and OTC companies.

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
			handbook and other regulations. Additionally, we have established a "Rule of Ethics" specifically for our board of directors and managerial staff, who have committed to actively implementing and supervising the execution of our policies for conducting business with integrity. 3. Our board of directors and senior management are committed to actively implementing our policies for conducting business with integrity, overseeing the prevention of unethical behavior within the company, and regularly reviewing the effectiveness of these policies in order to continuously improve them.	
(ii) Has the company established a mechanism for assessing the risk of dishonest behavior, regularly analyzing and evaluating business activities with a high risk of dishonest behavior within its business scope, and using it to formulate measures to prevent dishonest behavior, including at least preventive measures for each item of paragraph 2 of Article 7 of the "Corporate	V		(ii) This corporation has established a " Procedure for Ethical Management and Guidelines for Conduct" and a " Measures for the Report on Illegal, Immoral and Dishonest Acts " These are overseen by the administrative management department to prevent any illegal activity from occurring. In order to ensure the implementation of business integrity, our internal audit personnel regularly review compliance with these regulations and prepare audit reports to be submitted to	Complies with the regulations of the Code of Conduct for Integrity in Business Operations for listed and OTC companies.

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
Governance Best Practice Principles for TWSE/GTSM Listed Companies"?			the audit committee and board of directors. If any employee of this corporation is directly or indirectly provided with improper benefits, they must either return or refuse the offer. If returning the benefit is not possible, the employee must report the incident to their immediate supervisor and notify the administrative management department for further action within three days of receiving the benefit.	
(iii) Does the company specify operating procedures, behavior guidelines, penalties for violations, and complaint mechanisms in the plan to prevent dishonest behavior, and implement and regularly review and revise the aforementioned plan?	V		(iii) To prevent dishonest behavior, this corporation has established the “Procedures for Ethical Management and Guidelines for Conduct" and "Code of Conduct" for directors, managers, and employees, which prohibits any form of dishonest behavior. We actively promote and educate our employees on the importance of ethical conduct. Furthermore, this corporation and its subsidiaries have strict accounting, internal control, and audit systems in place to prevent any dishonest behavior. We have also established a whistleblowing system that encourages both internal and external parties to report any illegal	Complies with the regulations of the Code of Conduct for Integrity in Business Operations for listed and OTC companies.

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
			or dishonest behavior. Regular evaluations of relevant business processes are conducted to ensure compliance with ethical standards.	
II、Implementing Business Integrity (i) Has the company evaluated the integrity records of its counterparties and included clauses on business integrity in the contracts signed with them?	V		(i) To promote transparency in our transactions and comply with ethical principles, the Corporation has established a written document called the "Supplier Code of Conduct Statement." We provide explanations to our suppliers and require them to sign and return the document.	Complies with the regulations of the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
(ii) Has the company established a dedicated unit under the board of directors to promote corporate integrity management, and regularly (at least once a year) report to the board of directors on its integrity management policy, measures to prevent dishonest behavior, and the supervision and implementation of such measures?	V		(ii) 1. Under the Sustainability Management Department, the Company has established a Corporate Integrity Management Task Force responsible for promoting integrity management, anti-corruption, anti-bribery, and legal compliance in corporate governance. The Task Force reports its implementation status to the Board of Directors at least once a year. The execution of	Complies with the regulations of the Code of Conduct for Integrity in Business Operations for listed and OTC companies.

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
			corporate integrity management was reported to the Board of Directors at the 4th meeting of the 11th term on November 7, 2025 2. The specialized unit of the company should hold internal education and training once a year, arranging the Chairman, General Manager or senior management to convey the importance of integrity to directors, employees, and appointees. This company should include integrity management in the employee performance evaluation and human resource policies, setting up an effective reward and punishment system and complaint mechanism to implement integrity management and ethical behavior. 3. The company has established a specific reporting system in the "Corporate Governance Practices Code," "Integrity Management Operational Procedures and Behavioral Guidelines," "Code of Conduct," and "Handling Procedures for Reporting Illegal, Unethical, or Dishonest Behavior Cases," actively preventing dishonest behavior. The board of directors, audit committee, and audit department are responsible for	

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
			reporting internal violations of integrity management, and external reporting is accepted through an external reporting mailbox. To ensure the sustainable development of the company, we encourage reporting of any illegal behavior and ensure the legal rights and interests of reporters and relevant personnel, clearly specifying that the company should protect and keep confidential the identities of whistleblowers or persons involved in investigations to prevent them from being treated unfairly or retaliated against. 4. The internal control operations of the company in the 2025 were checked by the auditing unit and did not find any violations of integrity management. This corporation also did not receive any internal or external reporting letters or legal cases related to integrity management, so we did not violate any relevant regulations on corporate integrity management in 2025.	
(iii) Has the company established and implemented policies to prevent conflicts of interest, provided appropriate reporting	V		(iii) In order to prevent conflicts of interest, our company has established the "" Procedures for Ethical Management and Guidelines for Conduct", and "Code	Complies with the regulations of the Code of Conduct for Integrity in

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
channels?			of Conduct for Moral Behavior," and "Rules of Procedure for the Board of Directors Meetings." These regulations and procedures are disclosed on the Public Information Observation System and our company website for investors to inquire about, and channels for investors to express their opinions are also provided. Directors who have an interest in any item on the agenda of the board of directors meeting and whose interests may harm the company's interests shall not participate in the discussion or voting, and shall recuse themselves during the discussion and voting process.	Business Operations for listed and OTC companies.
(iv) Has the company established effective accounting and internal control systems to implement ethical management, and has it formulated relevant audit plans based on the assessment of the risk of unethical behavior by the internal audit unit, and verified compliance with the plan? Or has it commissioned an auditor to conduct audits?	V		(iv) The company has established accounting and internal control systems, which are audited by internal auditors on a regular basis according to a plan, and undergo self-assessment and confirmation by external accountants on a yearly basis to ensure the effectiveness of the system's design and implementation.	Complies with the regulations of the Code of Conduct for Integrity in Business Operations for listed and OTC companies.

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
(v) Does the company regularly hold internal and external education and training on ethical management?	V		(v) The company regularly sends senior executives to participate in seminars on corporate integrity organized by regulatory authorities to strengthen the ethical and moral values of the company's management. The company also ensures the implementation of these values in internal management and external business activities. In 2025, the company held external education and training sessions related to corporate integrity issues, including compliance with laws and regulations, accounting systems, and internal controls. Internal education and training sessions were also conducted periodically during various meetings (such as labor-management meetings), actively advocating for and nurturing attitudes of integrity, honesty, fairness, and responsibility among employees. In 2024, the company implemented the integrity operations policy as follows: 1. The company participated in 14 external education and training sessions related to integrity operations, including courses on compliance with integrity	Complies with the regulations of the Code of Conduct for Integrity in Business Operations for listed and OTC companies.

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
			regulations, prevention of insider trading, accounting systems, and internal controls. This amounted to a total of 120.8 hours. 2. The company organizes internal training sessions on integrity management topics, focusing primarily on promoting compliance with integrity-related regulations, preventing insider trading, understanding accounting systems, and strengthening internal controls. These sessions are conducted through informational campaigns. 3. The company has established effective accounting systems and internal control systems. Internal audit personnel regularly audit the adherence to these systems. In 2025, the audit plan included 36 audit items which were reported as required on the Market Observation Post System.	
III、The operation of the company's whistleblowing system (i) Does the corporation have a specific whistleblowing and reward system in place, and establish convenient channels	V		(i) The company has established a "Whistleblower and Reward System" in the "Employee Work Rules," which explicitly prohibits employees from using the	Complies with the regulations of the Code of Conduct for Integrity in

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
for whistleblowing, and assign appropriate dedicated personnel to handle reported cases?			company's name to handle personal affairs or engage in corrupt activities using their authority. Depending on the nature and content of the case, it will be jointly handled by the legal, auditing, and management units. ※ For cases of sexual harassment, please use the dedicated mailbox at adm@zcom.com.tw. ※ For complaints, please use the mailbox at adm2@zcom.com.tw. ※ For legal matters, please use the mailbox at adm3@zcom.com.tw.	Business Operations for listed and OTC companies.
(ii) Has the company established standard operating procedures for investigating reported matters, including follow-up actions to be taken upon completion of the investigation and related confidentiality mechanisms?	V		(ii)The company has formulated a “Measures for the Report on Illegal, Immoral and Dishonest Acts" which are published on the company's website and also posted on the internal bulletin board.	Complies with the regulations of the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
(iii) Does the company take measures to protect whistleblowers from improper treatment resulting from their whistleblowing?	V		(iii)This company is committed to protecting whistleblowers, and it follows the principle of protection. Each case is investigated by a specialized	Complies with the regulations of the Code of Conduct for Integrity in

<table>
<tr><td rowspan="2">Evaluation item</td><td colspan="3">Operation Situation</td><td rowspan="2">Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.</td></tr>
<tr><td>Yes</td><td>No</td><td>Summary description</td></tr>
<tr><td></td><td></td><td></td><td>unit in a confidential manner. Furthermore, we ensure that whistleblowers (employees and vendors) are not subjected to any threats.</td><td>Business Operations for listed and OTC companies.</td></tr>
<tr><td>IV、Strengthen Information Disclosure
Has the company disclosed the content and effectiveness of its established Code of Conduct on its website and the Taiwan Stock Exchange website?</td><td>V</td><td></td><td>The company has disclosed relevant information such as the Guidelines of Conduct for Ethical Management on its website and annual report.</td><td>Complies with the regulations of the Code of Conduct for Integrity in Business Operations for listed and OTC companies.</td></tr>
<tr><td colspan="5">V、If the company has established its own guidelines of Conduct in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please describe the differences between its operation and the established guidelines:
This company has established the "Procedures for Ethical Management and Guidelines for Conduct " and has periodically revised certain provisions in accordance with regulatory changes by the competent authority. The revised code has been approved by the Board of Directors and reported to the shareholders' meeting. It has also been disclosed in the corporate governance section of the Market Observation Post System website. The actual operation of the code is consistent with the established code, and there are no significant differences.</td></tr>
<tr><td colspan="5">VI、Other important information related to the company's integrity operation, such as the review and revision of its integrity code:
1. The company has adopted the "Integrity Operation Procedures and Behavior Guidelines," which was approved by the board of directors on 2012.05.25. The guidelines are periodically revised (first revision on 2015.05.29, second revision on 2019.05.31, and third revision on 2020.05.29) according to regulatory requirements and implemented after being approved by the board of directors and reported to the shareholders. They are also disclosed on the Company's website and on the Market Observation Post System for Corporate Governance.
2. The company adheres to the principles of integrity operation by complying with the Company Law, Securities Exchange Act, Business</td></tr>
</table>

Evaluation item	Operation Situation			Differences and reasons for non-compliance with the Code of Conduct for Integrity in Business Operations for listed and OTC companies.
	Yes	No	Summary description	
Accounting Act, Political Donation Act, Anti-Corruption Act, Government Procurement Act, Conflict of Interest Avoidance Act, and other relevant laws and regulations. 3. The company's "Board Meeting Rules" stipulate a system for director recusal. When a director has a personal interest or an interest on behalf of a legal entity represented by the director that may be harmful to the company's interests or should recuse themselves for other reasons, the director must be recused from the discussion and voting after expressing their opinion and answering questions. The director cannot participate in the discussion or vote and cannot act as a proxy for other directors to exercise their voting rights. 4. The company regularly reviews potential risks to its integrity to enhance the effectiveness of its integrity operation. 5. All employees of the company have carefully reviewed the "Code of Conduct" established by the management unit to enhance personal ethics promote the principles of integrity in business operations, and fulfill corporate social responsibility.				

H. The method of querying the company's governance practices and related regulations:

The company's governance best practices and related regulations can be accessed through the information available on the Market Information Observation System (http://mops.twse.com.tw/mops/web/index), or on the company's website at http://www.zcom.com.tw/.

I. Other important information to facilitate better understanding of the company’s corporate conduct and ethics compliance practices (e.g., review the company’s corporate conduct and ethics policy):

To prevent the company or insiders from erroneously or intentionally violating the relevant regulations on insider trading due to ignorance of laws and regulations, which will cause the company or insiders to be involved in lawsuits and damage their reputation, the company has established “Procedures for Handling Material Inside Information and the Prevention of Insider Trading” to protect investors and safeguard company interests.

The company conducts education and guidance at least once a year on “Procedures for Handling Material Inside Information and the Prevention of Insider Trading”, relevant laws and regulations to current directors, managers and employees. For new directors and managers, education is arranged within three months of assuming their positions, and new employees are educated by human resource department during pre-employment training.

On 2025.12.31, the Company conducted awareness campaigns through messaging, and on 2025.03.10, 2025.06.11, and 2025.09.10, provided related education sessions during quarterly meetings for managers and employees. The content included advocacy on trade secret protection and insider trading under the Securities and Exchange Act. Relevant policies and implementation details have been published on the Company’s website for investors’ reference.

J. Internal Control System Execution Status:

1. Statement of Internal Control System:

Z-COM, Inc.

Statement of Internal Control System

Date: 2026.03.02

Based on the findings of a self-assessment, Z-COM, Inc. states the following with regard to its internal control system during the year 2025:

1. Z-COM'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 Z-COM takes immediate remedial actions in response to any identified deficiencies.
3. Z-COM 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. Z-COM 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, Z-COM believes that, on 2025.12.31, 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. 6. This Statement is an integral part of Z-COM'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 2026.03.02, with none of the seven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Z-COM, Inc.
Chairman: Fan En Technology. Co., Ltd.
Legal Representative: John S. Shieh
General Manager: WU CHIA-FANG

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

K. Important resolutions made by the shareholders' meeting and board of directors during the recent year and up to the date of the annual report printing are as follows:

1. During 2025 and up to the date of this annual report of the annual report printing, the company held one shareholders' meeting, and the important resolutions are as follows:

<table>
<tr><th>Date of shareholders' meeting</th><th>Major Resolutions</th><th>Matters listed in Securities and Exchange Act§14-3 or§14-5</th><th>Opinions of independent directors and company's treatment of the opinions</th><th>Implementation Status</th></tr>
<tr><td rowspan="8">2025.05.27</td><td colspan="4">Approved</td></tr>
<tr><td>1. Annual business report and Financial statements of 2024</td><td>V</td><td>None</td><td>Approved.</td></tr>
<tr><td>2. Loss off-setting proposal of 2024</td><td></td><td>None</td><td>Due to the loss in 2024, the employees and directors' remuneration were not distributed according to the regulations.</td></tr>
<tr><td colspan="4">Discussed</td></tr>
<tr><td>1. Amendment to the" Article of Incorporation".</td><td></td><td>None</td><td>It has been implemented in accordance with the resolution and announced on the company website.</td></tr>
<tr><td colspan="4">Election Matters</td></tr>
<tr><td>1. Election of the 11th Board of Directors.</td><td></td><td>None</td><td>List of Elected Directors<table><tr><th>Title</th><th>Name / Entity</th></tr><tr><td>Director</td><td>Fan En Technology. Co., Ltd</td></tr><tr><td>Director</td><td>CHEN, YU AN</td></tr><tr><td>Director</td><td>WU CHIA-FANG</td></tr><tr><td>Director</td><td>SU , YUAN-LIANG</td></tr></table></td></tr>
</table>

				Independent Director: CHOU,YIH-HENG Independent Director: ZHENG SHENG-QING Independent Director: CHAI WAN-HUI
	Other Matters			
	1. Release the Prohibition on Directors from Participation in Competitive Business.		None	Approved.

2. During the 2025 and 2026 up to the date of the annual report printing, the company held 8 board meetings, and the important resolutions are as follows:

Date of shareholders' meeting	Major Resolutions	Matters listed in Securities and Exchange Act§14-3 or§14-5	Opinions of independent directors and company's treatment of the opinions	Resolution
2025.03.05 (the 12th meeting of 10th board of directors)	1. 2024 business report & 2024 annual financial statements	V	None	The matter is approved by all the attendees.
	2. loss-off setting proposal for 2024		None	The matter is approved by all the attendees.
	3. Discussion on the execution status of the audit plan for 2024 and the assessment of the effectiveness of internal control systems is proposed		None	The matter is approved by all the attendees.
	4. Assessment of Independence & qualifications of CPAs and renewal of 2025 CPAs.	V	None	The matter is approved by all the attendees.
	5. List of non-assurance services to be provided by Ernst & Young and its related entities in 2025.		None	The matter is approved by all the attendees.

	6. Budget for 2025	V	None	The matter is approved by all the attendees.
	7. Amendment of the “Article of Incorporation”		None	The matter is approved by all the attendees after adjusting the content.
	8. Amendment of the “Organizational Rules of Audit Committee”		None	The matter is approved by all the attendees.
	9. Establish of the "Compensation Policy for Directors and Managers."		None	The matter is approved by all the attendees.
	10. Election of the 11th Board of Directors		None	The matter is approved by all the attendees.
	11. Proposal to nominate candidates for the company's Directors and Independent Directors.		None	The matter is approved by all the attendees.
	12. Release the Prohibition on Directors from Participation in Competitive Business.		None	The matter is approved by all the attendees.
	13. Proposal to convene regular meeting of shareholders for 2025.		None	The matter is approved by all the attendees.
	14. Regular meeting of shareholders for 2025 accepted shareholder proposals and nomination-related matters		None	The matter is approved by all the attendees.
2025.04.09 (the 13th meeting of 10th board of directors)	1. Amendment to the “Procedures for Handling Material Internal Information and Prevention of Insider Trading”	V	None	The matter is approved by all the attendees.
	2. Amendment to the “Corporate Governance Best Practice Principles”		None	The matter is approved by all the attendees.
	3. Proposal submitted by		None	The matter is

	shareholders holding more than 1% of the Company's shares, including the nomination list of candidates for Directors (including Independent Directors)			approved by all the attendees.
2025.05.07 (the 14th meeting of 10th board of directors)	1. 2025 first quarter financial statements.	V	None	The matter is approved by all the attendees.
	2. Discussion on renewal of annual credit agreement with banks.		None	The matter is approved by all the attendees.
2025.05.27 (the 1st meeting of 11th board of directors-Extraordinary Meeting)	1. Election of the Chairman of the 11th Board of Directors		None	The matter is approved by all the attendees.
	2. Appointment of the members of the 6th Compensation Committee		None	The matter is approved by all the attendees.
2025.08.04 (the 2nd meeting of 11th board of directors)	1. 2025 2nd quarter financial statements.	V	None	The matter is approved by all the attendees.
	2. Salary adjustment for employees and managers.		None	The matter is approved by all the attendees.
	3. Discussion on renewal of annual credit agreement with banks.		None	The matter is approved by all the attendees.
	4. Amendment to the "Regulations Governing the Acquisition and Disposal of Assets".		None	The matter is approved by all the attendees.
	5. Review of the 2024 Sustainability Report		None	The matter is approved by all the attendees.
2025.09.22 (the 3nd meeting of 11th board of	1. Amendment to the" Article of Incorporation".		None	The matter is approved by all the attendees.

directors -Extraordinary Meeting)				
2025.11.07 (the 4th meeting of 11th board of directors)	1. Appointment of the Chief Accounting Officer and Deputy Spokesperson		None	The matter is approved by all the attendees.
	2. 2024 third quarter financial statements.	V	None	The matter is approved by all the attendees.
	3. Making 2026 internal audit plan.		None	The matter is approved by all the attendees.
	4. Discussion on renewal of annual credit agreement with banks.	V	None	The matter is approved by all the attendees.
	5. Amendment to the “Payroll Cycle Operating Procedures”		None	The matter is approved by all the attendees.
	6. Amendment to the “Regulations Governing the Acquisition and Disposal of Assets”.		None	The matter is approved by all the attendees.
	7. Change of Custodian for the Company’s Official Seal Registered with the Ministry of Economic Affairs		None	The matter is approved by all the attendees.
	8. Appointment of the Corporate Governance Officer		None	The matter is approved by all the attendees.
2026.03.02 (the 5th meeting of 11th board of directors)	1. 2025 business report & 2025 annual financial statements	V	None	The matter is approved by all the attendees.
	2. loss-off setting proposal for 2025		None	The matter is approved by all the attendees.
	3. Proposal to Define the Scope of “Entry-Level Employees” for Fiscal Year 2025		None	The matter is approved by all the attendees.
	4. Discussion on the execution	V	None	The matter is

	status of the audit plan for 2025 and the assessment of the effectiveness of internal control systems is proposed			approved by all the attendees.
	5. Assessment of Independence & qualifications of CPAs and renewal of 2026 CPAs.	V	None	The matter is approved by all the attendees.
	6. List of non-assurance services to be provided by Ernst & Young and its related entities in 2026.	V	None	The matter is approved by all the attendees.
	7. Budget for 2026	V	None	The matter is approved by all the attendees.
	8. Discussion on renewal of annual credit agreement with banks.		None	The matter is approved by all the attendees.
	9. Amendment of the "Rules of Procedure for Shareholders' Meeting"		None	The matter is approved by all the attendees.
	10. Proposal to convene regular meeting of shareholders for 2026.		None	The matter is approved by all the attendees.
	11. Acceptance of Shareholder Proposals for the 2026 Annual General Meeting		None	The matter is approved by all the attendees.

L. Major Issues of Record or Written Statements Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors in recent years and as of the Date of this Annual Report: None.

(IV) Audit Fee

<table>
<tr><th>Accounting Firm</th><th>Name of CPA</th><th>Period Covered by CPA’s Audit</th><th>Audit Fee</th><th>Non-audit fee</th><th>total</th><th>Remarks</th></tr>
<tr><td rowspan="3">Ernst & Young Global Limited, Taiwan</td><td>LIU, JUNG-CHIN</td><td>2025.01.01~2025.12.31</td><td rowspan="2">2,670</td><td rowspan="2">410</td><td rowspan="2">3,080</td><td rowspan="2">Note2</td></tr>
<tr><td>CHANG,CHENG-TAO</td><td>2025.01.01~2025.12.31</td></tr>
<tr><td>LIN, CHIH-REN</td><td>2025.01.01~2025.12.31</td><td></td><td>220</td><td>220</td><td>Transfer pricing services</td></tr>
</table>

Note1: The amount of audit fees and non-audit fees paid to certified accountants and their affiliated firms and affiliated companies and the content of non-audit services shall be disclosed.

Note 2: Includes tax visas, important subsidiary review checklists, consolidated and individual English financial statements, shareholders' meeting annual report content reviews, and agreed-upon procedures.

1. If a new PCA Firm is commissioned to serve for an audit fee less than the year before, please disclose the audit fee amount before and after the CPA replacement arranged and the reason for doing so: None.
2. If the audit fee of current year is more than 10% less than the year before, please disclose the audit fee amount and ratio reduced and the root cause of the fee reduction: None.

(V) Replacement of CPAs：None.

(VI) The company’s chairman, General Manager and Finance or Accounting Officer have held a position in the independent auditing firm or its affiliates over the past year:

None.

(VII) Change in shares held and pledged by directors, managers, and major shareholders holding over 10% of outstanding shares in the most recent year and up to the publication of the annual report:

Title	Name	2025		2026.01.01~2026.03.22	
		Net change in shareholding	Net Change in Shares Pledged	Net change in shareholding	Net Change in Shares Pledged
Chairman	Fan En Technology. Co., Ltd. Representative: John S. Shieh	29,000	0	0	0
Director (Note 2)	Winifred International Corp. Representative: WU, TZY-HSIN	0	0	0	0
Director	CHEN, YU AN	0	0	0	0
Director & General Manager & Corporate Governance Officer (Note 3)	WU CHIA-FANG	45,000	0	0	0
Independent Director	CHOU, YIH-HENG	0	0	0	0
Independent Director(Note 2)	HUANG, TAI-SHENG	0	0	0	0
Independent Director / Director (Note 4)	SU,YUAN-LIANG	0	0	0	0
Legal Representative of the Board and CTO	John S. Shieh	0	0	0	0
Independent Director （Note 5）	ZHENG SHENG-QING	0	0	0	0
Independent Director （Note 5）	CHAI WAN-HUI	0	0	0	0
Accounting Officer & Corporate Governance Officer (Note 3)(Note 6)	CHUANG, HUI-HUA	0	0	0	0
Accounting Officer (Note6)	PENG, CHIH-YUNG	0	0	0	0

Note1：(1) The above information is based on the actual number of shares reported to the competent authority.

(2) Share transfer: None.

(3) Share Pledge: None.

Note 2: The corporate director Winifred International Corp. and Independent Director Mr. HUANG, TAI-SHENG were relieved of their duties upon the full re-election of the Board of Directors on 2025.05.27.

Note 3: Ms. CHUANG, HUI-HUA, the Accounting Officer and Corporate Governance Officer, resigned on 2025.08.29. General Manager Ms. WU CHIA-FANG temporarily assumed the position of Corporate Governance Officer on 2025.08.29, and was formally approved by the Board of Directors on 2025.11.07.

Note 4: Director Mr. SU,YUAN-LIANG, originally serving as an Independent Director in the 10th Board, was elected as a Director in the 11th Board during the full re-election on 2025.05.27.

Note 5: Independent Directors Mr. ZHENG SHENG-QING and Ms. CHAI WAN-HUI were elected as Independent Directors of the 11th Board during the full re-election on 2025.05.27.

Note 6: Ms. CHUANG, HUI-HUA, the Accounting Officer and Corporate Governance Officer, resigned on 2025.08.29. Mr. PENG, CHIH-YUNG temporarily assumed the position of Chief Accounting Officer on 2025.09.22, and was formally approved by the Board of Directors on 2025.11.07.

(VIII) The Top-10 shareholders who are the spouses or relatives within second-degree to each other:

2026.03.22

NAME (NOTE 1)	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 (NOTE 2)		REMANRK
	Shares	%	Shares	%	Shares	%	Title (or name)	Relations	
XIN HUI ZHI Investment Co.,Ltd Person in charge: WU CHEN HUA	5,052,714	7.05%	Not applicable	Not applicable	Not applicable	Not applicable	WU CHIA-FANG	Siblings	
Fan En Technology. Co., Ltd. Person in charge: WU CHIA-FANG	3,889,909	5.43%	Not applicable	Not applicable	Not applicable	Not applicable	WU, CHEN -HUA	Siblings	
JOHN S. SHIEH	3,182,933	4.44%	0	0	0	0	None	None	
CHEN, YU-BANG	1,198,890	1.67%	95,887	0.13%	0	0	CHEN, YU AN	Siblings	
WU, HONG-LIN	1,017,000	1.42%	0	0	0	0	None	None	
Azure Dawn Investment Ltd. Person in charge: HU, TA- YU	1,015,000	1.42%	Not applicable	Not applicable	Not applicable	Not applicable	None	None	
WU, CHIA-FANG	970,027	1.35%	0	0	0	0	Fan En Technology. Co., Ltd.	The same person	
TU,MENG-HSIA	908,667	1.27%	0	0	0	0	None	None	
CHEN, YU AN	894,935	1.25%	63,194	0.09%	0	0	CHEN, YU-BANG	Siblings	
OU, CHUN-RONG	835,000	1.16%	0	0	0	0	None	None	

Note 1: All of the top ten shareholders should be listed, and for those who are corporate shareholders, the name of the corporate shareholder and the name of the representative should be listed separately.

Note 2: The shareholders listed above include legal persons and natural persons, and the relationship between them shall be disclosed in accordance with the provisions of the issuer's financial reporting standards.

(IX) The shares of the invested company held by the company, the company's directors, supervisors, managers, and companies controlled directly or indirectly, and the aggregated overall shareholding ratio:

Unit: Shares; % 2025.12.31

Affiliated Enterprises	Ownership by the company		Direct or indirect ownership by Directors/ Supervisors/ Managers		Total ownership	
	shares	%	shares	%	shares	%
Z-COM TECHNOLOGY, LTD.	9,830	100.00%	0	0	9,830	100.00%
Z-WIRELESS INTERNATIONAL, LTD.	30	100.00%	0	0	30	100.00%
ZHI WEI YA HK LIMITED	11,000	100.00%	0	0	11,000	100.00%
NANJING Z-COM WIRELESS CO., LTD	0	0	25,439	60.57%	25,439	60.57%
Nanjing Z—Wireless Technology Co., Ltd.	0	0	NA	100.00%	NA	100.00%
NANJING ZHI WEI YA COMMUNICATION TECHNOLOGY CO., LTD	0	0	NA	100.00%	NA	100.00%
JiangXi Zwaveasia Technology Co., Ltd.	0	0	NA	100.00%	NA	100.00%
XIN HUI ZHI Investment Co., Ltd (Note 1)	NA	48.81%	NA	48.64%	NA	97.45%
Intelligent platform for IoT services co., LTD.	1,000	100.00%	0	0	1,000	100.00%
ZENEKER INDIA PRIVATE LTD.	NA	100.00%	0	0	NA	100.00%
CHUNGHWA SOCHAMP TECHNOLOGY INC.	1,500	27.27%	0	0	NA	27.27%

Note 1: Since Z-COM, Inc. has substantial control over XIN HUI ZHI Investment Co., Ltd it is required to include XIN HUI ZHI Investment Co., Ltd in its consolidated financial statements from the date on which control is obtained.

III、Capital Overview

(I) Capital and Shares

A. Sources of capital:

Month/ Year	Per Value (NT$)	Authorized capital		Paid-in capital		Remark		
		Shares	Amount	Shares	Amount	Source of capital	Capital increased by assets other than cash	Others
1995.03	10	30,000	300,000	8,400	84,000	Establishment of a capital of 300,000 thousand dollars.	—	Note 1
1995.09	10	30,000	300,000	12,000	120,000	Cash capital increase of 36,000 thousand dollars.	—	Note 2
1996.09	10	30,000	300,000	18,000	180,000	Cash capital increase of 60,000 thousand dollars.	—	Note3
1997.02	14	30,000	300,000	24,000	240,000	Cash capital increase of 60,000 thousand dollars.	—	Note4
1997.12	22	50,000	500,000	35,000	350,000	Cash capital increase of 110,000 thousand dollars.	—	Note5
2000.03	25	50,000	500,000	40,000	400,000	Cash capital increase of 50,000 thousand dollars.	—	Note6
2001.01	25	90,000	900,000	60,000	600,000	Cash capital increase of 200,000 thousand dollars.	—	Note7
2002.06	10	100,000	1,000,000	66,000	660,000	Capital surplus transferred to capital stock for an amount of 60,000 thousand dollars.	—	Note8
2004.08	10	100,000	1,000,000	77,600	776,000	Retained earnings transferred to capital stock for an amount of 83,000 thousand dollars, and capital surplus transferred to capital stock for an amount of 33,000 thousand dollars.	—	Note9
2006.11	10	100,000	1,000,000	68,000	680,000	Reduce capital to offset losses for an amount of 96,000 thousand dollars.	—	Note10
2012.09	10	100,000	1,000,000	69,559	695,590	Exercise of employee stock options for a total of 15,590 thousand dollars.	—	Note11

2012.11	10	100,000	1,000,000	71,100	711,000	Exercise of employee stock options for a total of 15,410 thousand dollars.	—	Note12
2013.07	10	100,000	1,000,000	80,023	800,230	Cash capital increase of 89,130 thousand dollars.	—	Note13
2013.09	10	100,000	1,000,000	79,100	791,000	Cancellation of treasury stock for 9,230 thousand dollars, and exercise of employee stock options for a total of 100 thousand dollars.	—	Note14
2016.09	10	100,000	1,000,000	72,500	725,000	Reduce capital to offset losses for an amount of 66,000 thousand dollars.	—	Note15
2022.01	10	100,000	1,000,000	71,701	717,010	Cancellation of treasury stock for 7,990 thousand dollars.	—	Note16

Note1: Yuanshangzi Letter No. 03446 from Hsinchu Science Park Bureau dated 1995.03.10.

Note2: Yuanshangzi Letter No. 14447 from Hsinchu Science Park Bureau dated 1995.09.21.

Note3: Yuanshangzi Letter No. 14912 from Hsinchu Science Park Bureau dated 1996.09.03.

Note4: Yuanshangzi Letter No. 01187 from Hsinchu Science Park Bureau dated 1997.02.04.

Note5: Yuanshangzi Letter No. 26427 from Hsinchu Science Park Bureau dated 1997.12.18.

Note6: Yuanshangzi Letter No. 4652 from Hsinchu Science Park Bureau dated 2000.03.14.

Note7: Yuanshangzi Letter No. 1164 from Hsinchu Science Park Bureau dated 2001.04.30.

Note8: Yuanshangzi Letter No. 014112 from Hsinchu Science Park Bureau dated 2002.06.19.

Note9: Yuanshangzi Letter No 20277 from Hsinchu Science Park Bureau dated 2004.08.06.

Note10: Yuanshangzi Letter No. 29884 from Hsinchu Science Park Bureau dated 2006.11.08.

Note11: Yuanshangzi Letter No. 28780 from Hsinchu Science Park Bureau dated 2012.09.13.

Note12: Yuanshangzi Letter No. 36227 from Hsinchu Science Park Bureau dated 2012.11.26.

Note13: Yuanshangzi Letter No. 21269 from Hsinchu Science Park Bureau dated 2013.07.17.

Note14: Yuanshangzi Letter No 268987 from Hsinchu Science Park Bureau dated 2013.09.04.

Note15: Zhushangzi Letter No. 1050026663 from Hsinchu Science Park Bureau dated 2016.09.23.

Note16: Zhushangzi Letter No. 1110001651 from Hsinchu Science Park Bureau dated 2022.01.17.

Unit: share; thousand shares

Share Type	Authorized Capital			Remarks
	Issued Shares	Unissued shares	Total Shares	
Order common stock	71,701	28,299	100,000	OTC

The relevant information that should be disclosed for the issuance and offering of securities under the summary declaration system: not applicable.

B. List of major shareholders:

2026.03.22

Shares / Major Shareholder's Name	shareholding	percentage
XIN HUI ZHI Investment Co. ,Ltd	5,052,714	7.05%
Fan En Technology. Co., Ltd.	3,889,909	5.43%
JOHN S. SHIEH	3,182,933	4.44%
CHEN, YU-BANG	1,198,890	1.67%
WU, HONG-LIN	1,017,000	1.42%
Azure Dawn Investment Ltd.	1,015,000	1.42%
WU, CHIA-FANG	970,027	1.35%
TU,MENG-HSIA	908,667	1.27%
CHEN, YU AN	894,935	1.25%
OU, CHUN-RONG	835,000	1.16%

C. Dividend Policy and Implementation Status:

1. According to the company’s article of association, if earnings are available for distribution at the end of a fiscal 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.

   Our company's dividend distribution policy takes into account factors such as the current and future investment environment, capital needs, domestic and international competition, and capital budget, while considering the interests of shareholders and the company's long-term financial planning. The dividend distribution shall be made from the accumulated distributable profits, which should not be less than 50% of the distributable profits for the current year, and the proportion of cash dividends shall not be less than 10% of the total dividends.

   The Board of Directors of our company is authorized to distribute dividends or allocate legal surplus reserves and capital reserves, either in full or in part, in the form of cash, with the attendance of at least two-thirds of the directors and the adoption of resolutions by a majority of the attending directors. The Board shall report to the shareholders' meeting and is not subject to the provisions of this Articles of Association relating to resolutions of the shareholders' meeting.

2. Proposed Distribution of Dividend is to be resolved in this shareholder's meeting:
Proposal for offsetting loss in 2025 was approved by the board of directors on 2026.03.02, as follows:

(1) In accordance with Article 27 of the company's articles of incorporation, the company shall allocate 10% to 15% of its profits for employee compensation (which 7% to12% should be allocated for salary adjustments or distribution of compensation to grassroots employees), and no more than 3% for director compensation. However, when there is an accumulated deficit, it shall be compensated first.

(2) The company's net income after tax in 2025 was NT$27,726,397, plus the beginning of the period accumulated deficit of NT$164,610,041, resulting in an accumulated deficit of NT$136,883,644 at the end of the period. If there is income in coming years, the accumulated deficit shall be compensated first in accordance with Article 28 of the company's articles of incorporation.

(3) The board of directors resolved not to distribute dividends.

3. Any expected major changes in the dividend policy: None.

D. The impact of the distribution of stock dividend as proposed in this shareholders meeting on the company's operation performance and earnings per share: The distribution of stock dividend was not proposed in the 2024 shareholders' meeting; therefore, it is not applicable.

E. Compensation of Employees, Directors and Supervisors:

1. Article 27 of the Articles of Incorporation stipulates that: "From the profit earned by the Company as shown through the annual account closing, 10%~15% shall be taken for employee compensation (which 7% to12% should be allocated for salary adjustments or distribution of compensation to grassroots employees), and less than 3% taken for directors' and supervisors' compensation, provided that the amount of accumulated loss, if any, be first withheld. Employee remuneration may be paid in stock or cash, and the recipients of the stock or cash may include employees of controlled or subordinate companies who meet certain conditions.

   The profit status of the current year referred to in the first item refers to the current year's pre-tax profit before deducting the distribution of employee remuneration and director's remuneration.

   The distribution of employee remuneration and director's remuneration shall be made by the board of directors with the resolution of more than two-thirds of the directors present and the approval of more than half of the directors present, and report to the shareholders' meeting.

2. The estimation base for the distribution of employee Compensation and remuneration to directors and supervisor, the calculation base of the outstanding shares for the distribution of stock dividend, and the accounting process for the differences between the actual amount

distributed and the estimated amount: None.

3. Information about the proposed distribution of employee bonus as approved by the Board of Director:

   The Board of Directors of our company has decided not to distribute employee compensation and director remuneration for 2025. The aforementioned decision of the Board of Directors is consistent with the estimated amount of expenses recognized for 2025.

4. The actual distribution of employee and director remuneration in the previous fiscal year (including the number of shares, amounts, and stock prices) and any differences between the recognized expenses should be explained, including the amount of the difference, reasons, and how it was handled:

   Due to the accumulated losses, the company's profits for the year 2024 will be prioritized to cover these losses. As per regulations, no allocation for employee and director remuneration will be made.

F. Situations of the Company's buy back stocks: None.

(II) Corporate Bonds: NA

(III) Preferred stock issued: NA

(IV) Global Depository Receipts: NA

(V) Employee Stock Options: None

(VI) Issuance of New Restricted Employee Shares: None

(VII) Status of New Shares Issuance in Connection with Mergers and Acquisitions: NA

(VIII) Financing Plans and Implementation: NA

IV、 Business Overview

(I) Business content

A. Business Scope

1. The major Business Operation of the Company:

   F401021 Restrained Telecom Radio Frequency Equipment's and Materials Import

   CC01101 Restrained Telecom Radio Frequency Equipment's and Materials Manufacturing

   (1) Research, development, production, manufacturing, and sales of the following products:

      A. Fixed wireless data network systems, including fixed data communication machines, network communication software, and network management software.

      B. Mobile data communication machines.

      C. Digital cellular mobile communication systems.

      D. Spread spectrum wireless data communication systems.

      E. Digital subscriber loop systems.

   (2) System integration and consulting services of the above products.

   (3) Engage in import and export trade business related to ZCOM INC's business.

2. Revenue Share:

Unit: NTD Thousand; %

The main products	2025		2024	
	Amount of Revenue	Proportion of Revenue	Amount of Revenue	Proportion of Revenue
Commodity	295,626	79.20	489,187	87.00
Industrial	53,980	14.46	36,248	6.44
5G & IoT	23,654	6.34	36,876	6.56
Total	373,260	100.00	562,311	100.00

3. The current main product (service) of the company:

   (1) Consumer Connectivity:

   Focusing on high-performance wireless audio-visual transmission equipment, EU-standard cordless phones, and broadband wireless modems. Providing solutions for extending high-bandwidth, low-interference wireless signals in home environments, dedicated to enhancing the seamless connectivity experience of digital households.

   (2) Industrial IoT & Embedded Modules:

   Developing industrial-grade communication gateways and high-performance embedded communication modules (including wireless industrial-grade, power, and digital processing modules). Through highly stable hardware design, we provide a reliable foundation for data collection and transmission in the Industrial Internet of Things, empowering enterprises to achieve equipment connectivity and production automation.

(3) 5G & Next-Gen IoT Solutions:

A. Multi-Network Integrated Management System: Providing telecom-grade and enterprise-grade wireless controllers to enable centralized intelligent management and operational monitoring of large-scale equipment.

B. Wide-Area High-Speed Transmission Equipment: Developing high-bandwidth, long-distance indoor and outdoor wireless access points (APs) and wireless bridging devices to ensure continuity of high-definition image transmission and comprehensive signal coverage in large-scale scenarios. Gateways: 5G NR wireless industrial mobile communication gateways and Wi-Fi serial device servers.

C. 5G Industrial Key Communication Gateway: Providing 5G NR wireless industrial mobile communication gateways and Wi-Fi serial device servers to integrate edge devices into high-speed 5G networks, empowering real-time data-driven decision-making.

D. Full-Scenario Vertical Integration Solutions: Utilizing enterprise private network technologies with multi-network integration to build Mission-Critical Networks. Application areas include:

Smart Security: Emergency response networks, slope monitoring, and smart construction site safety management.

Smart Transportation: Rail transit communication systems and vehicle-to-road cooperative applications.

Smart Governance and Energy: Smart community management and enterprise energy management systems (EMS), supporting carbon reduction and resource optimization goals.

4. Solutions Planned for Development

(1) Next-Generation Wi-Fi 7 Wireless Network and Edge Computing Management Architecture：Our R&D focus has evolved from single-device development to comprehensive vertical industry solutions centered on Software-Defined Networking (SDN).

A. Industry-Leading Wi-Fi 7 Core Technologies:

New Generation Standards: Deeply optimized Wi-Fi 7 (IEEE 802.11be) technologies including 4096-QAM and Multi-Link Operation (MLO), delivering ultra-high throughput and extremely low latency experiences.

Terminal and System Performance: Launching Wi-Fi 7 access points (APs) with high mobility and anti-interference capabilities to ensure continuity of critical data transmission.

B. Cronus Intelligent Networking Control Software:

Control-Data Plane Decoupling: Achieves complete separation of network control logic from underlying data forwarding devices, significantly accelerating system development and enhancing customization flexibility.

Hardware Independence: Cronus software can be flexibly deployed on physical controllers, cloud servers, or edge computing nodes, enabling scalable configurations and reducing maintenance barriers.

WLC Extension Visualized Management: Integrates digital twin, 3D modeling, and dynamic heat map technologies to provide intuitive signal coverage analysis, user location tracking, and intelligent diagnostics.

C. zMEC Edge Computing Platform and Applications:

Edge Intelligence Integration: zMEC serves as the core edge computing carrier, supporting Cronus management and microservices architecture.

Vertical Industry Platformization: Through zMEC, third-party applications (such as smart energy management EMS and AI image analysis) can be integrated, transforming communication infrastructure into an edge AI-powered vertical industry application platform.

Full-Scenario Integrated Services: Consolidates management, communication, and computing into a single edge node (box), optimizing deployment efficiency for large-scale scenarios such as rail transit and smart construction sites.

(2) ESG Data Communication Gateway and AIoT Energy Integration Solutions

The company focuses on building ICT bridges, seamlessly connecting underlying energy data with upper-level management systems through high-performance gateways.

Multi-Protocol Data Collection: Developing intelligent gateways supporting industrial communication protocols such as Modbus and RS-485, enabling stable data acquisition from heterogeneous devices including solar panels and sensors.

IoT Data Convergence Hub: Utilizing Wi-Fi 7 APs to integrate multimodal communications such as Bluetooth and Hallow, transmitting environmental data in real time to edge and central control platforms as required, assisting enterprises in implementing carbon footprint monitoring and energy-saving dispatch.

(3) Comprehensive Cybersecurity Resilience Protection

In response to the high security requirements of critical infrastructure, the company has comprehensively strengthened the security layers of ICT products.

Zero-Trust Network Protection: Ensuring data integrity during collection and transmission through encryption components and secure tunneling technologies, effectively preventing potential cyber threats.

(4) High-Precision Positioning Solutions for Rail Transit and Smart Environments

Further deepening wireless network integration into vertical industries, providing mission-critical communication services.

Indoor High-Precision Positioning: Developing Wi-Fi 7-based spatial sensing and positioning technologies to achieve meter-level indoor positioning accuracy, widely applied in emergency response safety management and automated industrial safety alerts.

B. Industry Overview

1. Current Industry Status and Four Major Developments:

(1) The Era of Global Hyper connectivity：Deep Integration of Wi-Fi 7 and Satellite Communications

By 2026, the global wireless communications industry has fully entered the commercial maturity stage of Wi-Fi 7 (IEEE 802.11be). Market R&D focuses has shifted from pure bandwidth competition to the pursuit of ‘ultimate experience consistency’ in high-density environments combined with spatial sensing technologies. Current industry trends emphasize not only data transmission but also achieving meter-level indoor high-precision positioning and dynamic detection, opening new dimensions for emergency response and smart space management.

(2) Transformation of Software-Defined Networking (SDN) and Cloud-Network Architectures

Communication system architectures are undergoing a core transformation from hardware-oriented to software-defined. Global industry trends highlight the complete decoupling of the control plane and data plane, significantly enhancing deployment flexibility and accelerating R&D speed. This paradigm shift enables enterprises to achieve hardware independence, allowing management systems to be flexibly deployed on cloud, edge computing platforms (zMEC), or hybrid cloud architectures, thereby accelerating digital transformation efficiency in vertical industry scenarios.

(3) Penetration of Edge AI Hardware and Digital Resilience of Critical Infrastructure

As AI computing demand shifts from cloud to endpoints, the penetration rate of edge AI hardware continues to surge in 2026, driving communication devices to evolve into autonomous mission-handling ‘AI agent platforms.’ On the application side, the stability and cybersecurity protection of Mission-Critical Networks have become core indicators. International cybersecurity standards (such as IEC 62443) have become global benchmarks, requiring zero-trust architectures and hardware-level security protections to be integrated from the development cycle, ensuring data security for critical infrastructure such as rail transit, energy, and automated buildings.

(4) Sustainability and ESG Data Governance Trends

ESG has evolved from a concept into concrete technical standards. ICT equipment is no longer merely a transmission medium but plays the role of an energy data hub. Through multimodal communication technologies integrated with energy management systems (EMS), enterprises can collect power data in real time and implement AI-driven intelligent operations. International regulations have begun to impose stringent energy efficiency standards on IT infrastructure, driving supply chains toward ‘Sustainable-by-Design’ solutions and propelling the global digital economy toward low-carbon and maximum energy efficiency development.

2. Interrelation between Upstream, Midstream, and Downstream in the Industry:

The upstream, midstream, and downstream structure of this industry includes product research (chips/components), hardware and software design, manufacturing, assembly (finished products), testing, and sales (agents, distributors, network system integration industry, telecommunication industry), etc.

Upstream		Midstream		Downstream
Semiconductor Industry/ Electronic Component Supplier	⇨ supply	Manufacturer/Service provider in the Internet Industry	⇨ sale	Network product distributor/ Agent/ System integration service provider/ Telecommunications service provider

The manufacturing process of our company's products involves purchasing electronic components such as SoC/IC and circuit boards, followed by SMT processing/DIP, assembly testing, and packaging for shipment. Our completed system products are in the form of solutions, which are leased, sold, and distributed through dealers and agents to system integration service providers, telecom operators, and end customers.

3. Development Trends of Various Products:

(1) Cross-Generational Evolution of Wireless Technologies: From Wi-Fi 7 to AI-Driven Wireless Architectures

By 2026, the wireless communications industry has fully shifted from a bandwidth-oriented to a reliability-oriented paradigm. Wi-Fi 7 has progressed from early specification promotion into large-scale industrial applications, with its technical core focusing on achieving deterministic latency through Multi-Link Operation (MLO) to support high-security applications such as robotics and remote healthcare. In addition, the industry is witnessing a surge in AI-RAN (AI-powered Radio Access Networks) validation, embedding AI technologies directly into base stations and network management layers to enable automated dynamic spectrum allocation and power optimization. This marks a deep-level convergence between communication technologies and AI algorithms.

(2) Vertical Industry Penetration of Edge AI Hardware (AI Box)

Multi-Access Edge Computing (MEC) has evolved beyond being merely a latency-reduction tool, transforming into AI ecosystem nodes with local inference capabilities.

Computing Power Shift: By 2026, the penetration rate of edge AI hardware in vertical industries is expected to approach 20%, driving inference tasks effectively from the cloud down to on-site endpoints.

Proactive Operations: Edge computing platforms are beginning to integrate Agentic AI, enabling local networks to proactively predict user needs, optimize communication resources, and automatically perform hardware maintenance diagnostics, significantly reducing the manual operational burden of traditional IT.

4. Competitive Landscape:

(1) Transformation of the International Competitive Landscape

The wireless networking market is shifting from ‘single-device competition’ to ‘end-to-end solution competition.’ Global giants such as Cisco and HPE (Aruba) are investing heavily in building AI-powered global cloud platforms. However, with the rise of Sovereign AI and localized IT demands, many countries and large enterprises prefer communication brands that offer localized management capabilities and flexible architecture adjustments (such as hardware-software decoupling). This creates a safe-haven effect for brands with strong vertical integration capabilities.

(2) Reshaping Core Competitiveness: Cybersecurity and Sustainability

Cybersecurity Entry Threshold: As digital threats intensify, relevant cybersecurity testing has become a mandatory entry requirement for enterprises and government projects. Brands with preventive cybersecurity capabilities will have opportunities to stand out in competition.

Sustainability and Energy Efficiency Competition: Internationally, stricter energy efficiency standards have been established for data centers and communication facilities. Therefore, whether products can achieve ‘Sustainable-by-Design’ and provide precise energy consumption monitoring data has become a new dimension in evaluating the competitiveness of ICT products.

C. Overview of technology and research and development

1. Research and development expenses in 2024 & 2025:

Unit: NT$ Thousands

Year	2025	2024
Research and development expenses	51,075	87,011

2. Technologies or products that have been successfully developed:

2015	1. The full range of on-board transmission equipment, which combines 4G and Wi-Fi, meets the certification requirements for communication equipment in vehicles. It is combined with a wireless controller (AC) and a proprietary cloud management system, and can produce daily equipment management reports. 2. Small cells for 4G LTE TDD/FDD public network and private network enterprise and was developed from operator public network TDD and FDD small cells; launched a 4G network solution for private networks. 3.Widen product lines for enterprise market, develop IoT industrial control equipment and different intelligent application products such as intelligent APs, intelligent sockets and switches and integrate cloud-based control and smartphone management mechanisms through an APP.
2015~2022	The main direction of Z-COM product development is communication products including wireless products. We strive to develop products with high quality, high reliability and reasonable costs. Throughout the technological accumulation and partnership with major chipset vendors, Z-COM has successfully established cooperative relationships with famous Telecom carriers in Taiwan, China, Southeast Asia and other regions. Z-COM had been a qualified equipment provider for major events such as the Beijing Olympics, Shanghai World Expo, and Nanjing Youth Olympic Games. Additionally, Z-COM also enhances the cooperation with India and

	implements local production and sales. We will continue to develop various technologically advanced products. The new products developed this year are as follows: 1. Research and development of LTE-Fi wireless modules and system application products for vehicles. 2. Research and development of WiFi6 products. 3. Research and development of Wi-Fi 6E and 4.9GHz products. 4. New generation Multi-access Edge Computing (MEC) software system. 5. Development of industrial-grade products for applications in smart factories, smart cities, and smart transportation. 6. Research and development of cloud management system for managing and value-added functionalities.
2023~2025	1. Industrial-grade Wi-Fi 6e wireless modules offer faster bandwidth for industrial users and are less susceptible to interference compared to 2.4GHz/5GHz. 2. 5G NR Gateway for industrial, vehicle and rail applications feature M12 connectors and support dual SIM cards, 5GNR module as well as rail-related reliability certificate. 3. The new generation Wi-Fi 7 enterprise-grade Gateway adopts tri-band 2x2 architecture, providing faster data rates, lower latency, increased user capacity, with maximum throughput of 9335Mbps high-speed bandwidth. 4. In response to internet trends, a newly developed Gateway integrated with solar energy systems can be applied to slopes and solar farm sites. 5. Industrial-grade WiFi 7 USB module with tri-band support (2GHz + 5GHz + 6GHz), featuring a built-in high-gain antenna and outdoor waterproof design. 6. Wi-Fi High-Precision Positioning System Integrated into existing gateways, enabling real-time indoor positioning and dynamic monitoring of factory and warehouse personnel and assets. 7. Wi-Fi 8 (IEEE 802.11bn) Advanced R&D Initiating next-generation technology deployment, focusing on ultra-high reliability and AI-driven intelligent channel allocation to meet the extreme demands of AIoT.

D. Business Development Plan

1. Leading Vertical Industries and Smart Field Applications (2026 Global Exhibition Strategy)

(1) Smart City & Cloud-Network Resilience (Smart City & Computex): At the 2026 Smart

City Expo and Computex Taipei, the company will showcase software-defined networking solutions centered on the Cronus intelligent management system. Through the zMEC edge computing platform, large-scale communication and computing integration will be achieved, meeting the urgent needs of smart campuses and large venues for high bandwidth and flexible deployment.

(2) Smart Security & Spatial Sensing Technologies (Secutech): At Secutech Taipei, the company will highlight next-generation indoor high-precision positioning solutions based on Wi-Fi 7. This technology enables meter-level crowd tracking and industrial safety alerts without wearable devices, deeply applied in smart construction site safety management, rail transit monitoring, and emergency response systems, significantly enhancing the practical value of Mission-Critical Networks.

2. Deepening Asia-Pacific International Expansion to Enhance Brand Trust in Technology

(1) CommunicAsia 2026 & Southeast Asia Market Entry: Actively participating in Singapore's CommunicAsia as a core springboard for entering the Southeast Asian market. The company will showcase flexible deployment architectures with hardware independence and IoT data integration solutions, providing high-performance and locally adaptive communication services tailored to smart infrastructure needs in Singapore, Malaysia, and Indonesia.

(2) Aligning R&D Standards with International Cybersecurity Norms: The company actively aligns product development processes with international cybersecurity standards, optimizing the Software Development Lifecycle (SDL). By strengthening hardware root of trust and data encryption technologies, products are ensured to possess both digital resilience and security. This establishes technical entry thresholds in cross-border markets and enhances the brand competitiveness of SmartJet Technology in international tenders.

(II) Marketing and Business Overview

A. Marketing Analyzing

1. Sales (provision) regions for the company's main products (services):

unit：NTD Thousand；%

Regin/Year		2025		2024	
		Amount	%	Amount	%
Export sales	Asia	7,111	1.90	15,405	2.74
	Europe	299,545	80.25	489,936	87.13
	other	1,002	0.27	9,570	1.70
	subtotal	307,658	82.42	514,911	91.57
Domestic sales		65,602	17.58	47,400	8.43
total		373,260	100.00	562,311	100.00

2. The future supply-demand status and growth prospects: The Wi-Fi wireless network communication product market is expected to maintain a strong growth trend in the coming years. In addition to the continued demand from end markets such as smartphones, tablets, laptops, and other smart devices, as well as the growing popularity of IoT. Additionally, the increasing use of video streaming, AI applications and network security concerns are driving demand. In response, enterprise organizations and government agencies are seeking new Wi-Fi wireless network solutions to improve efficiency and productivity.
3. Competitive advantages:

(1) Pioneer Architecture of Hardware-Software Decoupling

The company has developed the industry-leading Cronus intelligent management platform, achieving complete decoupling of the network control plane and data plane. This hardware-independent technological advantage enables flexible deployment across diverse hardware platforms and cloud environments, providing customers with highly scalable and adaptable network infrastructure.

(2) Advanced Spatial Sensing and High-Precision Positioning Technologies

Leveraging strong expertise in wireless protocol development, the company focuses on Wi-Fi 7-based spatial sensing technologies, achieving meter-level positioning and monitoring. This differentiated advantage establishes high competitive barriers in smart security, elderly care, and industrial safety sectors.

(3) High Flexibility and Field Customization Capabilities

Smart Jet Technology possesses full-stack R&D capabilities in both hardware and software, enabling deep customization for vertical industries such as slope monitoring and rail transit. Combined with WLC Extension visualization tools, the company provides digital-twin-based field management, helping clients achieve precise operations and automated governance with high cost-effectiveness.

(4) Global Supply Chain Synchronization with Leading Technologies

Strategic partnerships have been established with global leaders in wireless chipsets (e.g., Qualcomm QCOM) and RF component manufacturers. The company not only aligns with international standards but also co-develops and optimizes next-generation technologies (such as Wi-Fi 7 positioning integration), ensuring product leadership in specifications and performance.

(5) Cross-Domain Ecosystem and System Integration Advantages

Going beyond the role of a single equipment supplier, the company collaborates with distributors and system integrators to deliver comprehensive services covering cloud management, edge computing, and AI analytics. Through the zMEC platform, third-party applications (such as EMS energy systems) are integrated to build holistic system solutions, strengthening market influence.

(6) Deep Collaboration Across Industry, Government, and Academia

The company continuously builds R&D teams with government agencies and leading academic institutions. Joint industry-academia projects focus on smart city applications and advanced cybersecurity technologies, while actively participating in government-led smart infrastructure initiatives. Collaborative R&D in forward-looking technologies such as Wi-Fi 7 high-precision sensing and next-generation energy ICT ensures sustained leadership along the industry technology curve.

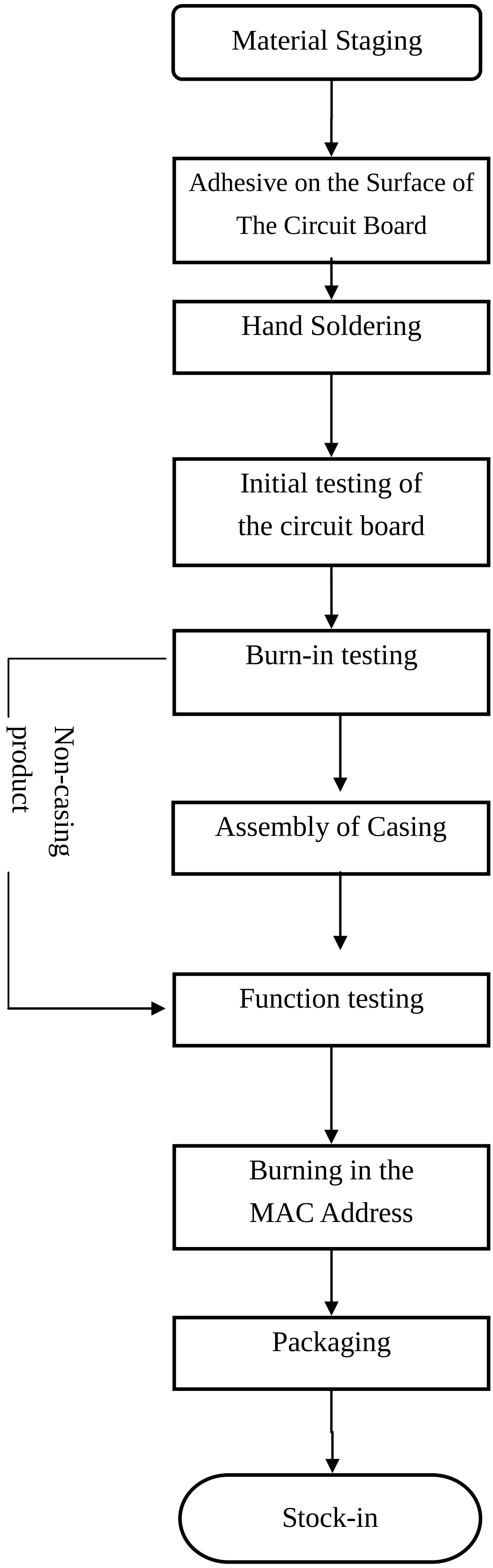
B. Main applications of major products and their manufacturing processes

【main applications】

major products	main applications
Commodity	1. Home internet：Provides wireless internet service for home users. 2. Home audio and video transmission: provide wireless audio and video transmission for home users. 3. VOIP (Voice Over Internet Protocol; Internet Telephony) network voice transmission: Provides internet telephony service for home users.

major products	main applications
Industrial	Embedded wireless industrial modules, embedded digital boards, etc., are used in communication modules of the Internet of Things and integrated in industrial drone wireless system solutions, creating wireless solutions for Industry 4.0 and AIoT applications.
5G & IoT	Carrier Grade Wireless LAN Controllers Indoor and outdoor wireless base stations, intelligent base stations, etc. Carrier-grade wireless off-load solution Manageable Gateways Wireless Bridges for short/medium/long distance transmission Applications: rail transportation, remote and rural Connectivity, security monitoring, smart energy, etc. as well as smart cities mission.

【Process of producing】



C. The supply situation of the main materials

1. The main raw materials required for our company's production are commonly used in the industry, including integrated circuits, substrates, quartz crystal oscillators, passive components, plastic casings, and packaging materials, which are easily accessible in the industry.
2. The chips produced by our company are mainly purchased from domestic and foreign agents or provided by customers.
3. Other materials used in production can be supplied by domestic and foreign manufacturers.
4. Our company maintains a good grasp of the status and prices of our suppliers, regularly reviews their competitiveness and suitability, conducts visits or audits of suppliers, and can make appropriate adjustments at any time based on market conditions.

D. The name, purchase (sale) amount, and ratio of the suppliers (customers) accounted for over 10% of the total purchase (sale) in one of the last two year, and the reason for the changes in purchase (sales).

1. List of major customers with over 10% of the total sales in one of the last two years:

Unit: NT$ Thousand

Item	2024				2025				Up to the end of previous quarter of 2026 (Note 2)			
	Company Name	Amount	Percentage 〔%〕	Relation with Issuer	Company Name	Amount	Percentage 〔%〕	Relation with Issuer	Company Name	Amount	Percentage 〔%〕	Relation with Issuer
1	Customer A	489,936	87	None	Customer A	299,545	80	None				
2	Customer B	33,093	6	None	Customer B	53,301	14	None				
3	Others	39,282	7	None	Others	20,414	6	None	Others			
	net sales	562,311	100		net sales	373,260	100		net sales	(Note 2)	(Note 2)	(Note 2)

Note 1: Disclose the names and sales amount, as well as the proportion, of customers whose total sales amount accounted for 10% or more of the total sales in the past two years. However, if the contract stipulates that customer names or transaction parties cannot be disclosed, or if the transaction parties are individuals who are not related parties, they may be represented by code.

Note 2: As of the date of publication of the annual report, companies that are listed or whose stocks have been traded on the business premises of securities firms should disclose the latest financial information that has been audited or reviewed by accountants.

Reasons for increase or decrease: In fiscal year 2025, overall revenue declined compared to fiscal year 2024, primarily due to slowing market demand and customers adjusting their procurement momentum, resulting in a decrease in finished product shipments.

2. The names of suppliers, the amount of each purchase, and the proportion of purchases made from suppliers who accounted for more than 10% of the total purchases in either of the past two fiscal years:

Unit：Thousand NTD

item	2024				2025				Up to the end of previous quarter of 2026 (Note 2)			
	Account	Amount	Percentage of net purchases for the entire year (%)	Relationship with the issuer	Account	Amount	Percentage of net purchases for the entire year (%)	Relationship with the issuer	Account	Amount	Percentage of net purchases for the entire year (%)	Relationship with the issuer
1	Customer C	53,518	15.60	None	Customer C	22,755	15.05	None	Other	(Note2)	(Note 2)	
2	Customer D	49,679	14.48	None	Customer D	18,369	12.15	None				
3	Other	239,826	69.92	None	Other	110,046	72.80	None				
	Net Purchases	343,023	100		Net Purchases	151,170	100		Net Purchases	(Note 2)	(Note 2)	

Note 1: The names of suppliers, the amount of each purchase, and the proportion of purchases made from suppliers who accounted for more than 10% of the total purchases in either of the past two fiscal years should be listed. However, if the contract stipulates that the names of suppliers cannot be disclosed or if the counterparty is an individual who is not a related party, a code may be used instead.

Note 2: As of the date of publication of the annual report, companies that are listed or whose stocks have been traded on the business premises of securities firms should disclose the latest financial information that has been audited or reviewed by accountants.

Reasons for increase or decrease: In fiscal year 2025, suppliers whose purchase amounts accounted for more than 10% of the company’s total procurement showed changes compared to the previous year. The primary reason was the overall decline in sales compared to last year, which reduced the demand for raw material procurement of certain models supplied by Company C and Company D, thereby lowering their purchase ratios.

(III) The number of employees, average years of service, average age, and educational distribution ratio of employees for the past two fiscal years and up to the date of the annual report printing are as follows

Unit: person; %

Year		2024	2025	As of 2026.03.31 in the current year
Number of employees (Note 1)	Management	16	19	15
	R&D	31	21	17
	Marketing	11	12	12
	Taiwan subsidiary team	3	3	4
	Nanjing Team	20	15	15
	Jiujiang Team	63	65	63
	total	140	135	126
Average age		41	42.3	42.8
Average year of services		8.5	9.19	8.68
Educational distribution ratio of Employees	Doctorate	3.45%	2%	2%
	Master’s Degree	29.3%	39%	34%
	Bachelor’s Degree	63.8%	55%	60%
	High school	3.45%	4%	4%
	Below high school	0%	0%	0%

Note 1：Including number of subsidiaries, excluding directors

Note2： The statistical target for the educational background distribution ratio is the employees in Taiwan.

(IV) Environmental Protection Expenditures

In the most recent fiscal year and up to the date of the annual report printing, there were no losses incurred due to environmental pollution, including compensation and penalties for violating environmental protection regulations. If there were any violations, the date of the penalty, penalty number, violated regulations, and the content of the violation and penalty should be disclosed. The estimated amount and corresponding measures for current and future potential violations should also be disclosed. If it is impossible to estimate reasonably, the reasons should be explained. In this fiscal year, there were no incidents of environmental pollution and therefore no compensation amounts were incurred.

1. The amount of penalty/fine (including compensation) imposed due to environmental pollution in the most recent year and up to the publication of the annual report and potential expenditures: None
2. Countermeasures:
   (1) The company implements the ISO 14001 Environmental Management System. Through the annual identification of environmental aspects and regular monthly evaluations of environmental regulations, we proactively assess whether any operational activities could cause significant negative impacts. This ensures the prevention or reduction of potential or actual adverse effects, while guaranteeing legal compliance.
   (2) Annual environmental monitoring is conducted regularly, along with waste disposal carried out by qualified waste management contractors. In collaboration with external entities, we also verify environmental quality to provide employees with a comfortable working environment while achieving effective management. The total environmental investment expenditure for this year amounts to NT$203,995.

(V) Labor-Management Relations

1. The company's various employee welfare measures, training and development, retirement system, their implementation status, as well as agreements between labor and management and measures to protect various employee rights are as follows:
   (1) Welfare measures and their implementation:

   Employee welfare measures include labor insurance, health insurance, group insurance, annual employee health check-ups, retirement fund allocation system, employee stock bonus, etc. In addition, a "Employee Welfare Committee" has been established in accordance with the law, and employee welfare funds are allocated monthly from the total operating income and each employee's salary, in accordance with the regulations, to coordinate various employee welfare measures, including wedding, funeral, celebration, childbirth, cultural and sports activities, festival gifts, children's education scholarships, annual travel, and other welfare and subsidies.

※The information from 2015 to 2025:

Unpaid leave of absence			Unpaid Parental leave			Paternity Leave	Maternity Leave
Number of people	Number of employees returning from leave	Percentage of employees returning from leave	Number of people	Number of employees returning from leave	Percentage of employees returning from leave	Number of people	Number of people

4	4	100%	9	8	89%	8	14

※Travel grant (Maximum NTD 13,000 per person):

Year	2023	2024	2025
Subsidy from the Company	The annual subsidy has been temporarily suspended due to the COVID-19 pandemic.	345,000	No subsidies have been allocated at this time.
Subsidies from Welfare Committee	269,300	315,150	357,460
Total	$269,300	$660,150	$357,460

※Scholarship for employees' education:

Year	2023	2024	2025
Employee Training and Development	95,152	0	4,800
Scholarship (1^{st} / 2^{nd} semester)	56,000	55,200	42,400
Total	$151,152	$55,200	$47,200

(2) Training and Implementation Status:

To enhance the quality of our employees and improve their work efficiency and quality, this Corporation provides guidance and training on job content for new employees upon their arrival. In addition, in accordance with the "Education and Training Management Measures," we plan an annual education and training program and regularly organize related training courses and activities to support this corporation's development strategy and enhance employee capabilities. Furthermore, employees can participate in external organization training programs to strengthen their professional skills according to their professional needs.

※Annual Training and Implementation:

Year	Item	Total Number of Personnel	Total Number of Time
2023	New Employee Onboarding and Professional Skills Training	94	293.5 Hours
2024	New Employee	65	351 Hours

	Onboarding and Professional Skills Training		
2025	New Employee Onboarding	11	The learning period is one month
	Professional Skills Training	73	145.8 Hours

(3) Retirement System and Implementation Status:

This corporation has legally established a "Labor Pension Reserve Supervisory Committee" and follows the provisions of Article 2 of the Labor Pension Reserve Fund Contribution and Management Measures set by the Ministry of the Interior for employees who were hired before July 1, 2005. For these employees, the company contributes 2% of the total monthly salary as retirement funds to the Labor Pension Reserve Supervisory Committee, which deposits the funds into a special account at the Central Trust of China. The company also hires qualified actuaries to conduct retirement fund calculation and assessment in accordance with the accounting principles of retirement funds.

The company has a retirement plan for its employees, which provides for two times the basic salary for each year of service in the first 15 years and one times the basic salary for each year of service thereafter, up to a maximum of 45 times the basic salary. The payment of retirement benefits to employees is calculated based on their years of service and the salary they received in the six months prior to retirement. The company has settled the old retirement system with employees who were hired before July 1, 2005, according to the agreed-upon payment conditions and legal procedures, and processed their applications for payment and withdrawal of balances. This was completed in December of 2015.

Since July 1, 2005, this Corporation has established a retirement plan with defined contributions in accordance with the Labor Pension Act for employees who are nationals of the Republic of China (ROC). With regard to the portion of the plan applicable to employees who choose to adopt the labor pension system as defined in the Labor Pension Act, the company deducts 6% of the employee's monthly salary and deposits it into the employee's individual account at the Bureau of Labor Insurance. The payment of retirement benefits to employees is based on the amount accumulated in their individual retirement accounts and the accrued interest, and may be received in the form of monthly payments or a lump sum.

Our subsidiary in Mainland China complies with the pension insurance system established by the government of the People's Republic of China, as required by law. Pursuant to this system, our subsidiary sets aside a certain percentage of the total monthly salaries of its local employees as pension insurance. The retirement benefits of each employee are managed and coordinated by the local government in accordance with the relevant laws and regulations. The Corporation ensures that it handles these retirement benefits in compliance with all applicable laws and regulations without any issues or violations.

(4) Agreement between labor and management and the situation regarding various employee rights protection measures:

This corporation has an internal control system - the salary cycle, which includes comprehensive planning for employee recruitment, employment, training, promotion, transfer, training, and retirement. This is a shared norm that the company and employees follow. In addition, for labor-management communication, we adopt a two-way communication approach and regularly (quarterly) hold labor-management meetings, quarterly meetings, and seminars to exchange and interact, resulting in a harmonious labor-management relationship.

2. For the current fiscal year and up until the date of publication of this annual report, the losses suffered by the company due to labor-management disputes (including violations of labor standards identified in labor inspections, specifying the date and number of the sanction, the relevant legal provisions violated, the content of the violations, and the content of the sanction) have been disclosed, as well as estimated amounts and corresponding measures for current and potential future incidents. If a reasonable estimate cannot be made, the fact that a reasonable estimate cannot be made shall be explained:

A harmonious labor-management relationship is the cornerstone of this Corporation's development. Both labor and management follow the Labor Standards Act as the standard and adhere to legal administration. We adopt a humane management approach in our operations and management, resulting in a positive and harmonious labor-management relationship. There have been no losses caused by labor-management disputes. In the future, we will continue to uphold the principles of full communication, mutual benefit, and so on. Therefore, we expect that there will be no losses caused by labor-management disputes in the future.

(VI) Cybersecurity Management

1. On 2025.01.07, Z-COM (8176) successfully passed the ISO 27001 International Information Security Management System (ISMS) certification, demonstrating the company's outstanding capability and commitment to information security management. This certification marks a significant step for Z-COM in enhancing internal security management processes, safeguarding customer data, and increasing industry competitiveness. ISO 27001 is the most widely accepted and authoritative information security standard globally, imposing strict

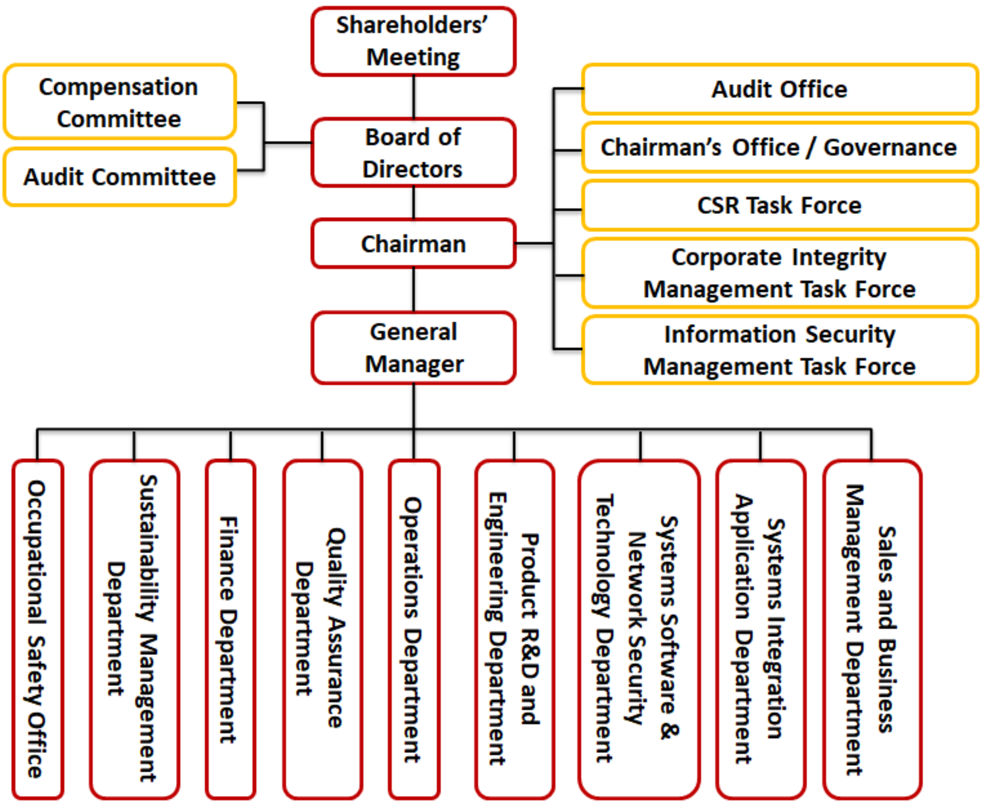
requirements on information security risk management, resource protection, threat detection, and response mechanisms. During the certification process, Z-COM established a comprehensive information security management strategy covering areas such as data access control, risk assessment, and incident management to ensure the integrity, confidentiality, and availability of corporate data and systems.

2. Z-COM's General Manager, Jia-Fang Wu, stated: "We deeply understand the importance of information security for business operations and customer trust. Achieving the ISO 27001 certification not only validates Z-COM's professional capabilities in the field of information security but also strengthens our ability to provide high-quality, secure, and reliable products and services to our global customers."

   (1) The goal of cybersecurity:

   Ensuring the protection of the company's trade secrets and compliance with the Personal Information Protection Act of the government, the company continuously improves its cybersecurity governance and strengthens its protective capabilities. All information operations comply with international cybersecurity standards and meet the requirements of domestic and foreign cybersecurity laws and regulations.

   (2) The organizational structure of the Cybersecurity Team:



3. For the current and previous fiscal years up to the date of printing of this report, there have been no losses or potential impacts due to significant cybersecurity incidents that cannot be reasonably estimated, and no explanations are required for such inability to provide reasonable estimates: None.

(VII)Important Contract

Contractual Nature	Party/ Parties	Contract Start and End Date	Main Content	Restrictive Clause
Lease Agreement	Hsinchu Science Park Bureau, NSTC	2023.01.01~ 2042.12.31	Hsinchu Science Park Land Lease	None
Product Sales Contract	Bharat Sanchar Nigam Limited	2023.06.30~2028.06.30	Wi-Fi network deployment of India Courts	None
Memorandum of Understanding	Loop Telecommunication International, Inc	2022.10.24~2027.10.25	Amendment to Memorandum of Understanding	Within five years after the acceptance of the termination of the trading relationship, ZCOM shall not directly or indirectly contact, quote, or engage in transactions with any third party regarding the sale of products under the sales plan.
Memorandum of Understanding	Industrial Technology Research Institute (ITRI)	2023.08.01~2029.01.08	Cybersecurity-Related Collaborative Research Project	None
Tender Contract	Chung Hua University (CHU)	2025.09.25~2025.11.05	Wireless Network Deployment	None

V、 Review of Financial Conditions, Operating Results, and Risk Management

(I) Financial Status:

Unit: NT$ Thousand

Item \ year	2025	2024	Difference	
			Amount	%
Current assets	551,051	557,049	(5,998)	(1.08%)
Property, plant, and equipment	108,078	117,290	(9,212)	(7.85%)
Intangible assets	288	548	(260)	(47.45%)
Other assets	79,949	92,692	(12,743)	(13.75%)
Total assets	739,366	767,579	(28,213)	(3.68%)
Current liabilities	123,892	183,963	(60,071)	(32.65%)
Noncurrent liabilities	26,623	26,673	(50)	(0.19%)
Total liabilities	150,515	210,636	(60,121)	(28.54%)
Capital stock	717,010	717,010	-	-
Additional paid-in capital	422	489	(67)	(13.70%)
Retained earnings	(99,000)	(126,726)	27,726	(21.88%)
Other equity	(19,779)	(20,537)	758	(3.69%)
Treasury stock	(25,106)	(26,512)	1,406	(5.30%)
Non-controlling equity	15,304	13,219	2,085	15.77%
Total equity	588,851	556,943	31,908	5.73%

1. Changes exceeding 20% in the past two years and with a change amount of over 10 million New Taiwan Dollars:
   (1) Decrease in Current Liabilities: Primarily due to higher inventory stocking for new product launches in the prior period, with current-period orders gradually being fulfilled and payments made, resulting in reduced liabilities.
   (2) Increase in Retained Earnings: Mainly attributable to continued profitability in after-tax earnings during the current period.

2. Significant impact should be explained along with future response plans:
The aforementioned changes have no significant impact on the company's finances or operations.

(II) Financial performance

A. Analysis of financial performance

Unit: NT$ Thousand

year / item	2025	2024	Difference	
			Amount	%
Operating Income	373,260	562,311	(189,051)	(33.62%)
Gross profit	124,683	182,152	(57,496)	(31.55%)
Operating profit (loss)	2,530	16,110	(13,580)	(84.30%)
Other operating income and expenses	34,999	21,438	13,561	63.26%
Net Income (loss) before tax	37,529	37,548	(19)	(0.05%)
Net Income (loss)	28,254	29,926	(1,672)	(5.59%)
Total Comprehensive Net Income (Loss) for the Year	29,095	39,720	(10,625)	(26.75%)

Analysis of Deviation over 20% and change amount more than NT10million in the last 2 years:

(1)Decrease in Operating Revenue and Gross Profit: Primarily due to higher shipment volumes of new models in the prior period, and in the current period, the impact of global tariff policies, economic slowdown, and customers adjusting their procurement momentum.

(2)Decrease in Operating Income: Mainly attributable to the decline in operating revenue and gross profit.

(3)Increase in Non-Operating Income and Expenses: Primarily due to the settlement of past claims related to cargo transportation damages.

(4)Decrease in Comprehensive Income (Loss) for the Period: Mainly due to the decline in revenue and gross profit, reduced operating income, and the impact of exchange rate fluctuations on the valuation of long-term investments, resulting in lower profitability compared to the previous period.

B. The impact on company’s financial performance and the countermeasures of Sales Volume Forecast and Related Information:

The company is committed to expanding the market. In addition to strengthening the EMS/ODM/OEM customer base, it is also committed to developing new products to meet market demand. A series of efforts have been made for brand promotion, including the launch of Wi-Fi 6 series products and the development of vertical applications. In terms of vertical applications, we combine 5G and Wi-Fi 6 private networks to develop more innovative products and services, and work with well-known system integration companies (SI) to promote smart rail and smart energy management. These applications not only meet the development trend of modern cities but also improve operational efficiency. In addition, we also collaborate with well-known domestic operators and regional system integration companies (SI) to promote the brand through localized application software and enhance the marketing of system application products.

The possible impacts on company's future financial performance and the countermeasures:

(1) Increase revenue and profit: By developing new products and vertical applications, as well as collaborating with well-known domestic operators and regional system integration companies (SI), the company can expand its market size.

(2) Increase investment and costs: Developing new products and vertical applications requires a large amount of capital and manpower, and brand expansion and customer relationship maintenance also require corresponding resources to be invested.

Therefore, the company has corresponding risk response measures to deal with these possible impacts: 1. Strengthen capital management and risk control, adopt effective financial strategies to reduce investment and costs, and ensure that financial risks are effectively controlled. The second is to strengthen market research, ensure that the development of new products and vertical applications meets market demand, reduce risks, and improve product market competitiveness.

(III) Cash Flow

A. Liquidity Analysis within the last 2 years:

Unit：NT$ Thousand

Cash balance-beginning	Annual cash flow	Cash Balance(deficit)	Remedy for Liquidity shortfall	
			Investment Plan	Financing Plan
234,637	141,155	375,792	Not applicable	Not applicable

1. Cash inflow from operating activities amounted to NT$143,828 thousand: Mainly due to profitability during the year and the collection of accounts receivable from the end of last year.
2. Cash inflow from investing activities amounted to NT$5,489 thousand: Primarily due to payments made for acquiring equity in companies accounted for under the equity method.
3. Cash outflow from financing activities amounted to NT$1,664 thousand: Mainly due to the disposal of treasury shares during the year.

B. Remedial Actions for Liquidity Shortfall：Our company currently does not have a situation of insufficient cash liquidity.

C. Cash Flow Projection for Next Year: Not applicable.

(IV) Recent Years Major Capital Expenditures and Impact on Financial and Business：None.

(V) Reinvestment policy in the most recent year, the reasons for profit or loss resulted, its improvement plan, and next year's investment plan:

A. Reinvestment policy in the most recent year:

The financial and business management policy of our company for overseas reinvestment is based on the relevant management measures of our company's internal control system, and follows the regulations of the "Subsidiary Supervision Operations Regulations" and the "Procedures for Transactions with Related Parties, Specific Companies, and Group Enterprises". We also follow the guidelines of the "Criteria for Publicly Issued Companies to Establish Internal Control Systems" to supervise and manage reinvestment operations.

B. The main reasons for the profit or loss from reinvestment and improvement plans

Unit: NT$ Thousand

No	Invested company name	Main business activities	Recognition of Investment Losses in 2025 of the Invested Company	The main reason for profit or loss	Improvement Plan
1	Z-WIRELESS INTERNATIONAL LTD.	General Investment	(1,029)	Mainly due to the recognition of investment gains and losses from Nanjing Z-Wireless Technology Co., Ltd.	—
2	Z-COM TECHNOLOGY LTD.	General Investment	992	Mainly due to the recognition of investment gains and losses from NANJING Z-COM WIRELESS CO., LTD	—
3	ZHI WEI YA HK LIMITED	General trade business	9,155	Mainly due to the recognition of investment gains and losses from JiangXi Zwaveasia Technology Co., Ltd.	—
4	XIN HUI ZHI Investment Co.,Ltd	General Investment	(420)	Mainly due to the recognition of losses from management expenses during the current period.	—
5	NANJING Z-COM WIRELESS CO., LTD	Research and development and sales of communication equipment and modems	1,595	Mainly due to the reclassification of other payables to NANJING ZHI WEI YA COMMUNICATION TECHNOLOGY CO., LTD as income	—
6	Nanjing Z—Wireless Technology Co., Ltd.	Research and development and sales of communication equipment and modems	(1,029)	Mainly due to the recognition of investment gains and losses from NANJING Z-COM WIRELESS	—

No	Invested company name	Main business activities	Recognition of Investment Losses in 2025 of the Invested Company	The main reason for profit or loss	Improvement Plan
				CO., LTD	
7	NANJING ZHI WEI YA COMMUNICATION TECHNOLOGY CO., LTD	R & D and sales of communication equipment and network equipment	-	None	—
8	JiangXi Zwaveasia Technology Co., Ltd.	R & D, production and sales of communication electronic products	9,155	Mainly due to the recognition of operating revenue during the current period	—
9	Intelligent platform for IoT services co., LTD. (Note1)	Sales of communication electronic products	(3,207)	Mainly due to the recognition of losses from management expenses during the current period.	Note 1
10	ZENEKER INDIA PRIVATE LTD. (Note1)	Sales of communication electronic products	(1,970)	Mainly due to the decrease in operating revenue.	Note 1
11	CHUNGHWA SOCHAMP TECHNOLOGY INC.	Manufacturing and sales of license plate recognition products	-	None	Note 2
12	AzureDawn Investment Ltd	General Investment Business	(16)	Mainly due to the recognition of losses from management expenses during the current period.	

Note 1: It is a subsidiary newly established and invested by the Group in 2021. It is still in the stage of preparation and has no major operating activities.

Note 2: The Company recognizes the share of profits and losses from its equity-method investments only up to the point where the equity of the associated enterprise is reduced to zero. Further losses are not recognized.

C. Investment plan for the next year: The investment plan for the next year also focuses on expanding overseas sales channels.

(VI) Assessment of risk factors for the current fiscal year and up to the date of printing of the annual report

A. Interest rates, exchange rates, and inflation, their impact on the Company's profit or loss, and future countermeasures:

For fiscal year 2025, the Company's interest income, net of interest expenses, amounted to NT$1,242 thousand, representing less than 1% of consolidated revenue. Therefore, the impact of interest rate fluctuations on the Company is minimal. The Company's primary interest rate risk arises from short-term borrowings, with current group short-term borrowing rates ranging from 2.10% to 2.28%, indicating that the associated interest rate risk is not significant.

For fiscal year 2025, the Company recorded a net foreign exchange loss of NT$2,996 thousand. The Company's foreign exchange risk mainly stems from U.S. dollar-denominated revenues and expenditures. In addition to adopting natural hedging strategies to manage foreign exchange risk, the finance department continuously monitors changes in domestic and international economic conditions, evaluates exchange rate trends, and plans hedging strategies based on daily foreign currency balances and expected cash inflows and outflows. The accounting and finance department will remain vigilant to economic developments and promptly propose responsive measures.

B. Engage in the policies of high-risk, highly-leveraged investments, loaning of funds, endorsements and guarantees, and derivative transactions, the reasons for profit or loss resulted, and the future countermeasures:

In 2025, our company did not engage in high-risk, high-leverage investments or derivative trading. The company's execution of fund lending and endorsement guarantees followed the company's "Fund Lending Operation Procedure" and "Endorsement Guarantee Operation Procedure," as well as relevant regulations, and reported regularly to the board of directors on the execution situation. The above-mentioned information is announced monthly on the Market Observation Post System in accordance with regulations for investors to refer to.

C. Future R&D Plans and Estimated R&D Investment

Our company is set to launch a series of Wi-Fi 7 products while expanding into IoT, 5G NR, and AIoT applications. The zMEC edge server will not only introduce a new 5G NR gateway product line but also enhance communication support for various sensors and data collectors through Serial-Gateway technology. This will be applicable for private networks (5G NR/ Wi-Fi 7) and AIoT applications and management, with an initial focus on smart energy and smart rail applications.

We will continue to develop and design innovative, market-leading technologies. The planned new products and services include:

1. Development of Wi-Fi 7 Series Products.
2. Integration of Wi-Fi 7 with 5G NR for In-Vehicle, Railway, and Industrial-Grade Products.
3. Next-Generation Multi-Access Edge Computing (MEC) Software System.
4. Development of Commercial-Grade IoT Gateway Products for Smart Retail, Smart Logistics.
5. Cloud System Management and Value-Added Feature Development.
6. Industrial-grade outdoor USB Dongle.
7. Gateways for new energy project sites.
8. Point-to-point, mid-range, and long-range network bridges.
9. WiFi-based Location Technology

D. Impact of significant domestic and foreign policy and law changes on the Company’s financial operations and related countermeasures:

In addition to complying with relevant domestic and international laws and regulations in daily operations, the company also pays close attention to the development trends of domestic and foreign policies and changes in laws and regulations, in order to fully grasp and respond to changes in the market environment. Relevant information is collected and provided to the management team for decision-making reference, to adjust our company's related operational strategies. Therefore, changes in domestic and foreign policies and laws in recent years have not had a significant impact on the company's financial operations.

E. The impact of technological changes (including cybersecurity risks) and industry changes on the company's financial and business operations, as well as the countermeasures, are as follows:

Wireless communication network equipment belongs to the high-tech communications industry, which is currently in a rapid growth stage. Various wireless communication products continue to be introduced with ongoing technological upgrades and functional enhancements. The Company has long been deeply engaged in the wireless network communications field, with a solid foundation in production equipment, R&D teams, and key technologies, enabling it to promptly grasp industry technology development trends and respond to rapid market changes.

The Company continues to invest in innovative R&D, actively developing diversified communication network products, and enhancing market competitiveness through technological upgrades and product optimization. While technological progress and industry changes bring challenges, they also present important opportunities for business expansion and technological innovation. By continuously strengthening R&D capabilities, improving production efficiency, closely monitoring industry dynamics and market information, and adopting prudent financial management strategies, the Company aims to maintain long-term stable development and competitive advantage.

Looking ahead, the Company will continue to monitor relevant technological developments and industry trends, regularly assess their impact on operations, finances, and market competitiveness, and adjust business strategies in a timely manner to ensure sustained growth and strengthen overall financial resilience.

Information Security Risks and Countermeasures:

With the rapid development of information technology and network applications, information security has become a critical risk management issue for corporate operations. The Company has established a comprehensive information security management system and adopted multiple protective measures to mitigate the potential impact of security incidents on operations. The main measures include:

1. Stakeholder Requirement Management
   Identify stakeholders related to the information security management system and regularly review their needs and expectations, including customer requirements for information security.
2. Information Security Education and Social Engineering Drills
   Conduct regular information security training and social engineering exercises to comprehensively enhance employees' awareness and preventive capabilities.
3. Institutionalized Information Security Management Processes
   Establish complete information security management regulations and standard operating procedures to institutionalize and ensure the effective operation of the information security management system.
4. Customer Data Protection Mechanisms
   Implement multi-layered security protection mechanisms to ensure the confidentiality and safety of customer and company data, preventing unauthorized access and leakage.

5. Enhanced Security Defense and Monitoring Mechanisms
   Establish a comprehensive security defense and monitoring framework, fully deploy Endpoint Detection and Response (EDR) systems to improve anomaly detection capabilities; simultaneously strengthen resilience through internal system segmentation, data center Zero Trust architecture, and business continuity drills.
6. Continuous Monitoring of Security Threat Trends
   Continuously collect and analyze the latest information security intelligence and technologies, updating defense and management mechanisms as needed to effectively address emerging threats and reduce operational risks.
   Information Security Management System Audits and Improvements
7. Regularly conduct internal and external audits of the ISO 27001 information security management system, continuously reviewing the effectiveness of management practices, and strengthening overall governance through ongoing improvement mechanisms.

F. The impact of changes in corporate image on crisis management and response measures for

enterprises:
Our company upholds the principles of honesty and professionalism in our operations and places importance on corporate image and risk management, therefore, there have been no significant events that have affected the company's corporate image.

G. The expected benefit , the potential risks, and countermeasures of merger and acquisition:
The company has no plan for mergers and acquisitions, but if there is a plan for mergers and acquisitions in the future, it will be implemented in accordance with the company's "Procedures for Acquisition or Disposal of Assets" and relevant laws and regulations and adopt a cautious and prudent attitude to evaluate whether the merger or acquisition can bring concrete comprehensive benefits to the company, in order to ensure the interests and rights of the company and shareholders.

H. Expected benefits, potential risks, and countermeasures of a plant expansion: None.

I. Risks and countermeasures associated with concentrated purchasing or sales:

1. Risks and countermeasures associated with concentrated purchasing:
   The company maintains business relationships with at least two suppliers for major procurement items to reduce the proportion of purchases from a single supplier. Additionally, the main material suppliers are well-coordinated and have a long-term cooperative relationship with the company, which eliminates the risk of excessive concentration in purchasing. However, as the poor market conditions in the information and communication industry are a common issue, the company needs to prepare in advance to address any potential risks.
2. Risk of Customer concentration and the countermeasures:
   Although the company's two major customers accounted for a high proportion of revenue in the 2025, the company has had a long-standing cooperative relationship with these two customers based on good product quality and technical support. With the customer's demand for new products that import orders, there is a risk of concentration of sales due to the resulting economies of scale.
3. Countermeasures:
   (1) The company not only has the ability to integrate software, hardware, and systems but also has manufacturing capabilities to provide competitive pricing and excellent quality products. The company also provides customization services to meet customers' needs, assist the key customers in developing business with end-users, and maintain long-term cooperation. The company actively responds to customer needs to improve customer satisfaction, increase customer loyalty, and establish good customer relationships.
   (2) Diversification of customers and markets: the company is committed to diversifying customer and markets by these following measures: developing new products and markets,

expanding marketing channels, actively developing multiple customers and markets, reducing dependence on a single customer or market, diversifying risks, and increasing sources of revenue. Therefore, through various business models such as EMS/OEM/ODM and brand promotion, our company actively improves its market competitiveness.

(3) Strengthen market analysis: Conduct in-depth market analysis, grasp market trends, understand changes in customer demand, and adjust marketing strategies in a timely manner.

J. The impact of the massive equity transfer or exchange by the directors, supervisors, or shareholders holding more than 10% shareholding on the company, the risk, and the countermeasures: None.

K. The impact of the changes in the ownership on the Company, the risk and the countermeasures: None.

L. For litigation or non-litigation events, which may have a significant impact on the shareholder's equity or security prices should be illustrated: None.

M. Other significant risks and mitigation measures:

Cybersecurity Risk Management Operations in 2025

Risk	Accountability unit	Risk factors	Prevention	The Operation Situation 2025
The risk of cybersecurity	Sustainability Department	It refers to the possibility of unacceptable risks to the information assets of an enterprise, where the confidentiality, integrity, and availability of information cannot be guaranteed. This includes unauthorized access to information, inability to ensure that the content and processing methods of information are correct and complete, and inability of authorized users to access	The Information Security Unit is responsible for coordinating and executing the company's information security policies, disseminating information security messages, and enhancing employee awareness of information security. They regularly report information security achievements to the Chief Information Security Officer, General Manager , and Chairman, and assess	Establishing an architecture for "active security detection and defense - IDS, IPS, DLP, AC" to reduce the risk of unauthorized use, damage, or leakage of information.

Risk	Accountability unit	Risk factors	Prevention	The Operation Situation 2025
		information and related assets in a timely manner, which may result in potential losses.	the effectiveness of internal controls over information operations to safeguard the confidentiality, integrity, and availability of information.	
		1. Enhance cybersecurity defense capabilities	1. Use access control (AC) to protect the access of sensitive documents and use data loss prevention (DLP) devices to record readers accessing sensitive data. Regularly perform internal network security scans and product security scans to check the effectiveness of antivirus software and firewalls.	1. Continuous internal and external cybersecurity defense is necessary to prevent inside-outside collaboration in cyberattacks, which are currently the most significant cybersecurity threats. "Internal" refers to vulnerabilities within the organization, while "external" refers to the exposed attack surface. Regular manual cybersecurity audits, network packet inspections, and tool scans to check for network vulnerabilities ensure the effectiveness of physical controls and meet the requirements of regulations and stakeholders (such as customers and consumer groups).
		2. Refine information security management procedures	2. Complying with and passing the ISO corporate information security standards, ITRI's DNP energy	2. The company has established a network security technology department to conduct regular security procedures and ensure that relevant operations are

Risk	Accountability unit	Risk factors	Prevention	The Operation Situation 2025
			information security standards, the Ministry of Economic Affairs' network equipment information security certification standards, and the Ministry of Transportation's IoT information security standards, continuously improving through annual review operations.	implemented effectively.
		3 Responses to Security Risks	3. Control information security risks and ensure that the critical core systems of our company maintain a certain level of system availability.	3. Information security risk governance: Adopting the ISO27001 information management system, implementing information security policy management and compliance control, and continuously conducting operational emergency response drills, in compliance with the Financial Supervisory Commission's securities information security law and the Hsinchu Science Park Administration's information security standards for risk improvement.
		4. Employee education and training of cybersecurity	4. Provide information security education and training to promote employees' awareness	4. Qualified trainers with internal cybersecurity certifications in the company will conduct internal information security

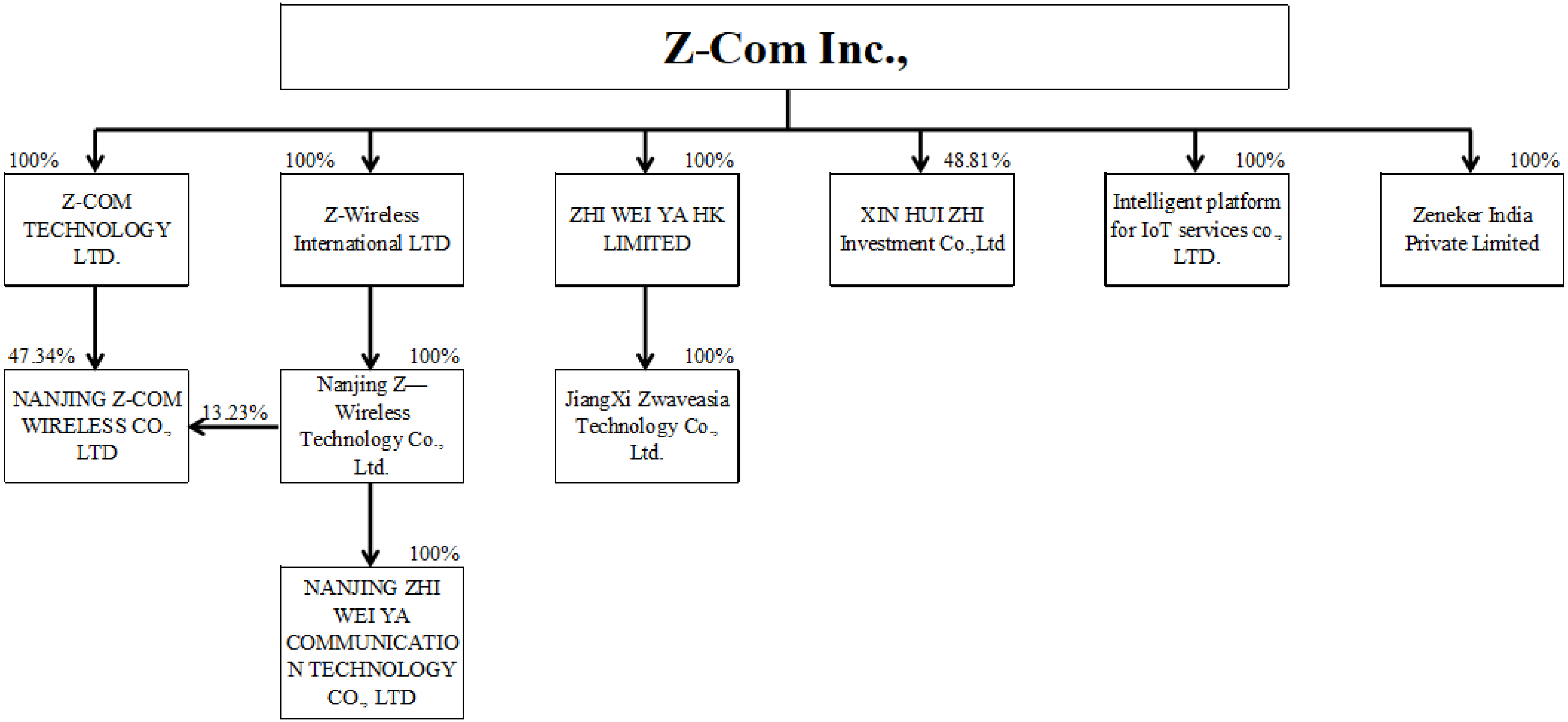
Risk	Accountability unit	Risk factors	Prevention	The Operation Situation 2025
			of information security and enhance their understanding of related responsibilities.	awareness campaigns, provide all-employee cybersecurity education and training, and perform periodic social engineering phishing tests to enhance cybersecurity awareness.

(VII)Other important matters: None.

VI、 Special Disclosure

(I) Affiliated company's information

A. Organization Chart of the affiliated companies:



B. Summary of Affiliated Companies:

Unit：$NT thousand

Name of Subsidiary	Date of Incorporation	Place of Registration	Paid-in capital	Business Activities
Z-COM TECHNOLOGY LTD.	2001.01	P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.	102,413	General Investment
Z-WIRELESS INTERNATIONAL LTD.	2003.12	OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands.	96,316	General Investment
ZHI WEI YA HK LIMITED	2007.10	1501 Capital Centre,151 Gloucester Road, Wan Chai, Hong Kong.	336,342	General trade business
NANJING Z-COM WIRELESS CO., LTD	2000.08	Room 202, Building 13, Jiangsu Software Park, No. 699-22 Xuanwu Avenue, Xuanwu District, Nanjing, Jiangsu Province, China	200,154	Research and development and sales of communication equipment and modems
Nanjing Z—Wireless Technology Co., Ltd.	2004.11	Room 202, Building 13, Jiangsu Software Park, No. 699-22 Xuanwu Avenue, Xuanwu District, Nanjing, Jiangsu Province, China	96,316	Research and development and sales of communication equipment and modems
NANJING ZHI WEI YA COMMUNICATION TECHNOLOGY CO., LTD	2009.07	Room 202, Building 13, Jiangsu Software Park, No. 699-22 Xuanwu Avenue, Xuanwu District, Nanjing, Jiangsu Province, China	21,364	Research and development and sales of communication equipment and modems
JiangXi Zwaveasia Technology Co., Ltd.	2012.09	No. 2 Anshun Road, Automotive Industry Park, Economic and Technological Development Zone, Jiujiang City, Jiangxi Province, China	336,342	R & D, production and sales of communication electronic products
XIN HUI ZHI Investment Co.,Ltd	2015.11	2F., No. 5, Ln. 277, Jiaxing Rd., Zhubei City, Hsinchu County, Taiwan	59,000	General Investment
Intelligent platform for IoT services co., LTD. (Note1)	2021.04	2F., No. 5, Ln. 277, Jiaxing Rd., Zhubei City, Hsinchu County, Taiwan	10,000	Sales of communication electronic products
ZENEKER INDIA PRIVATE LTD. (Note1)	2021.06	16A/20 W.E.A. Ajmal Khan Road, Karol Bagh, New Delhi – 110005, India	9,536	Sales of communication electronic products

Note 1: It is a subsidiary newly established and invested by the Group in 2021. It is still in the stage of preparation and has no major operating activities.

C. Shareholders in Common of Z-COM and Its Subsidiaries with Deemed Control and

Subordination: None.

D. Each affiliated company's director, supervisor, and General Manager:

2025.12.31 Unit: share

Company name	title	Name or representative	shareholding	
			shares	percentage
Z-COM TECHNOLOGY LTD.	Director	Representative of Z-COM, Inc.: John S. Shieh	9,830,000	100%
Z-WIRELESS INTERNATIONAL LTD.	Director	Representative of Z-COM, Inc.: John S. Shieh	30,000	100%
ZHI WEI YA HK LIMITED	Director	Representative of Z-COM, Inc.: John S. Shieh	11,000,000	100%
NANJING Z-COM WIRELESS CO., LTD	Director	Z-COM TECHNOLOGY,LTD Representative: WU CHIA-FANG	25,439,376	60.57%
Nanjing Z—Wireless Technology Co., Ltd.	Director	Z-WIRELESS INTERNATIONAL LIMITED. Representative: YEH,FU-CHI	not applicable	100%
NANJING ZHI WEI YA COMMUNICATION TECHNOLOGY CO., LTD	Director	NANJING ZHI WEI YA COMMUNICATION TECHNOLOGY CO., LTD Representative: YEH,FU-CHI	not applicable	100%
JiangXi Zwaveasia Technology Co., Ltd.	Director	ZHI WEI YA HK LIMITED Representative: HU TA YU	not applicable	100%
XIN HUI ZHI Investment Co., Ltd	Director	Representative of Z-COM, Inc.: John S. Shieh	not applicable	48.81%
Intelligent platform for IoT services co., LTD.	Director	WU CHIA-FANG	1,000,000	100%
ZENEKER INDIA PRIVATE LTD.	Shareholder	Representative of Z-COM, Inc.: John S. Shieh	not applicable	100%

E. Operational Highlights of Z-COM Subsidiaries:

2025.12.31 Unit: NT$ thousands

Company	Capital Stock	Assets	Liabilities	net value per share	Income (Loss) from Operation	Operation profits	Net Income (Loss)	EPS (Loss) (After tax)
Z-COM TECHNOLOGY LTD.	102,413	14,756	-	1.44	-	(259)	992	0.10
Z-WIRELESS INTERNATIONAL LTD.	96,316	17,942	-	1.86	-	-	(1,029)	(0.11)
ZHI WEI YA HK LIMITED	336,342	349,313	-	10.39	-	-	8,939	0.27
NANJING Z-COM WIRELESS CO., LTD	200,154	30,836	122	1.71	-	(2,018)	2,634	0.15
Nanjing Z—Wireless Technology Co., Ltd.	96,316	18,789	847	not applicable	260	(1,382)	(1,029)	not applicable
NANJING ZHI WEI YA COMMUNICATION TECHNOLOGY CO., LTD	21,364	1	-	not applicable	-	-	-	not applicable
JiangXi Zwaveasia Technology Co., Ltd.	336,342	397,622	44,229	not applicable	256,806	2,369	888	not applicable
XIN HUI ZHI Investment Co., Ltd.	59,000	59,116	124	not applicable	-	(855)	(998)	not applicable
Intelligent platform for IoT services co., LTD.	10,000	9,222	2,742	9.69	78	(3,242)	(3,208)	(3.21)
ZENEKER INDIA PRIVATE LTD.	9,536	5,314	134	not applicable	2,028	(1,882)	(1,970)	not applicable

F. The consolidated financial statements for the fiscal year 2025 have been uploaded to the Market Observation Post System in accordance with regulations. The indexed URL is as follows: https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=8176&year=114&seamon=&mtype=A&

G. Related party transactions and disclosures: Not applicable

(II) Private Placement Securities in the most recent years and as of the Date of this Annual Report：None.

(III) Other necessary supplementary notes: None.

(IV) The occurrence of any events as stated in Section 3 Paragraph 2 in Article 36 of the Securities Exchange Act that had significant impact on shareholder's equity or securities prices in the most recent year and up to the publication of the annual report: None.

Z-COM, Inc.

Chairman: Fan En Technology. Co., Ltd.

Legal Representative: John S. Shieh