NEXCOM Group

股票代碼 8234



NEXCOM International Co., Ltd.

2025 Annual Report

Annual report website: http://mops.twse.com.tw
Company website: http://www.nexcom.tw

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www.nexcom.com

I. The Company's spokesperson, acting spokesperson, their title, contract number, and email

Spokesperson

Name: Chen Yuan-Pin

Title: CFO

Tel: (02) 8226 7786

Email: nexcom_ir@nexcom.com.tw

Acting spokesperson:

Name: Yang Yu-Shu

Title: Head of Division

Tel: (02) 8226 7786

Email: nexcom_ir@nexcom.com.tw

II. Address and contact number of the headquarter, branches, and factory sites

Headquarter: 9F., No. 920, Zhongzheng Rd., Zhonghe Dist., New Taipei City 235

Tel:(02)8226-7786 Fax:(02)8226-7782

Factory sites: 2F., No. 50, Huaya 3rd Rd., Guishan Dist., Taoyuan City 333

Tel:(03)327-7766 Fax:(03)327-7755

No. 215, Wenhua 2nd Rd., Guishan Dist., Taoyuan City 333

Tel:(03)327-7766 Fax:(03)327-7755

Branches: None

III. Name, address, website, and contact number of the stock transfer agency

Name: Taishin Securities Co., Ltd.

Address: B1, No. 96, Section 1, Jianguo North Road, Zhongshan District, Taipei City

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

Tel: (02) 2504 8125

IV. Attesting CPAs of the annual financial statements for the most recent year, CPA firm, address, website, and contact number

Name of CPA: CPA Wu Jen-Chieh and CPA Wang Sung-Tse

CPA firm: PwC Taiwan

Address: 27F., No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City 110

Website: http://www.pwc.tw/

Tel: (02) 2729 6666

V. The name of the exchanges where the Company's marketable securities are listed offshore, and the method by which the information on the offshore securities may be accessed: N/A.

VI. The Company's website: http://www.nexcom.com.tw/

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One. Letter to Shareholders

I. Business performance for 2025

In 2025, the Company's consolidated revenue stood at NT$5.70215 billion, an increase of 5.19% from NT$5.42107 billion in 2024; 2025 net profits after tax at NT$54.59 million and basic earnings per share at NT$0.39, a decrease of 36% from NT$84.89 million in 2024 and a decrease of 35% from NT$0.60, respectively.

2025 was a turbulent year. Continuing the recovery trend seen in the second half of 2024, the Group achieved significant growth in the first half of 2025, partly attributable to a surge in customer demand ahead of anticipated tariff increases. However, in the second half of the year, uncertainty surrounding tariff negotiations led to a more cautious approach toward capital investment, while soaring DRAM prices also caused customers to adopt a conservative stance in placing orders, resulting in a downturn during the latter half of the year. Full-year revenue growth was limited to only 5%.

With global tariff negotiations now largely settled and customers gradually accepting the reality of rising component prices, a gradual recovery is expected to begin in the second quarter of this year. However, NEXCOM Group's has transformed the business to Industry 4.0 related solutions, helping it establish a leading position in the industry, especially in terms of "AIoT digital transformation" and "ESG net zero transformation," the so-called "dual-axis transformation." NEXCOM Group owns the overall programs leading throughout the nation, coupled with the government's incentive policies. Therefore, this year, it is expected to make more obvious growth. The subsidiary NexCOBOT holds a leading position in the supply of complete key module solutions for AI robots, while the subsidiary Greenbase specializes in network cameras and is also expected to be listed on the Emerging Stock Market in the first half of the year. A promising year lies ahead.

1. Financial income and expenses, and profitability

Unit: NT$ thousand

Item		2024	2025
Financial income and expenses	Net sales revenue	5,421,065	5,702,153
	Net profit before tax	(54,448)	40,512
Profitability	Return on Assets (%)	1.24	1.15
	Return on Shareholders' Equity (%)	1.46	1.40

	Ratio of operating profit to paid-in capital (%)	(10.28)	3.15
	Net profit before tax to paid-in capital (%)	(3.86)	2.87
	Net profit margin (%)	0.88	0.78
	Basic earnings per share	0.60	0.39

2. Research and development status

Unit: NT$ thousand

Item	2024	2025
Research and development expenses	586,366	572,712
Ratio of research and development expense to net sales revenue (%)	10.82	10.04

3. Technologies and products successfully developed in 2025 are as follows:

(1) Next-generation AI intelligent cybersecurity application platform.

(2) Post-quantum encryption hardware-accelerated cybersecurity application platform.

(3) Integrated cybersecurity and smart meter gateway.

(4) Development of RMS (Remote Management Software) enabling customers to perform remote management and updates.

(5) Benchmarking industrial IoT and industrial computer management software, NexVIC Edge was developed to implement a software-driven hardware sales strategy.

(6) Independently developed hospital-grade smart medicine cabinet systems, successfully adopted by major hospitals in Taiwan for medication dispensing systems, with further expansion into chain pharmacies and clinics.

(7) Successful development of the nDAS6000 SMART I/O system, featuring not only automation control functions but also IoT-based Web UI and Dashboard functions, receiving strong customer support and successfully entering international markets.

(8) Integrated Industry 4.0, SAF and Edge AI into the iAT3000 whole-plant monitoring system, featuring high integration of physical AI and cybersecurity as well as strong cost-performance advantages. The system can be easily integrated with controllers from leading automation vendors and has a competitive edge in the market.

(9) Independently developed the AI Assistant Enterprise Cloud War Room, which uses NexDATA to integrate OT and IT application modules, covering 12 functions across 10

major categories, and combines with the iAT3000 system to market whole-plant AI industrial IoT solutions.

(10) Strengthened the Edge AI product line by launching the new AIGE1000, AIGE100, and AIGE200 products, realizing new integrated AI-and-controller functionalities.

(11) As one of the few companies in the industry capable of providing Industry 4.0 and smart manufacturing consulting services together with project implementation and deployment, the Company has also formed strategic alliances with several well-known system integrators to deliver one-stop solutions for ESG product manufacturing traceability and carbon footprint traceability, thereby establishing a co-creation team.

(12) Integration of NVIDIA Isaac Sim, ROS, and cuMotion robotic technologies

(13) Implementation of Linux NIC and ECM (Ethernet Control Model) technologies

(14) Development of RZ-T2M Safety OS applications compliant with SIL3 (IEC 61508/ISO 13849) standards

(15) FSoE technology and functional safety (FuSa) cross-check mechanism

(16) Technologies related to ISO 10218 robot safety standards.

(17) Optimization of collision detection algorithms for collaborative robots

(18) Robot system dynamics parameter identification technology

(19) Development of EtherCAT multi-master system technology.

Development of the eSAF Frontier V200 (OpenWRT version), featuring intrusion detection and prevention, malicious IP blocking, geo-blocking, asset management, network visualization, and real-time network monitoring to protect critical assets.

(20) Development of the eSAF Guardian AI Robot Protection System

(21) The subsidiary TMRTEK assisted the Group in implementing IEC 62443-4-1 certification in response to the EU Cyber Resilience Act (CRA) requirements.

II. Overview of 2026 Operational Planning

NEXCOM has successfully transformed into an Industry 4.0 total solution provider and an innovative entrepreneurial group focused on the “dual transformation” of “AIoT digital transformation” and “ESG net-zero transformation”! All business units, whether hardware platforms or solutions, can become important growth engines under the strategy of division and integration, professional focus, and comprehensive AI implementation. While continuing to grow its hardware

product portfolio, NEXCOM has become one of the leaders in the industry for its ventures in robots, smart manufacturing, manufacturing cyber security, smart health care, and in all respects concerning industry 4.0 and AIoT solutions, including green manufacturing. NEXCOM has comprehensively integrated AI into its solutions and has already developed complete solutions for building next-generation AI enterprises.

The business focus for 2026 will be the following:

1. NEXCOME will respond to the government's incentive policy to actively engage in the business of whole smart plant output and green manufacturing. It will also act in phase to develop ecological systems among different industries, play the national team, and actively participate in associations to advance its discourse right.
2. NEXCOM continues to market its hardware and software products through comprehensive AI smart factory total solutions. Meanwhile, NEXCOME will continue its "cross-industry alliance and whole plant export" strategy in Taiwan, and tap deeply into the US, China, and emerging countries in the Southeast Asia and scale up, so as to seize the growing opportunities.
3. NEXCOM will continue to enhance the relationship with its solution partners and important strategic alliance partners (e.g., ERP companies, CNC companies, robot companies and ESG carbon footprint verification companies) in scale and in depth by means of product collaborations and joint marketing, and thus form a long-term partnership for further growth, which on the other hand adds value to NEXCOM's products.
4. Capitalizing on NEXCOM's leading software and hardware products and technologies in connection with smart manufacturing and smart machinery, with full AI implementation, AI killer products and Ai's strong momentum, NEXCOM, on the subsidiary AIoT Cloud's website, offers free downloads, experience, and developments to schools, enterprises, and startup companies, and sells open-standard-based modules and all related software and hardware packages of robots, smart manufacturing, industrial IoT, enterprise situation rooms, and solutions to assist Taiwan and the world in the development of talents and entrepreneurs for Industry 4.0 and AIoT digital transformation. Thereby, it expands the outlets for IPC hardware by providing solutions and subsequently spreads over the network ecosystem.

Compared with 2025, NEXCOM will make progress in terms of its long-established products, organization, global deployment, and management team, and so its market competitiveness will be

even greater. So will be its customer base in terms of number and scale. Aided by new products, new markets, and supports from strategic partners, NEXCOM will boost its reach to brand new areas and construct much more powerful growth engines. The new year will bring new harvest to NEXCOM.

NEXCOM's operating performance in 2025 grew by only 5% due to the downturn in the second half of the year. It might gradually recover starting from the second quarter of 2026. Notwithstanding, the market related to AI smart manufacturing, "AIoT digital transformation" and "ESG net zero transformation," the so-called "dual-axis transformation," is heating up, thanks to support from AI, particularly in AI robotics and edge AI applications, which possess tremendous potential. Besides, there were also new smart factories established in consideration of the supply chain resilience. NEXCOM's investment in multiple new business lines is about to make contribution to operating revenue. With the support of new products, key customers, and new projects, there are rigid demand and leading products. The sales performance is still promising in 2026, despite positive and negative factors still co-existing. This is no doubt the result of the efforts of all staff and the support of all shareholders. This year, under the guidance and supervision of the Board of Directors, NEXCOM expects to deliver more good news.

We wish you good health, and may all your wishes come true.

Chairperson: Lin Mao-Chang President: Yang Chien-Hsing Head of Accounting: Chen Yuan-Pin

Two. Corporate Governance Report

I. Information on directors, supervisors, president, vice president, associate vice president, and officer of each department and branch

(I) Directors and supervisors:

1. Background information of directors and supervisors:

March 31, 2026

Title	Nationality or place of registration	Name	Gender and age	Date elected (appointed)	Term of office	Date first elected	Shareholding at the time of election		Current shareholding		Shareholding of spouse and minor children now		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in the Company and other companies now	Spouse or relatives within second degree of kinship who are officers, directors or supervisors			Remarks
							Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Chairperson	R.O.C.	Lin Mao-Chang	Male 71-80	June 19, 2024	3 years	April 10, 2000	5,457,657	3.86	13,611,271	9.63	0	0	0	0	Master's Degree, Department of Management Science, National Chiao Tung University Bachelor's Degree, Department of Electrical Engineering, National Taiwan University Associate Vice President, Business Department of Mitac International Corporation	(Note 3)	None	None	None	None
Director	R.O.C.	Lin Jeng-Tay	Male 71-80	June19, 2024	3 years	April 10, 2000	808,656	0.57	808,656	0.57	0	0	0	0	Bachelor's Degree, Department of Electrical Engineering, National Taiwan University Chairperson, Advantech Co., Ltd.	(Note 3)	None	None	None	None

Title	Nationality or place of registration	Name	Gender and age	Date elected (appointed)	Term of office	Date first elected	Shareholding at the time of election		Current shareholding		Shareholding of spouse and minor children now		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in the Company and other companies now	Spouse or relatives within second degree of kinship who are officers, directors or supervisors			Remarks
							Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Director	R.O.C.	Tu Shu-Ling (Note 1)	Female 61-70	June19, 2024	3 years	June 19, 2024	6,968,755	4.93	0	0	0	0	0	0	Master of Finance, National Taiwan University Bachelor's Degree in International Trade, Department of Commerce, National Taiwan University Darfon Electronics Corp / Chief Financial Officer	(Note 2)	None	None	None	None
Independent Director	R.O.C.	Wang Yun-Yuao	Male 71-80	June19, 2024	3 years	June 30, 2005	0	0	0	0	0	0	0	0	Bachelor's Degree, Department of Electrical Engineering, National Taiwan University Tenx Technology, Inc. - Chairperson and President	None	None	None	None	None
Independent Director	R.O.C.	Chen Ching-Yin	Male 71-80	June19, 2024	3 years	June 30, 2005	0	0	0	0	99,064	0.07	0	0	Bachelor's Degree, Department of Economics, Soochow University Suzhou Yifu Financial Leasing Co., Ltd. - President	None	None	None	None	None
Independent Director	R.O.C.	Chen Li-Chun	Female 61-70	June19, 2024	3 years	June 19, 2024	0	0	0	0	0	0	0	0	Bachelor, Department of Commerce, National Taiwan University IBM Taiwan Corporation/Finance and Planning Department - Vice President	None	None	None	None	None

Title	Nationality or place of registration	Name	Gender and age	Date elected (appointed)	Term of office	Date first elected	Shareholding at the time of election		Current shareholding		Shareholding of spouse and minor children now		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in the Company and other companies now	Spouse or relatives within second degree of kinship who are officers, directors or supervisors			Remarks
							Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Independent Director	R.O.C.	Lin, Ling-Fang	Female 61-70	June19, 2024	3 years	June 19, 2024	0	0	0	0	0	0	0	0	Master's Degree, Department of Accounting, National Taiwan University Bachelor's Degree, Department of Accounting, Soochow University Kornerstone Materials Technology Co., Ltd. - Vice President and Chief Financial Officer Asia Pacific Telecom Co., Ltd. - Chief Financial Officer General Electric Company - Controller	None	None	None	None	None

Note 1: On November 14, 2025, Director Tu Shu-Ling was dismissed from the position of director due to career planning.

Note 2: On March 31, 2026, the Assistant Vice President was relieved of duties due to retirement.

Note 3: Information on directors and supervisors–current positions concurrently held in the Company and other companies.

Title	Name	Concurrent positions in the Company and other companies now
Chairperson	Lin Mao-Chang	Chairperson of the Company Green Base Technology Corp. - Chairman NexAIOT Co., Ltd. /Chairman and CEO All IoT Cloud Corp. /Chairman TMR Technologies Co., Ltd. /Chairman EMBUX Technology Co., Ltd. /Chairman DIVIOTEC INC./ Chairman NexCOBOT Taiwan CO.,Ltd. - Chairperson NEXCOM Surveillance Technology Corp. - Executive Director NEXCOM United System Service Corp. - Executive Director Shanghai ShenHan Information Technology Co., Ltd. - Executive Director Nex Computers, Inc. - Director NEXCOBOT Inc. - Director NEXCOM Japan Co., Ltd. - Director NEXCOM International Co., Ltd.(SAMOA) - Director
Director	Lin Jeng-Tay	Tai Wang Investment Co., Ltd. - Chairperson eTouch medical Inc. - Chairperson

2. Major shareholders of corporate shareholders: None.

3. Major shareholders of corporate shareholders of corporate shareholders: Not applicable.

4. Disclosure of information on professional qualifications of directors and independence of independent directors:

Name \ Criteria	Professional qualification and experience	Independence state	Number of independent directors concurrently serving in other public offering companies
Chairperson Lin Mao-Chang	With work experience required for the Company's operations, including business management and decision-making, industry knowledge, technological innovation, and sustainable development. Chairperson of the Company Green Base Technology Corp. - Chairman NexAIOT Co., Ltd. /Chairman and CEO All IoT Cloud Corp. /Chairman TMR Technologies Co., Ltd. /Chairman EMBUX Technology Co., Ltd. /Chairman DIVIOTEC INC./ Chairman NexCOBOT Taiwan CO.,Ltd. - Chairperson NEXCOM Surveillance Technology Corp. - Executive Director NEXCOM United System Service Corp. - Executive Director Shanghai ShenHan Information Technology Co., Ltd. - Executive Director Nex Computers, Inc. - Director NEXCOBOT Inc. - Director NEXCOM Japan Co., Ltd. - Director NEXCOM International Co., Ltd.(SAMOA) - Director Not exhibiting any of the circumstances specified under Article 30 of the Company Act.	Not applicable	None

Criteria / Name	Professional qualification and experience	Independence state	Number of independent directors concurrently serving in other public offering companies
Director Lin Jeng-Tay	With work experience required for the Company's operations, including business management and decision-making and technological innovation. Tai Wang Investment Co., Ltd. - Chairman eTouch medical Inc. - Chairperson Not exhibiting any of the circumstances specified under Article 30 of the Company Act.	Not applicable	None
Director Tu Shu-Ling	With work experience required for the Company's operations, including industry knowledge and financial accounting. NEXCOM International Co., Ltd. / Chief Financial Officer DARFON ELECTRONICS CORP / Chief Financial Officer Not exhibiting any of the circumstances specified under Article 30 of the Company Act.	Not applicable	None
Independent Director Wang Yun-Yuao	With work experience required for the Company's operations, including business management and decision-making, technological innovation, and sustainable development. Previous positions held: TENX TECHNOLOGY, INC. - Chairperson and President Not exhibiting any of the circumstances specified under Article 30 of the Company Act.	1. The independent director, their spouse, or relatives within the second degree of kinship are not serving as a director, supervisor or employee of the Company or its affiliates. 2. The independent director, their spouses or relatives within the second degree of kinship (or in the name of others) are not holding any company shares. 3. The independent director is not serving as a director, supervisor or an employee of a company with which the Company has a specific relationship.	None

Name \ Criteria	Professional qualification and experience	Independence state	Number of independent directors concurrently serving in other public offering companies
		4. The independent director did not receive compensation for providing commercial, legal, financial, accounting, or related services to the Company or any affiliate of the Company within the past two years.	
Independent Director Chen Ching-Yin	With work experience required for the Company's operations, including business management and decision-making, technological innovation, and sustainable development. Previous positions held: Suzhou Yifu Financial Leasing Co., Ltd. - President Kanghe Leasing Co., Ltd. / Vice President Not exhibiting any of the circumstances specified under Article 30 of the Company Act.	1. The independent director, their spouse, or relatives within the second degree of kinship are not serving as a director, supervisor or employee of the Company or its affiliates. 2. The independent director, their spouse or relatives within the second degree of kinship (or in the name of others) ：the spouse holds 99,064 shares, representing a shareholding ratio of merely 0.07%. 3. The independent director is not serving as a director, supervisor or an employee of a company with which the Company has a specific relationship. 4. The independent director did not receive compensation for providing commercial, legal, financial, accounting, or related services to the Company or any affiliate of the Company within the past two years.	None
Independent Director Chen Li-Chun	With work experience required for the Company's operations, including financial accounting and sustainable development. Previous positions held: IBM Taiwan Corporation/Finance and Planning Department - Vice President Not exhibiting any of the circumstances specified under Article 30 of the Company Act.	1. The independent director, their spouse, or relatives within the second degree of kinship are not serving as a director, supervisor or employee of the Company or its affiliates. 2. The independent director, their spouses or relatives within the second degree of kinship (or in the name of others) are not holding any company shares. 3. The independent director is not serving as a director, supervisor or an employee of a company with which the Company has a specific relationship. 4. The independent director did not receive compensation for providing commercial, legal, financial, accounting, or related services to the Company or any affiliate of the Company within the past two years.	None

Name \ Criteria	Professional qualification and experience	Independence state	Number of independent directors concurrently serving in other public offering companies
Independent Director Lin Ling-Fang	With work experience required for the Company's operations, including financial accounting and sustainable development. Kornerstone Materials Technology Co., Ltd. - Vice President and Chief Financial Officer Asia Pacific Telecom Co., Ltd. / Chief Financial Officer General Electric Company - Controller Not exhibiting any of the circumstances specified under Article 30 of the Company Act.	1. The independent director, their spouse, or relatives within the second degree of kinship are not serving as a director, supervisor or employee of the Company or its affiliates. 2. The independent director, their spouses or relatives within the second degree of kinship (or in the name of others) are not holding any company shares. 3. The independent director is not serving as a director, supervisor or an employee of a company with which the Company has a specific relationship. 4. The independent director did not receive compensation for providing commercial, legal, financial, accounting, or related services to the Company or any affiliate of the Company within the past two years.	None

5. Professionalism, independence, and diversity of Board of Directors members:

The Company's board diversity policy:

1. Gender diversity: Members of any single gender shall account for no less than one-third of the total number of seats.
2. Diversity of expertise: The Board shall include talents from different professional fields, including but not limited to business management and decision-making, industry knowledge, financial accounting, technological innovation, and sustainable development expertise or experience.

The current Board of Directors of the Company consists of seven directors (including three directors and four independent directors). The current composition includes four male directors and three female directors. Details of the diversity of each member are set out in the table below, and the Board has achieved the diversity objectives established by the Company.

Implementation of diversity among Directors:

Title	Name	Gender	Age	Term of office	Current term	Board diversity background and core competencies (checked)				
						Business decision-making	Knowledge of the industry.	Finance and accounting	Technological innovation	Sustainable development
Director	Lin Mao-Chang	Male	71-80	3 years	Jun. 2024–Jun. 2027	V	V		V	V
Director	Lin Jeng-Tay	Male	71-80	3 years	Jun. 2024–Jun. 2027	V			V	
Director	Tu Shu-Ling (Note 1)	Female	61-70	3 years	Jun. 2024–Jun. 2027		V	V		
Independent Director	Wang Yun-Yuao	Male	71-80	3 years	Jun. 2024–Jun. 2027	V		V	V	
Independent Director	Chen Ching-Yin	Male	71-80	3 years	Jun. 2024–Jun. 2027	V		V	V	
Independent Director	Chen Li-Chun	Female	61-70	3 years	Jun. 2024–Jun. 2027			V		V
Independent Director	Lin Ling-Fang	Female	61-70	3 years	Jun. 2024–Jun. 2027			V		V

Note 1: Director Tu Shu-Ling was dismissed from the position of director on November 14, 2025 due to career planning.

(II) Background information on the President, vice presidents, associate vice presidents, and officers of various departments and branches

March 31, 2026

Title	Nationality	Name	Gender	Date elected (appointed)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
President	R.O.C.	Yang Chien-Hsing	Male	July 18, 2006	216,710	0.15	609,258	0.43	0	0	National Taiwan University - Graduate Institute of Chemical Engineering Advantech Co., Ltd. - Sales Manager	Green Base Technology Corp. - Director Nexcom Europe Ltd. - Director Nex Computers, Inc. - Director Nexcom Japan Co., Ltd. - Director	None	None	None	None
Vice President	R.O.C.	Lin Hung-Chou	Male	January 24, 2006	75,098	0.05	164,458	0.12	0	0	New York Institute of Technology - Graduate Institute of Computer Science Honeywell Taiwan - Sales Manager	NexAIOT Co., Ltd. - Director and President All IoT Cloud Corp.. - Director EMBUX Technology Co., Ltd. - Director TMR Technologies Co.,Ltd. – Director	None	None	None	None

Title	Nationality	Name	Gender	Date elected (appointed)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
												NexCOBOT Taiwan CO.,Ltd. - Director Guang Zhou NexCOBOT China Co.,Ltd.. - Director NEXGOL Co., Ltd.. - Director Chongqing Nexray Technology Co., Ltd.. - Chairperson (Legal Representative) NexCOBOT Inc. - Director				
Vice President	R.O.C.	Liu Chun-Chun	Male	August 1, 2011	144	0.00	13,989	0.01	0	0	National Taiwan University of Science and Technology - Department of Electrical Engineering NEXCOM MCS Technology Development Department - Assistant Vice President	None	None	None	None	None
Vice President	R.O.C.	Huang Tsung-Hsi	Male	August 5, 2013	0	0	0	0	0	0	EMBA Program of Industrial and Technology Management, National Taipei University of Technology Assistant Vice President of Ibase Technology Inc.	None	None	None	None	None
Vice President	R.O.C.	Shen Chien-I	Female	February 1, 2014	2,738	0.00	0	0	0	0	Universite Paul Valery - Graduate Institute of Language Education	NexAIOT Co., Ltd. -Director	None	None	None	None

Title	Nationality	Name	Gender	Date elected (appointed)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
											NEXCOM ICS Business Division - Division Head	NexCOBOT Taiwan CO.,Ltd. - Director and President				
Vice President	R.O.C.	Li Chun-I	Male	October 28, 2014	0	0	0	0	0	0	Syracuse University, USA-Graduate Institute of Electrical Engineering Senior Manager of Cybertan Technology Inc.	None	None	None	None	None
Vice President	R.O.C.	Chiu Chun-Ming	Male	February 1, 2015	24,000	0.02	3,000	0	0	0	National Taiwan University of Science and Technology-Department of Electrical Engineering Assistant vice president, Business Department No. 1, NEXCOM NCS-ODM	None	None	None	None	None
Vice President	R.O.C.	Yeh Shu-Chen	Female	August 1, 2015	0	0	0	0	0	0	National Taipei Institute of Technology (3-year college) - Department of Electrical Engineering Deputy Manager of GVC, INC. Engineering Department	None	None	None	None	None
Vice President	R.O.C.	Chen Po-Hsu	Male	September 1, 2021	0	0	0	0	0	0	National Sun Yat-sen University - Department of Applied Mathematics Wistron Corporation - Senior Manager	All IoT Cloud Corp. - Director	None	None	None	None
Associate vice president	R.O.C.	Tu Shu-Ling (Note 1)	Female	July 22, 2009	0	0	0	0	0	0	Graduate Institute of Finance, National Taiwan University Darfon Electronics Corp / Chief Financial Officer	None	None	None	None	None

Title	Nationality	Name	Gender	Date elected (appointed)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Assistant Vice President (CFO)	R.O.C.	Chen Yuan-Pin	Male	October 30, 2017	0	0	0	0	0	0	National Cheng Kung University-Graduate Institute of Accounting Manager of Gamania Digital Entertainment Manager of GIGABYTE Technology	Nexcom Shanghai Co., Ltd. - Supervisor NEXCOM United System Service Corp. - Supervisor NEXCOM Surveillance Technology Corp. - Supervisor Nexcom Japan Co., Ltd. - Supervisor	None	None	None	None
Associate vice president	R.O.C.	Chen Chia-Li	Female	May 1, 2018	17,890	0.01	0	0	0	0	Experienced MBA, University of Southampton ViewSonic Corporation	None	None	None	None	None
Associate vice president	R.O.C.	Tsai Chun-Yang	Male	February 1, 2019	0	0	0	0	0	0	Fu Jen Catholic University-Graduate institute of Electronic Engineering ASUSTEK - Hardware R&D Engineer	None	None	None	None	None
Associate vice president	R.O.C.	Chang Feng-Jung	Male	February 1, 2019	0	0	0	0	0	0	Lawrence Technological University /Master of Business Administration Manager of Kontron Asia Technology Inc. Senior Manager of Quanta Computer lnc.	None	None	None	None	None

Title	Nationality	Name	Gender	Date elected (appointed)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Associate vice president	R.O.C.	Ting Wen-Ching	Male	May 7, 2019	0	0	0	0	0	0	Chien Hsin University of Science and Technology NexAIOT Co., Ltd. - President President of NEXCOM (China) Co., Ltd. Associate Vice President of Advantech Co., Ltd.	Director and President, EMBUX Technology Co., Ltd	None	None	None	None
Associate vice president	R.O.C.	Lin Chih-Ta	Male	February 1, 2021	0	0	0	0	0	0	National Taiwan University of Science and Technology - Department of Engineering Management Advantech Co., Ltd. - Deputy Manager of Engineering Department	None	None	None	None	None
Associate vice president	R.O.C.	Liu Ying-Tsun (Note 2)	Male	June 1, 2022	0	0	0	0	0	0	National Taiwan University - Master's Program in Medical Engineering Flextronics International Led. - Engineering Manager of the Server Business Group	None	None	None	None	None
Associate vice president	R.O.C.	Lai Hui-Ying	Female	June 1, 2022	0	0	0	0	0	0	National Taiwan University of Science and Technology - Department of Information Engineering NEXCOM International Co., Ltd. - Division Head Thecus Technology Corp. - Deputy Manager	None	None	None	None	None

Title	Nationality	Name	Gender	Date elected (appointed)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Associate vice president	R.O.C.	Tsai Chung-Yi	Male	March 1, 2023	118	0	0	0	0	0	Da-Yeh University - Department of Electrical Engineering Advantech Co., Ltd. - Senior Engineer	None	None	None	None	None
Associate vice president	R.O.C.	Lai Ming-Hsiang	Male	March 1, 2023	0	0	0	0	0	0	National Cheng Kung University - Institute of Manufacturing Information and Systems Advantech Co., Ltd. - Senior Engineer	None	None	None	None	None
Associate vice president	R.O.C.	Lo Shih-Yun	Male	May 10, 2023	0	0	0	0	0	0	Huafan University - Graduate Institute of Mechatronic Engineering Software Development Division, MOXA INC. - Manager	None	None	None	None	None
Associate vice president	R.O.C.	Huang Yuan-Hsin	Male	March 1, 2024	0	0	0	0	0	0	St. John’s University- Department of Electronic Engineering CyberTAN Technology Inc. - Manager QUANTA MICROSYSTEMS, INC. - Manager	None	None	None	None	None
Associate vice president	R.O.C.	Chiu Chen-Yi	Male	June 1, 2024	0	0	0	0	0	0	Department of Electrical Engineering, National Taipei Institute of Technology Hygeai InformatiX.Ine. - Director of Board	None	None	None	None	None

Title	Nationality	Name	Gender	Date elected (appointed)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Associate vice president	R.O.C.	Wu I-Ching	Female	March 1, 2025	0	0	0	0	0	0	Graduate Institute of Information Management, National Chengchi University GIGABYTE Technology - Sales Manager	None	None	None	None	None
Associate vice president	R.O.C.	Cheng Chin-Yuan (Note 3)	Male	June 1, 2025	0	0	0	0	0	0	Master of Business Administration for Senior Executives, Cultural and Creative Industries Group, National Cheng Chi University Software R&D Division, Thecus Tech. Corp. - Associate Vice President 4IPNET, INC. - Software R&D Manager	None	None	None	None	None
Associate vice president	R.O.C.	Lan Ya-Chuan (Note 4)	Female	April 1, 2026	0	0	0	0	0	0	MBA, Golden Gate University, San Francisco Master of Arts in Humanities, San Francisco State University Server Business Division, Micro-Star International Co., Ltd. - Assistant Manager	Person in charge, Tai-E Advanced Technology Co., Ltd. Person in charge, Win-Chen Industrial Corp.	None	None	None	None
Associate vice president	R.O.C.	Fan Jen-He (Note 4)	Male	April 1, 2026	0	0	0	0	0	0	Bachelor's Degree, Department of Electrical Engineering, National United University NEXCOM International Co., Ltd. - Division Head	None	None	None	None	None

Title	Nationality	Name	Gender	Date elected (appointed)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Main career (academic) achievements	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Associate vice president	R.O.C.	You Chun-Fu (Note 4)	Male	April 1, 2026	0	0	0	0	0	0	Bachelor's Degree, Department of Electrical Engineering, Lunghwa University of Science and Technology Micro-Star International Co., Ltd. - Senior Engineer	None	None	None	None	None

Note 1: Relieved of duties (retirement) on March 31, 2026.

Note 2: Relieved of duties (resignation) on May 16, 2025.

Note 3: Newly appointed on June 1, 2025.

Note 4: Newly appointed on April 1, 2026.

II. Remuneration paid to directors, supervisors, president, and vice president in the most recent year

1. Remuneration to regular and independent directors

Unit: NT$ thousand

Title	Name	Remuneration to directors								Sum of A, B, C, and D as a percentage of the net profits after tax (%)		Remuneration to directors for concurrently serving as an employee								Sum of A, B, C, D, E, F, and G as a percentage of the net profits after tax (%)		Remuneration from investee enterprises other than subsidiaries or parent company
		Compensation (A)		Severance and pension (B)		Director compensation (C)		Business execution expenses (D)				Salary, bonus, and special allowance (E)		Severance and pension (F)		Employee compensation (G)						
																The Company		All companies in the financial statements				
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	Amount of cash dividend	Amount of share dividend	Amount of cash dividend	Amount of share dividend	The Company	All companies in the financial statements	
Chairperson	Lin Mao-Chang	3,486	3,486	108	108	188	282	170	215	7.24%	7.49%	1,388	1,388	66	66	0	0	0	0	9.90%	10.16%	0
Director	Lin Jeng-Tay																					
Director	Tu Shu-Ling																					
Independent Director	Chen Ching-Yin	0	0	0	0	272	272	370	370	1.18%	1.18%	0	0	0	0	0	0	0	0	1.18%	1.18%	0
Independent Director	Wang Yun-Yuao																					
Independent Director	Chen Li-Chun																					
Independent Director	Lin Ling-Fang																					

(1)Please describe the policy, system, structure, and criteria respecting independent directors' remuneration, and the relation between the remuneration amount and an independent director's roles and responsibilities, risk assumed, and time invested:

Pursuant to Article 16 of the Articles of Incorporation, the remuneration to independent directors of the Company is determined by the Remuneration Committee with primary reference to the result of the performance evaluation conducted in accordance with the Board of Directors Performance Evaluation Guidelines and by taking into account the degree of their participation in the Company's operation and contribution. The Company may make such a remuneration based on industry standards.

(2)In addition to the above disclosure, the remuneration received by the directors of the Company for services rendered to all companies in the financial statements (e.g. as non-employee consultants, etc.) in the most recent year: None.

Table of remuneration ranges

Payment scale of remuneration to each Director of the Company	Name of director			
	Sum of first 4 remunerations (A+B+C+D)		Sum of first 7 remunerations (A+B+C+D+E+F+G)	
	The Company	All companies in the financial statements H	The Company	All companies in the financial statements I
Below NT$1,000,000	Lin Cheng-Tai, Tu Shu-Ling, Wang Yun-Yuao, Chen Ching-Yin, Chen Li-Chun, Lin Ling-Fang	Lin Cheng-Tai, Tu Shu-Ling, Wang Yun-Yuao, Chen Ching-Yin, Chen Li-Chun, Lin Ling-Fang	Lin Jeng-Tay, Wang Yun-Yuao, Chen Ching-Yin, Chen Li-Chun, Lin Ling-Fang	Lin Jeng-Tay, Wang Yun-Yuao, Chen Ching-Yin, Chen Li-Chun, Lin Ling-Fang
NT$1,000,000 (inclusive) - NT$2,000,000 (non-inclusive)	–	–	–	–
NT$2,000,000 (inclusive) - NT$3,500,000 (non-inclusive)	–	–	Tu Shu-Ling	Tu Shu-Ling
NT$3,500,000 (inclusive) - NT$5,000,000 (non-inclusive)	Lin Mao-Chang	Lin Mao-Chang	Lin Mao-Chang	Lin Mao-Chang

NT$5,000,000 (inclusive) - NT$10,000,000 (non-inclusive)	–	–	–	–
NT$10,000,000 (inclusive) - NT$15,000,000 (non-inclusive)	–	–	–	–
NT$15,000,000 (inclusive) - NT$30,000,000 (non-inclusive)	–	–	–	–
NT$30,000,000 (inclusive) - NT$50,000,000 (non-inclusive)	–	–	–	–
NT$50,000,000 (inclusive) - NT$100,000,000 (non-inclusive)	–	–	–	–
More than NT$100,000,000	–	–	–	–
Total	7	7	7	7

2. **Remuneration to supervisors: Not applicable, because the Company already established the Audit Committee on June 26, 2015.**

3. Remuneration to the president and vice presidents

Unit: NT$ thousand

Title	Name	Salary (A)		Severance and pension (B)		Bonus and special allowance (C)		Amount of employee remuneration (D)				Sum of A, B, C, and D as a percentage of the net profits after tax (%)		Remuneration from investee enterprises other than subsidiaries or parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash amount	Share amount	Cash amount	Share amount			
President	Yang Chien-Hsing	12,876	17,256	777	993	3,963	5,208	0	0	0	0	32.27%	42.97%	0
Vice President	Lin Hung-Chou													
Vice President	Liu Chun-Chun													
Vice President	Chiu Chun-Ming													
Vice President	Li Chun-I													
Vice President	Huang Tsung-Hsi													
Vice President	Yeh Shu-Chen													
Vice President	Shen Chien-I													
Vice President	Chen Po-Hsu													
Vice President	Lai Hui-Ying													

Table of remuneration ranges

Payment scale of remuneration to each President and Vice President of the Company	Name of president and vice presidents	
	The Company	All companies in the financial statements
Below NT$1,000,000	Lai Hui-Ying	Lai Hui-Ying
NT$1,000,000 (inclusive) - NT$2,000,000 (non-inclusive)	–	–
NT$2,000,000 (inclusive) - NT$3,500,000 (non-inclusive)	Yang Chien-Hsing, Liu Chun-Chun, Chiu Chun-Ming, Li Chun-I, Huang Tsung-Hsi, Yeh Shu-Chen, Chen Po-Hsu	Yang Chien-Hsing, Lin Hung-Chou, Liu Chun-Chun, Chiu Chun-Ming, Li Chun-I, Huang Tsung-Hsi, Yeh Shu-Chen, Shen Chien-I, Chen Po-Hsu
NT$3,500,000 (inclusive) - NT$5,000,000 (non-inclusive)	–	–
NT$5,000,000 (inclusive) - NT$10,000,000 (non-inclusive)	–	–
NT$10,000,000 (inclusive) - NT$15,000,000 (non-inclusive)	–	–
NT$15,000,000 (inclusive) - NT$30,000,000 (non-inclusive)	–	–
NT$30,000,000 (inclusive) - NT$50,000,000 (non-inclusive)	–	–
NT$50,000,000 (inclusive) - NT$100,000,000 (non-inclusive)	–	–
More than NT$100,000,000	–	–
Total	7	9

4. Names of managers entitled to employee remuneration and amount entitled

December 31, 2025/Unit: NT$ thousand

Title		Name	Share amount	Cash amount	Total	Total amount as a percentage of net profits after tax (%)
Manager	President	Yang Chien-Hsing	0 (Note)	0 (Note)	0	0
	Vice President	Lin Hung-Chou				
	Vice President	Liu Chun-Chun				
	Vice President	Chiu Chun-Ming				
	Vice President	Li Chun-I				
	Vice President	Huang Tsung-Hsi				
	Vice President	Shen Chien-I				
	Vice President	Yeh Shu-Chen				
	Vice President	Chen Po-Hsu				
	CFO	Chen Yuan-Pin				
	Associate vice president	Tu Shu-Ling				
	Associate vice president	Lin Chih-Ta				
	Associate vice president	Chen Chia-Li				
	Associate vice president	Tsai Chun-Yang				
	Associate vice president	Chang Feng-Jung				
	Associate vice president	Ting Wen-Ching				
	Associate vice president	Lai Hui-Ying				
	Associate vice president	Lai Ming-Hsiang				
	Associate vice president	Tsai Chung-Yi				
	Associate vice president	Lo Shih-Yun				
	Associate vice president	Huang Yuan-Hsin				
	Associate vice president	Chiu Chen-Yi				
	Associate vice president	Wu I-Ching				
	Associate vice president	Cheng Chin-Yuan				

Note: The amount proposed to be distributed for this year was calculated, as required, by applying the percentage of actual distributed amount for last year.

(III) Amount of remuneration paid in the last 2 years by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, President, and Vice Presidents, and their respective percentages to net profit after tax, as well as the policies, standards, and packages by which they were paid, the procedures through which remuneration were determined, and the link between remuneration and business performance.

1. Analysis of the total amount of remuneration paid to the Company's directors, supervisors, president, and vice presidents, as a percentage of after-tax profit or loss for the last 2 years, by the Company and all companies in the consolidated statements.

Analysis item		2024		2025	
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements
Amount as a percentage of net profits after tax (%)	Total director remuneration	7.61	7.73	9,94	9.68
	Total supervisor remuneration	0	0	0	0
	Total remuneration to president and vice presidents	22.17	29.13	32.27	42.97

Note: The amount proposed to be distributed as employee bonus for 2025 had yet to be decided, and was calculated, as required, by applying the percentage of actual distributed amount for last year.

2. Remuneration policies, standards, packages, and procedures, and association with business performance

The Company's remuneration for directors comprises transportation fee and compensation. The transportation fee is determined by referencing the industry standard among peers; the compensation is determined by the provisions set out in the Company's Article of Incorporation, and based on their extent of participation in the Company's operations. The Company's remuneration for the President and vice presidents comprises salary, bonus, employee compensation, and employee stock options, which are reasonably granted based on the Company's operational performance, their individual performance, and their contribution to the Company.

III. Operations of corporate governance

(I) The operation of the Board of Directors

A total of five meetings [A] were held in 2025, and the attendance record of directors is as follows:

Title	Name	Number of attendance in person [B]	Number of attendance by proxy	Ratio (%) of attendance in person [B/A]	Remarks
Chairperson	Lin Mao-Chang	5	0	100%	
Director	Lin Jeng-Tay	5	0	100%	
Director	Tu Shu-Ling	4	0	80%	Relieved of office on November 14, 2025.
Independent Director	Wang Yun-Yuao	5	0	100%	
Independent Director	Chen Ching-Yin	5	0	100%	
Independent Director	Chen Li-Chun	5	0	100%	
Independent Director	Lin Ling-Fang	5	0	100%	

I. If any of the following is applicable to the operations of the Board, specify the date, the series of the session, the content of the motions, the opinions of the Independent Directors and the response of the Company to the opinions of the Independent Directors:

1. Matters set forth in Article 14-3 of the Securities and Exchange Act: Please refer to pages 91–95.
2. In addition to the previous matters, other board meeting decisions that have been opposed or faced reservations by independent directors and have records or written statements: none.

II. Recusal of the directors from motions involving their private interest, specify the names of the directors, the content of the motions, the reason for recusal and the participation in voting: There have been no motions that required directors to recuse themselves from.

III. The cycle, duration, scope, method and details of board performance self (or peer) evaluations:

<Internal Evaluation>

(I) Cycle of evaluation: once every year

(II) Duration of evaluation: January 1 to December 31, 2025

(III) Scope of evaluation: 1. Board performance evaluation; 2. Board member performance evaluation; and 3. Functional Committee performance evaluation

(IV) Evaluation method: 1. Internal self-evaluation of the Board of Directors; 2. Self-evaluation of Board members; and 3. Self-evaluation of Functional Committees

(V) Evaluation details:

1. Indicators for performance evaluation of Board of Directors:
   (1) Participation in the operations of the company
   (2) Enhancement of the quality of the Board of Directors' decision making
   (3) Composition and structure of the Board of Directors
   (4) Election and continuing education of the directors
   (5) Internal control:

2. Indicators for the performance evaluation of Board members:
   (1) Understanding of the Company's objectives and missions
   (2) Awareness of directors' duties and responsibilities
   (3) Participation in the operations of the company
   (4) Management and communication of internal relationships
   (5) Professional expertise and continuing education of directors
   (6) Internal control:
3. Indicators for the performance evaluation of Functional Committee members:
   (1) Participation in the operations of the company
   (2) Awareness of the duties of the functional committee
   (3) Enhancement of the quality of resolutions made by functional committees
   (4) Composition of functional committees and election of committee members
   (5) Internal control:
4. Performance evaluation of the Audit Committee:
   (1) Level of participation in the Company's operations: including whether meetings are held regularly, attendance of committee members, and whether materials are reviewed in advance;
   (2) Understanding of the functional committee's duties: including whether clear authorities and responsibilities are established, whether sufficient communication with the CPAs is maintained, and whether recommendations are provided in a timely manner as reference for Board decision-making;
   (3) Enhancement of the quality of functional committee decision-making: including whether the Company provides sufficient necessary information, whether sufficient time is allocated for committee discussions, and whether meeting minutes appropriately record discussion details;
   (4) Composition of the functional committee and selection of members: including whether members possess professionalism and independence; and
   (5) Internal control: including whether the effectiveness of the internal control system and risk management can be effectively evaluated, and whether there is sufficient understanding of the Company's financial condition, financial reports, audit reports, and subsequent follow-up actions.
5. Performance evaluation of the Remuneration Committee:
   (1) Level of participation in the Company's operations: including whether meetings are held regularly, attendance of committee members, and whether materials are reviewed in advance;

(2) Understanding of the functional committee's duties: including whether clear authorities and responsibilities are established, and whether the remuneration system and performance evaluation for directors and managers are formulated and reviewed regularly;

(3) Enhancement of the quality of functional committee decision-making: including whether the Company provides sufficient necessary information, whether sufficient time is allocated for committee discussions, and whether meeting minutes appropriately record discussion details;

(4) Composition of the functional committee and selection of members: including whether members possess professionalism and independence; and

(5) Internal control: including whether conflict-of-interest avoidance procedures are properly implemented.

(VI) Overall evaluation result:

According to the provisions under the "Board of Directors Performance Evaluation Guidelines" adopted by the Company's Board of Directors, at least one performance evaluation of the Board of Directors and each functional committee shall be carried out every year. The Company completed the 2025 performance self-evaluation of the Board of Directors, reviewed the result, which was subsequently reported in the Board of Directors' meeting on March 6, 2026, and has taken it as a reference for future improvement.

Evaluation scope/method	Evaluation results
Board of Directors performance self-evaluation	The Board of Directors maintains good communication with the management team and respects professional expertise. The operation of the Company's Board of Directors is considered sound and effective.
Individual director performance self-evaluation	Directors (including independent directors) demonstrate professionalism and maintain good communication. The operation of the Company's Board of Directors is considered sound and effective.
Audit Committee performance self-evaluation	All Audit Committee members perform their duties independently and effectively. The operation of the Company's Audit Committee is considered sound and effective.
Remuneration Committee performance self-evaluation	All Remuneration Committee members perform their duties independently and effectively. The operation of the Company's Remuneration Committee is considered sound and effective.
Sustainability Development Committee performance self-evaluation	All Sustainability Development Committee members perform their duties independently and effectively. The operation of the Company's Sustainability Development Committee is considered sound and effective.

Each criterion in the internal self-evaluations of the 2025 Board of Directors, individual Board members, and each functional committee were rated excellent or better as expected.

<External evaluation>

According to the Company's Board of Directors Performance Evaluation Guidelines, the Company's Board performance evaluation shall be conducted by an external independent professional institution or a panel of external experts and scholars, who shall be professional and independent, at least once every three years.

In 2025, the Company engaged Chainye Management Consultancy CO., Ltd. to conduct an external evaluation of the Board of Directors' performance. The evaluation was carried out by the firm's execution team, consisting of Ms. Lin Pi-Chia, Ms. Ni Pei-Ling, and Ms. Lin Szu-Yu. The consulting firm and the evaluation team members have no business relationship with the Company and maintain independence.

Chainye Management Consultancy CO., Ltd. issued the external evaluation report on the operation of the Board of Directors, functional committees, and performance of Board members on January 28, 2026. The Company reported the results to the Board of Directors on March 6, 2026.

(I) Duration of evaluation: January 1 to December 31, 2025

(II) Evaluation scope: Board of Directors, Board members, and functional committee members.

(III) Evaluation methods: Company documentation, self-evaluation questionnaires, on-site interviews, and video interviews.

(IV) Evaluation indicators:

1. Whether the Board of Directors has established relevant policies and procedures for Board operations in accordance with applicable laws, regulations, and domestic corporate governance indicators.
2. Whether the Board of Directors is composed of directors with relevant professional expertise, and whether duties are assigned based on professional competence and experience.
3. Whether the Company highly respects each director, allowing every director to contribute professional expertise and express opinions during Board and functional committee meetings.
4. Whether the Board members have a clear understanding of the Company's industry and medium- to long-term development objectives.
5. Whether the directors actively participate in the Board and various functional committees and maintain effective communication channels with the management team.
6. Whether the management team appropriately and timely provides written reports on the Company's operational status to the directors.
7. Whether the functions of the Board of Directors and various functional committees operate effectively.
8. Whether the internal control system can prevent minor human errors, and whether further promotion of the importance of internal control is required.
9. Whether the Company places importance on sustainabile development, risk management, and information security issues, and whether, in line with future development strategies and corporate governance objectives, the establishment of additional functional committees should be considered.

(V) Evaluation result:

By consolidating the results of the self-evaluations conducted by each director, as well as the interviews conducted between the Company and its directors and independent directors, the evaluation concluded that the Company's Board of Directors has established relevant policies and procedures for board operations in accordance with applicable laws and domestic corporate governance indicators. The Board of Directors is composed of directors with

relevant professional expertise, and duties are assigned based on their respective professional backgrounds and experience. The Board of Directors and each functional committee have operated effectively, and the overall evaluation result was excellent.

(VI)Overall evaluation:

1. At the time of election for the current term, the Company's Board of Directors consisted of seven directors, including three general directors and four independent directors. In November 2025, one general director was dismissed. Following the dismissal, the Board of Directors currently consists of six directors, including two general directors and four independent directors, of whom two are female directors. In selecting directors, the Company places emphasis on industry experience and professional expertise. The two general directors both possess extensive experience in the electronics-related industry, while the four independent directors are professionals in business management, auditing, and financial accounting, forming a diversified composition that meets the operational and development needs of the Company.
2. The Company is able to provide complete meeting materials for meetings of the Board of Directors and each functional committee prior to convening. The Chairperson respects the professional opinions of all directors, and the atmosphere of Board discussions is open. Each director is able to contribute professional expertise and express opinions during Board and functional committee meetings, thereby fully performing the functions of supervising and guiding the Company and fostering a sound meeting culture.
3. In order to strengthen the management of corporate social responsibility, the Company resolved through the Board of Directors on August 3, 2022 to establish the "Sustainability Development Committee," convened by the Chairperson with two independent directors serving as members. Through effective vertical integration and horizontal coordination, the Committee implements sustainability strategies across all departments of the Company and regularly reports to the Board of Directors on the execution results of sustainability strategies and projects, fully demonstrating the Company's commitment to enhancing corporate governance and sustainable operations.

(VII) Description of recommendations:

1. The current Board of Directors consists of seven directors, including three non-independent directors and four independent directors. Following the dismissal of one non-independent director in November 2025, two of the directors are female directors. Since 2023, the competent authority has promoted board gender diversity, and beginning in 2025, listed companies with directors of either gender accounting for less than one-third of Board seats are required to specifically disclose the reasons and measures adopted in their annual reports. In addition, beginning in 2027, the term of all independent directors may not exceed three consecutive terms. Currently, two of the Company's independent directors have already served more than three terms. It is recommended that the Company consider strengthening its director nomination mechanism in the future, promoting matters related to the selection, training, and cultivation of directors and key management personnel, and increasing the number of female directors at an appropriate time in order to implement the goals of board diversity and succession planning.

   State of improvement

   - The Company originally had three female directors, one of whom was dismissed in November 2025. The Company plans to prioritize gender proportion during the comprehensive re-election next year to implement Board diversity.
   - Succession Planning and Operation for Board Members and Key Management:

   Please refer to page 38 for descriptions of the relevant planning.

2. In view of ESG and sustainable development becoming a global trend, and in order to more effectively address future challenges and opportunities and fulfill sustainability development strategic objectives, it is recommended that the Company gradually incorporate key ESG performance indicators into the compensation metrics of senior executives in conjunction with the promotion of ESG concepts and initiatives, thereby creating value for shareholders and all stakeholders and supporting the Company's sustainable operations.

State of improvement

In active response to global sustainability trends, the Company is working to deeper integrate ESG concepts into our core strategies. We are currently planning to link ESG performance with executive compensation as a key focus area of our corporate governance.

IV. The assessment of the objectives to fortify the function of the Board (such as the establishment of the Audit Committee and enhancement of the transparency of information) and the attainment:

(I) The Company has 4 independent directors and has set up the "Rules Governing the Duties of Independent Directors." Not only do independent directors directly oversee the Company's operating plans with an objective and impartial perspective, they also propose recommendations based on their experience and knowledge when the Company determines strategies.

(II) Each year, the Company arranges for instructors to come to the Company to give lessons to the directors. The continuing education courses cover corporate governance, in line with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies. By doing so, the directors are able to maintain their core values, professional advantages and competencies. The continuing education of the directors is disclosed on the annual report and MOPS.

(III) In an effort to protect directors and managers from the risks they bear when conducting business, they are covered with "liability insurance for directors and managers" taken out by the Company. The contents of the policy are regularly reviewed to ensure the compensation limits and coverage of the insurance are on a par with the requirements. The relevant matters are reported to the Board of Directors.

(IV) The Company has achieved the objective of enhancing information transparency by regularly disclosing its financial information on the MOPS.

(II) Information on the operation of the Audit Committee:

A total of five meetings [A] of the Audit Committee were held in the most recent year (2025), and the attendance record of directors is as follows:

Title	Name	Number of attendance in person [B]	Number of attendance by proxy	Ratio (%) of attendance in person [B/A]	Remarks
Independent Director	Wang Yun-Yuao	5	0	100%	
Independent Director	Chen Ching-Yin	5	0	100%	
Independent Director	Chen Li-Chun	5	0	100%	
Independent Director	Lin Ling-Fang	5	0	100%	

Other matters to be recorded:

I. The principal duties of the Audit Committee are to oversee the effectiveness of the financial statements, the effective implementation of internal control systems, major acquisitions and disposals of assets, and endorsement and guarantee matters. Where any of the following circumstances arise in the operation of the Audit Committee, the date of the Audit Committee meeting, session number, and details of the proposals shall be disclosed.

(I) Matters listed in Article 14-5:

Date of Audit Committee meeting	Details of resolution	Content of objections, reservations, or material recommendations of Independent Directors	Audit Committee's resolution	How the Company responded to the Audit Committee's opinions
February 26, 2025	1. Motion for the 2024 "Statement of the Internal Control System." 2. Motion for the 2024 Business Report. 3. Motion for the 2024 financial statements. 4. Evaluation of the independence and suitability of the Company's attesting CPAs. 5. Proposal for approval of the non-certification service provided by the attesting CPAs' firm and its affiliates to the Company and its subsidiaries. 6. Uncollected significant funds overdue for 3 months or more were evaluated whether or not they were loaned to others. 7. Motion for making endorsement/guarantee for subsidiary EMBUX Technology Co., Ltd. - credit lines with financial institutions. 8. Motion for making endorsement/guarantee for subsidiary NexCOBOT Taiwan CO., Ltd. - credit lines with financial institutions. 9. Motion for making endorsement/guarantee for subsidiary NexAIOT Co., Ltd.	None	After the chair consulted with all members present at the meeting, the motion was passed without objections.	Not applicable

	- credit lines with financial institutions.			
May 6, 2025	1. Motion for the financial statements for Q1 2025. 2. Earnings distribution for 2024. 3. Uncollected significant funds overdue for 3 months or more were evaluated whether or not they were loaned to others. 4. Motion for making endorsement/guarantee for subsidiary NexAIOT Co., Ltd. - credit lines with financial institutions. 5. Motion for making endorsement/guarantee for subsidiary NexCOBOT Taiwan CO.,Ltd. - credit lines with financial institutions. 6. Motion for amendments to the Company's "Articles of Incorporation." 7. Revision of the company's "Procedures for Acquisition and Disposal of Assets".	None	After the chair consulted with all members present at the meeting, the motion was passed without objections.	Not applicable
August 5, 2025	1. Proposal for factory relocation and acquisition of right-of-use assets. 2. Motion for the financial statements for Q2 2025. 3. Uncollected significant funds overdue for 3 months or more were evaluated whether or not they were loaned to others.	None	After the chair consulted with all members present at the meeting, the motion was passed without objections.	Not applicable
November 5, 2025	1. Motion for proposal of establishing the Company's 2026 internal audit plan. 2. Motion to amend the Company's "Implementation Rules for Internal Audit." 3. Motion to amend the Company's internal control system regarding "Payroll Disbursement Operations."	None	Motions 1–8 After the chair consulted with all members present at the meeting, the motion was passed without objections.	Not applicable

	4. Motion for the financial statements for Q3 2025. 5. Motion for making endorsement/guarantee for subsidiary NexAIOT Co., Ltd. - credit lines with financial institutions. 6. Motion for making endorsement/guarantee for subsidiary EMBUX Technology Co., Ltd. - credit lines with financial institutions. 7. Motion for making endorsement/guarantee for subsidiary NexCOBOT Taiwan CO., Ltd. - credit lines with financial institutions. 8. Uncollected significant funds overdue for 3 months or more were evaluated whether or not they were loaned to others. 9. Motion to participate in the cash capital increase of subsidiary NexAIOT Co., Ltd. and subscribe, as a specific person, to shares not subscribed for by employees and other shareholders.		Motion 9 All Audit Committee members resolved to postpone the motion pending the acquisition of further detailed information, after which a special meeting would be convened for further discussion.	
December 19, 2025	1. Motion to participate in the cash capital increase of subsidiary NexAIOT Co., Ltd. and subscribe, as a specific person, to shares not subscribed for by employees and other shareholders.	None	After the chair consulted with all members present at the meeting, the motion was passed without objections.	Not applicable

(II) Other matters resolved by more than two-thirds of all directors without approval by the Audit Committee in addition to the matters described above: The motions in connection with Article 14-5 of the Securities and Exchange Act of the Audit Committee's meetings in 2024 are described above, and the Audit Committee members have thoroughly communicated with related personnel with regard to these motions. All motions were approved by all members present at the meeting without objections or reservations, and there were no motions not passed by the Audit Committee but with the consent of more than two-thirds or more of all directors.

II. Recusal of the independent directors from motions involving their private interest, specify the names of the independent directors, the content of the motions, the reason for recusal and the participation in voting: there have been no motions that required directors to recuse themselves from.

III. Communication between independent directors and chief internal auditor and accountants (e.g., matters methods and results of communication on the Company's financial and business status).

1. There are channels available for the direct contact of the Company's independent directors and chief internal auditor and accountants. Audits on the Company's finance and business are carried out on a regular basis in accordance with the requirements of the competent authority and direct communication with the management unit is performed.
2. The chief internal auditor sends the monthly audit report to the independent directors and reports on the internal audit at the quarterly Audit Committee meeting and Board meeting. There has been sufficient communication and explanation on the implementation of audit operations and their effectiveness. In addition, a special internal audit report is presented to the independent directors at least once annually.
3. The Company's attesting CPAs regularly arrange meetings with the independent directors to communicate and provide explanations upon completion of the financial statement audit work.
4. The date of meetings in which the Independent Directors and the chief internal auditor communicated in 2025 and the matters discussed are listed as follows:

(1) Report on the internal audit project

Date	Attendees	Matters Discussed	Independent Directors' Opinions and Actions Taken
November 5, 2025 Meeting for the report on the internal audit project	Independent Director Wang Yun-Yuao Independent Director Chen Chin-Yin Independent Director Chen Li-Chun Independent Director Lin Ling-Fang Chief Internal Auditor Yang Tung-Lin	1. Status of internal audit operations. 2. Discussion on amendments to the internal audit and internal control provisions. 3. Communication regarding the 2026 audit plan.	No other opinion was raised by the independent directors present at the meeting.

(2) Quarterly routine internal audit reports

Date	Matters Discussed	Communication Result
February 26, 2025 Audit Committee	Chief Internal Auditor's Report: Implementation of the Q4 2024 internal audit plan.	All independent directors agreed with the content of the report.
May 6, 2025 Audit Committee	Chief Internal Auditor's Report: Implementation of the Q1 2025 internal audit plan.	All independent directors agreed with the content of the report.
August 5, 2025 Audit Committee	Chief Internal Auditor's Report: Implementation of the Q2 2025 internal audit plan.	All independent directors agreed with the content of the report.
November 5, 2025 Audit Committee	Chief Internal Auditor's Report: Implementation of the Q3 2025 internal audit plan.	All independent directors agreed with the content of the report.

5. The date of meetings in which the Independent Directors and the external auditors communicated in 2025 and the matters discussed are as follows:

Date	Attendees	Matters Discussed	Independent Directors' Opinions and Actions Taken
February 26, 2025 Communication Meeting	Independent Director Wang Yun-Yuao Independent Director Chen Chin-Yin Independent Director Chen Li-Chun Independent Director Lin Ling-Fang CPA Wu Jen-Chieh	1. Financial and operational performance analysis in 2024 2. Audit work report for 2024 3. Independence of the CPAs	No opinion was expressed with respect to the matters discussed in this meeting.
May 6, 2025 Communication Meeting	Independent Director Wang Yun-Yuao Independent Director Chen Chin-Yin Independent Director Chen Li-Chun Independent Director Lin Ling-Fang CPA Wu Jen-Chieh	1. Financial and operational performance analysis in Q1 2025 2. Review work report for Q1 2025	No opinion was expressed with respect to the matters discussed in this meeting.

August 5, 2025 Communication Meeting	Independent Director Wang Yun-Yuao Independent Director Chen Chin-Yin Independent Director Chen Li-Chun Independent Director Lin Ling-Fang CPA Wu Jen-Chieh	1. Financial and operational performance analysis in Q2 2025 2. Review work report for Q2 2025	No opinion was expressed with respect to the matters discussed in this meeting.
November 5, 2025 Communication Meeting	Independent Director Wang Yun-Yuao Independent Director Chen Chin-Yin Independent Director Chen Li-Chun Independent Director Lin Ling-Fang CPA Wu Jen-Chieh	1. Financial and operational performance analysis in Q3 2025 2. Review work report for Q3 2025 3. Update on laws and regulations	No opinion was expressed with respect to the matters discussed in this meeting.

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

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary description	
I. Has the Company formulated and disclosed its corporate governance best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies"?	V		The Company already formulated its "Corporate Governance Best Practice Principles" in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and disclosed the same on the Market Observation Post System (MOPS) and the Company's website.	No significant difference.
II. The Company's equity structure and shareholder equity (I) Has the Company established internal operating procedures to handle shareholder recommendations, doubts, disputes, and litigations, and implemented them in accordance with the procedures? (II) Does the Company have a list of the major shareholders who actually control the Company and those who have ultimate control over the major shareholders? (III) Has the Company established and implemented risk control and firewall mechanisms between affiliated companies? (IV) Has the Company established internal policies that prevent insiders from trading securities against non-public information?	V		(I) The Company has a spokesperson and an acting spokesperson who are responsible for dealing with shareholders' suggestions, questions, and disputes. (II) The Company has commissioned a professional stock agency and so can always have a good grasp of the list of the major shareholders who actually control the Company as well as the ultimate controllers of the major shareholders, thereby ensuring the security of the management rights. (III) The Company has formulated its "Regulations Governing the Supervision of Subsidiaries", according to which and its internal control system it has implemented its risk management and firewall mechanisms. (IV) To maintain the fairness on the securities exchange market, the Company has formulated its "Procedures for Handling Material Inside Information and Preventing Insider Trading". Newly recruited insiders will be informed of the regulations governing the prevention of	No significant difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary description	
			insider trading, and be required that they strictly abide by the regulations to prevent any occurrence of insider trading.	
III. Composition and responsibilities of the Board of Directors (I) Have diversity policy and specific management objectives been adopted for the board and have they been fully implemented? (II) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee? (III) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms? (IV) Does the Company regularly evaluate its external auditors' independence?	V		(I) The Company's Board members have diversified background and possess the knowledge, skills, and competencies requisite for their professional and management roles; this also facilitates their performing their duties. (II) The Company has established a Remuneration Committee and an Audit Committee, and established the Sustainability Development Committee on August 3, 2022. (III) The Company already formulated its Board of Directors Performance Evaluation Guidelines as well as evaluation methods on October 29, 2019. Board performance evaluation will be performed at the end of each year, The evaluation methods include the evaluation of the Board of Directors' operating performance and the self-evaluation of individual directors and the functional committees. The evaluation results are summarized and, together with an evaluation report and improvement suggestions, submitted to the Board of Directors. The Board performance evaluation results for 2025 was reported to the Board of Directors in March 2026. The satisfaction rate of each board member all reached 90% or above, rendering an "Excellent" rating level. In the future, the Board of Directors will continue to improve	No significant difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary description	
			its operating benefits to facilitate their participation in and communication on the Company's operations. (IV) In conformity with Article 29 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and with reference to the Audit Quality Indicators (AQIs), the Company evaluated the independence and competency of the attesting CPAs Wu Jen-Chieh and Wang Sung-Tze, and demanded that the attesting CPAs provide an independence statement stating therein that they have no other financial interest or business relationship with the Company other than the fees for their attestation and tax services, and that none of their spouse or dependent relatives or children violates the independence requirements. The evaluation results were then submitted to the Audit Committee and the Board of Directors for review and resolution. (Note 1)	
IV. Does the TWSE/TPEx listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer responsible for corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of	V		The Company has assigned its head of accounting, who is experienced in accounting affairs, financial affairs, stock affairs, and meeting affairs, to be the Chief Corporate Governance Officer. The Chief Corporate Governance Officer is responsible for corporate governance affairs, including conducting Board of Directors meeting and shareholder meeting related matters in accordance with law, preparing minutes of Board of Directors meetings and shareholder meetings, assisting directors and supervisors in continuing education, providing information necessary for directors and supervisors to perfrom their duties,	No significant difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary description	
shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?			and assisting directors and supervisors to comply with laws and regulations, Chief Corporate Governance Officer (Note 2)	
V. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	V		Aside from providing smooth communication channels for stakeholders such as shareholders, employees, creditors, and financial institutions doing business with it, the Company has also set up a stakeholder zone on its corporate website. Stakeholders may also inquire about the Company's information on the "Market Observation Post System (MOPS)".	No significant difference.
VI. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	V		The Company has commissioned Taishin Securities Co., Ltd., Shareholder Service Agency Dept., a professional stock transfer agent, to handle the shareholders' meeting and all other shareholder service affairs.	No significant difference.
VII. Information Disclosure (I) Has the Company established a corporate website to disclose information regarding its financial, business, and corporate governance status? (II) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure,	V		(I) The Company has set up an official website where investors can access related information. (http://www.nexcom.com.tw/About NEXCOM /Stakeholder Section/Corporate Governance) (II) The Company also has an official website in the English language, a dedicated employee responsible for collecting and disclosing information, a spokesperson system, and a dedicated employee responsible for shareholder affairs. Whenever needed, investors may	No significant difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary description	
appointing spokespeople, webcasting investors conference etc.)? (III) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?			communicate with the Company via the Company's hot line of the dedicated email address: nexcom_ir@nexcom.com.tw. (III) As required by the regulations, the Company has had its annual financial statements passed at the Board meeting and announced and filed the same within 2 month after the close of the year; it also has filed with the competent authority the financial statements for the first, second, and third quarter within 45 days after the end of each quarter, and the business performance results of the previous month by 10th day of each month.	
VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	V		(I) Employee rights: The Company provides employees with the legal rights guaranteed by the Labor Standards Act, and, at irregular intervals, opportunities of internal/external educational trainings that would enrich their work skills and knowledge. (II) Employee wellness: The Company provides employees with an employee restaurant where group meal services are available, a gym and an aerobics classroom for them to exercise, and an annual health examination free of charge. (III) Investor relations: The Company has a dedicated employee responsible for handling shareholders' suggestions, so as to ensure investors' basic rights. (IV) Supplier relations: The Company has been in good relation with suppliers.	No significant difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary description	
			(V) Rights of stakeholders: Stakeholders may communicate with, or submit suggestions to, the Company through the stakeholder zone on the website or the spokesperson in order to uphold their legal rights. (VI) Directors' and supervisors' continuing education: The Company's directors and supervisor all have industrial background, professional knowledge, or practical management experience and, as required, have participated in their continuing education. For details, go consult the annual report on the "Market Observation Post System (MOPS)". (VII) Implementation of risk management policies and risk evaluation standards: The Company's Board of Directors approved the adoption of the Risk Management Policy and Procedures on February 22, 2023, to conduct various risk management and assessment activities. To implement the risk management framework, the Group conducts regular annual risk assessment operations. The results of the risk assessment are reported regularly each year to the Audit Committee and the Board of Directors. The most recent report was presented on November 5, 2025. (VIII) Implementation of customer relations policies: The Company has been in good relation with customers. (IX) Purchasing liability insurance for directors and supervisors: The Company has purchased liability insurance for directors and supervisors from Fubon	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary description	
			Insurance Co., Ltd., with the insurance duration from March 1, 2025 to March 1, 2026. (X) Succession planning and implementation for Board of Directors members and key management personnel. (Note 3) (Note 3) (XI) The Company has established an intellectual property management plan covering patent management, trademark management, and trade secret protection, and reports to the Board of Directors once annually. In 2025, the Company conducted an inventory and registration of trade secret assets and formulated control measures, including access control management for confidential files maintained by each department. The implementation status was reported to the Board of Directors on November 5, 2025.	
IX. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. Prioritized items to be improved: All items required by the Corporate Governance Evaluation to be disclosed are items prioritized to be improved, and will be done asap.				

Note 1: On March 6, 2026, the Audit Committee and the Board of Directors approved upon review that both of Wu Jen-Chieh, CPA and Wang Sung-Tze, CPA of PwC Taiwan met the criteria for assessment on independence and competence.

2025 Evaluation of the independence and competency of the attesting CPAs.

Evaluation of the appointed CPA firm and CPAs: PwC Taiwan – CPA Wu Jen-Chieh and CPA Wang Sung-Tse

Basis of evaluation: Established with reference to Article 47 of the Certified Public Accountant Act, Statement No. 10 of the Code of Professional Ethics for Certified Public Accountants of the Republic of China, "Integrity, Objectivity, and Independence," and the Audit Quality Indicators.

Table of Audit Quality Indicators:

Item	Audit Quality Indicator	Evaluation Items	Evaluation results
Profession			
1-1	Audit Experience	Whether auditors possess enough audit experience.	■Yes □No
1-2	Training Hours	Whether auditors and senior audit personnel receive enough training every year for continuous learning of professional knowledge and skills.	■Yes □No
1-3	Attrition Rate	Whether the firm maintains sufficient human resources.	■Yes □No
1-4	Professional Support	Whether the firm is equipped with sufficient experts, e.g., financial appraisers, to support audit teams.	■Yes □No
Quality Control			
2-1	Partners' Workload	Whether partners are loaded with excessive engagements.	□Yes ■No
2-2	Involvement	Whether the involvement of the audit team in each audit phase is appropriate.	■Yes □No
2-3	Engagement Quality Control Review (EQCR)	Whether EQC reviewers spend sufficient time on engagement.	■Yes □No
2-4	Quality Supporting Capacity	Whether the firm is equipped with sufficient quality control human resources to support audit teams.	■Yes □No

Independence			
3-1	Non-audit Service Fees	Does the Company understand whether the proportion of non-audit service fees affects the firm's independence.	■Yes □No
3-2	Familiarity	Does the Company understand whether the audit firm's tenure in attestation of engagement's financial statements affects the firm's independence.	■Yes □No
Monitoring			
4-1	External Inspection Results and Enforcement	Does the Company understand whether the firm's quality control system and engagement are compliance with related laws and regulations.	■Yes □No
4-2	Number of Official Improvement Letters Issued by the Authority	Does the Company understand whether the firm's quality control system and engagement are compliance with related laws and regulations.	■Yes □No
Innovation			
5-1	Innovative Planning or Initiatives	Does the Company understand the CPA firm's commitment to audit quality improvement, including the firm's ability to innovate and relevant plans?	■Yes □No

CPA independence evaluation form:

Item	Evaluation Items	Evaluation results
1	The appointed CPA does not have any direct or material indirect financial interest in the Company.	■Yes □No
2	The appointed CPA averts any improper relationships with the Company.	■Yes □No
3	The appointed CPA shall require his/her assistant to comply with integrity, fairness, and independence.	■Yes □No
4	The appointed CPA did not serve as a director, supervisor, or any role in the Company that had significant influence over the audit case in the current year or within the most recent 2 years, and will not serve as any such role during the audit period in the future.	■Yes □No

5	During the audit period the appointed CPA or his/her spouse or dependent relatives did not serve as a director, supervisor, manager, or any role in the Company that had significant influence over the audit case. If during the audit period any of the appointed CPA relatives within the fourth degree of kinship serves as a director, supervisor, manager, or any role in the Company that has significant influence over the audit case, the extent of violation of the independence requirement shall be minimized to an acceptable level.	■Yes □No
6	The appointed CPA does not receive any gifts or presents of material value from the Company, or any of the Company's directors, supervisors, or managers (the value shall not exceed the standard for general social etiquette).	■Yes □No
7	The CPA's name shall not be used by others.	■Yes □No
8	The appointed CPA shall not borrow fund from, or lend fund to, the Company; however, any transaction conducted in the normal course of business and at arm's length shall not be counted herein.	■Yes □No
9	The appointed CPA may not run other business that might cause the loss of his/her independence.	■Yes □No
10	The appointed CPA shall not receive any commission associated with his/her duties.	■Yes □No

Note 2: The Continuing education of the Chief Corporate Governance Officer in 2025

Chief corporate governance officer	Course date	Training hours	Course organizer	Course name
Chen Yuan-Pin	May 2, 2025	3 hours	Taiwan Corporate Governance Association	Sustainable succession and AI-driven transformation
	May 7, 2025	3 hours	Taiwan Corporate Governance Association	Trump 2.0: the death of globalization and regional wars
	August 6, 2025	3 hours	Taiwan Corporate Governance Association	Corporate Innovation Growth and AI
	October 31, 2025	3 hours	Taiwan Corporate Governance Association	Global Trend Analysis – Risks and Opportunities

Note 3. A succession plan for directors and senior management is suggested.

Succession planning and implementation for Board of Directors members

The Company's Articles of Incorporation stipulate that the election of directors adopts the candidate nomination system. In addition, the Company's Corporate Governance Best Practice Principles and Procedures for Election of Directors specify the qualifications for the composition of Board of Directors members, including diversity principles relating to gender, knowledge, skills, and professional competence. The current Board of Directors consists of six directors (including four independent directors), of whom two are female directors, representing one-third of the Board of Directors. Each director possesses diverse and complementary professional expertise in business management, decision-making, industry experience, finance and accounting, technology, and sustainable development.

The Company has established a director candidate database based on the following criteria: identification with the Company's core values of "integrity from within," "renewing virtue every day," "prudence brings blessings," and "honor without selfishness"; sound judgment and decision-making ability; and relevant industry experience or expertise in finance and accounting, law, or management.

The Company conducts annual self-evaluations of the Board of Directors (and its members), and engages external institutions every three years to perform performance evaluations of the Board of Directors (and its members). These evaluations serve to assess the effectiveness of Board operations and the performance of directors, and also provide a reference for future director nominations.

Succession planning and implementation for Board of Directors members

Employees at the associate vice president level and above are regarded as key management personnel of the Company. In addition to professional expertise and relevant experience, candidates for such positions must also embody the Company's core values of "integrity from within," "renewing virtue every day," "prudence brings blessings," and "honor without selfishness."

The Company prepares an annual education and training plan each year, under which professional competency training and managerial competency training may both serve to cultivate important management personnel. Each member of important management personnel has a designated deputy, who is cultivated through "on-the-job training" in the ordinary course of business.

The Company conducts performance evaluations semi-annually to enable management and their subordinates to better understand the Company's expectations and individual needs, while strengthening areas requiring improvement, thereby laying the foundation for future succession planning.

(IV)Functional Committees –Remuneration Committee and Sustainable Development Committee

- **Information on the operations of the Remuneration Committee**

1. Information on Remuneration Committee members

December 31, 2025

Position \ Criteria / Name		Professional qualification and experience	Independence state	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent Director	Wang Yun-Yuao	Work experiences in business, legal, financial, accounting or related areas required for the Company's business R&D Vice President of Myson Century, Inc. R&D Vice President of Syntek Semiconductor Co., Ltd. Tenx Technology, Inc. - Chairperson and President	The independent director meet the Independence criteria, which include but are not limited to the following: none of the independent director, or the spouse or a relative within the second degree of kinship serves as a director, supervisor, or employee of the Company or its affiliates; holds any shares of the Company or its affiliates; serves as a director, supervisor, or employee of any company having specific relationship with the Company; or has received consideration for rendering the Company or its affiliates the services respecting business, law, finance, or accounting in the most recent 2 years.	None
Independent Director	Chen Ching-Yin	Work experiences in business, legal, financial, accounting or related areas required for the Company's business	The independent director meet the Independence criteria, which include but are not limited to the following: none of the independent director, or the spouse or a relative within the second degree of kinship	None

Criteria / Position / Name		Professional qualification and experience	Independence state	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
		Vice President of Kanghe Leasing Co., Ltd. Suzhou Yifu Financial Leasing Co., Ltd. - President	serves as a director, supervisor, or employee of the Company or its affiliates; holds any shares of the Company or its affiliates; serves as a director, supervisor, or employee of any company having specific relationship with the Company; or has received consideration for rendering the Company or its affiliates the services respecting business, law, finance, or accounting in the most recent 2 years.	
External professional	Mai Tsu-Hui	Work experiences in business, legal, financial, accounting or related areas required for the Company's business Manager under the President Office of Wego Management Consulting Firm	The independent director meet the Independence criteria, which include but are not limited to the following: none of the independent director, or the spouse or a relative within the second degree of kinship serves as a director, supervisor, or employee of the Company or its affiliates; holds any shares of the Company or its affiliates; serves as a director, supervisor, or employee of any company having specific relationship with the Company; or has received consideration for rendering the Company or its affiliates the services respecting business, law, finance, or accounting in the most recent 2 years.	None

2. Information on the operations of the Remuneration Committee

I. The Company's Remuneration Committee consists of three members, and its primary responsibilities are to review the performance and remuneration of directors and managers.

II. The term of office of the current committee members is from June 19, 2024 to June 18, 2027. In 2025, the Remuneration Committee convened four meetings (A). The qualifications and attendance of the committee members were as follows:

Title	Name	Number of attendance in person (B)	Number of attendance by proxy	Ratio (%) of attendance in person (B/A) (Note)	Remarks
Convener	Wang Yun-Yuao	2	0	100%	
Member	Chen Ching-Yin	2	0	100%	
Member	Mai Tsu-Hui	2	0	100%	

Other matters to be recorded:

I. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it should state the date, session, proposal content, resolution of the board, and its handling of the committee's opinions (if the remuneration approved by the board is better than the recommendation proposed by the committee, the difference and reasons should be stated).

II. For the proposals by the Remuneration Committee, if any members have objections or reservations that are put down in records or written statements, the date, session, proposal content, the opinions of all members, its handling of the members' opinions should be stated.

Date of meeting	Resolution	Resolution results and state of implementation
February 26, 2025	1. Motion for operating bonus for managers proposed for discussion. 2. Motion for the 2024 remuneration distribution to employees and directors proposed for discussion. 3. Motion for the salary adjustment of managers proposed for discussion. 4. Motion for the review of remuneration of directors and managers proposed for discussion.	This motion was passed without objection after the chair consulted with all members present at the meeting. The motion was implemented as resolved.
August 5, 2025	1. Motion for the 2024 remuneration distribution to directors proposed for discussion. 2. Motion for promotion and salary adjustment for managers proposed for discussion.	This motion was passed without objection after the chair consulted with all members present at the meeting. The motion was implemented as resolved.

- **Information on the operation of the Sustainability Development Committee:**

To strengthen the management of corporate social responsibility, the Board of Directors resolved on August 3, 2022 to establish the "Sustainable Development Committee," with the Chairman serving as the convener and two independent directors serving as committee members.

To assist the Board of Directors in continuously promoting corporate social responsibility and enhancing corporate governance in order to achieve sustainable development, the duties of the Committee include the following matters:

I. Formulating the Company's corporate social responsibility and sustainable development-related policies and systems, and revising them in accordance with relevant regulations.

II. Promoting and implementing the Company's corporate social responsibility and sustainable development policy directions and action plans, and regularly tracking the progress of implementation.

III. Regularly evaluating, reviewing, and revising the implementation effectiveness of the Company's corporate social responsibility and sustainability plans, and reporting the annual implementation results to the Board of Directors each year.

IV. Other matters that the Board of Directors resolves and instructs the Committee to handle.

The annual plans and implementation results referred to in the preceding paragraph shall be discussed by the Committee and submitted to the Board of Directors.

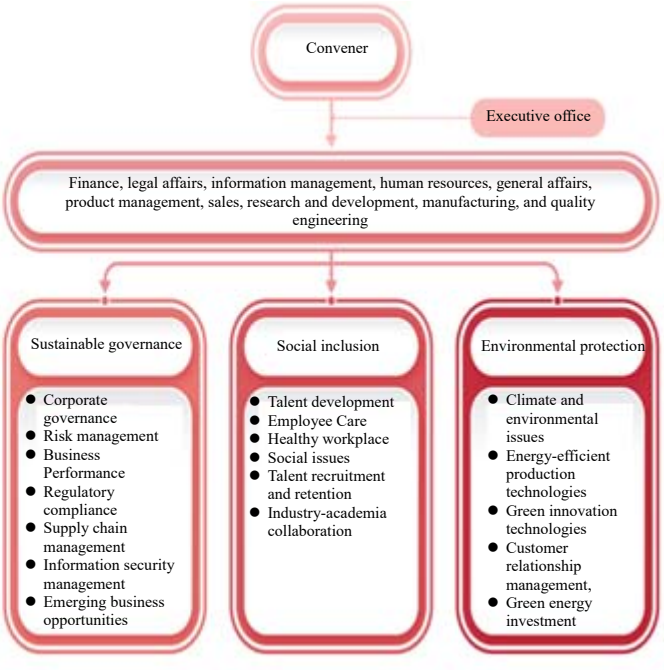
The Committee has established a Sustainable Development Executive Office and appointed one person in charge to oversee the related operations of the Committee, integrate the efforts of various task force groups, and consolidate annual plans and implementation activities. The annual plans and implementation results referred to in the preceding paragraph shall be discussed by the Committee and submitted to the Board of Directors.

- **Sustainable Development Committee – management approach and strategies**

The Board of Directors of NEXCOM approved the "Corporate Social Responsibility Policy Guidelines" and authorized the establishment of the "Sustainable Development Committee" in 2022 as the highest-level sustainable development decision-making body within the Company. Multiple senior executives jointly review the Company's core operational capabilities and formulate ESG policy visions and missions, as well as medium- and long-term sustainable development plans.

The "Sustainable Development Committee" is an interdepartmental communication platform that coordinates the efforts vertically and horizontally. Through the quarterly meetings, the committee identifies the sustainability issues that concern stakeholders or in relation to the Company's operations; formulates action plans and operation policy; develops the budget respecting sustainable development for each organization; plans and implements annual plans and tracks the implementation performance thereof, so as to ensure the sustainable development strategy is implemented in daily operations.

The convener of the "Sustainable Development Committee" reports annually to the Board of Directors on the implementation results of sustainable development initiatives and future work plans.



Sustainable Development Committee

- **Members of the sustainable development committee**

All three committee members possess the professional expertise required for the Sustainable Development Committee.

Name	Title	Professional qualification and experience
Lin Mao-Chang Chairperson/director	Convener	● Possesses work experience in business, technology, industry knowledge, and operational decision-making. ● Chairperson of the Company ● Business Division / Associate Manager, MiTAC International Corporation ● Not exhibiting any of the circumstances specified under Article 30 of the Company Act.
Chen Li-Chun Independent Director	Member	● Possesses work experience in business, technology, and operational decision-making. ● IBM Taiwan Corporation/Finance and Planning Department - Vice President ● Not exhibiting any of the circumstances specified under Article 30 of the Company Act.
Lin Ling-Fang Independent Director	Member	● Possesses work experience in business, technology, and operational decision-making. ● Kornerstone Materials Technology Co., Ltd. - Vice President and Chief Financial Officer Asia Pacific Telecom Co., Ltd. / Chief Financial Officer General Electric Company - Controller ● Not exhibiting any of the circumstances specified under Article 30 of the Company Act.

- **Sustainable Development Committee – attendance and annual objectives**

A total of four meetings [A] of the Sustainable Development Committee were held in the most recent year (2025), and the attendance record of members is as follows:

Title	Name	Number of attendance in person [B]	Number of attendance by proxy	Ratio (%) of attendance in person [B/A]	Remarks
Convener	Lin Mao-Chang	4	0	100%	
Member	Chen Li-Chun	4	0	100%	
Member	Lin Ling-Fang	4	0	100%	
Annual objectives and implementation status: Four meetings were convened in 2025, and the agenda items included the annual objectives and implementation status.					

After listening to the report, the Board of Directors evaluated the effectiveness of the implementation of relevant goals and policies, and followed up the progress of implementation and urged the management team to make adjustments when necessary.

Goals for this year	State of implementation
GHG inventory	Conduct GHG inventory and obtain third-party certification from "GREAT International Certification Co., Ltd."
Preparation of Corporate Sustainability Report	The Chinese and English versions of Corporate Sustainability Report was released on August 28, 2025. The report was prepared in accordance with the 2021 new version of the GRI Standards, and the requirements of SASB (Sustainability Accounting Standards Board) and TCFD (Task Force on Climate-related Financial Disclosures) were compiled in the report. The external verification institute conducted the verification in accordance with the GRI Standards and AA1000 Type 1 Moderate level.

(V) Promotion of Sustainable Development - Implementation Status and Differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

<table>
<tr><td rowspan="2">Item promoted</td><td colspan="3">Implementation status</td><td rowspan="2">Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</td></tr>
<tr><td>Yes</td><td>No</td><td>Summary description</td></tr>
<tr><td>I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?</td><td>V</td><td></td><td>In alignment with the vision and mission of the Company’s ESG policy, the Board of Directors serves as the highest decision-making body for sustainable development-related matters. In 2022, the Company established the functional committee, the “Sustainable Development Committee,” chaired by the Chairman of the Board, together with committee members to review the Company’s core operational capabilities and formulate mid- to long-term sustainable development plans.

The “Sustainable Development Committee” is an interdepartmental communication platform that coordinates the efforts vertically and horizontally. Through the quarterly meetings and topic-based discussions, the committee identifies the sustainability issues that concern stakeholders or in relation to the Company’s operations; formulates action plans and operation policy; develops the budget respecting sustainable development for each organization; plans and implements annual plans and tracks the implementation performance thereof, so as to ensure the sustainable development strategy is implemented in daily operations.

The head of the Executive Office of the “Sustainable Development Committee” reports the implementation results of sustainable development initiatives and future work plans to the Board of Directors on a quarterly basis. A total of 4 meetings were held in 2025, during which the following motions were discussed:

<table><tr><td>Goals for this</td><td>State of implementation</td></tr></table></td><td>No significant difference.</td></tr>
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			year	
			GHG inventory	The Company completed the greenhouse gas inventory for the parent company only and subsidiaries included in the consolidated financial statements (domestic and overseas), and successfully obtained a third-party verification statement issued by Ares International Certification.
			Preparation of Corporate Sustainability Report	The Chinese and English versions of Corporate Sustainability Report was released on August 28, 2025. The report was prepared in accordance with the 2021 new version of the GRI Standards, and the requirements of SASB (Sustainability Accounting Standards Board) and TCFD (Task Force on Climate-related Financial Disclosures) were compiled in the report. The external verification institute conducted the verification in accordance with the GRI Standards and AA1000 Type 1 Moderate level.
			The Board of Directors regularly hears reports from the management team on a quarterly basis, including ESG reports. Management is required to propose corporate strategies to the Board of Directors, and the Board of Directors is responsible for evaluating the likelihood of success of such strategies, regularly reviewing their progress, and urging the management team to make adjustments when necessary.	
II. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		1. The data disclosed covers the performance of sustainable development of the Company's major operational bases from January 2025 to December 2025. The risk assessment boundary covers mainly the operational bases in Taiwan, including the Zhonghe Headquarters, Banqiao Sanmin Plant, and Taoyuan Huaya Plant. 2. The Sustainable Development Committee analyzes the risks based on the materiality principles requisite for a sustainability report; communicates with internal and external stakeholders; and, by referencing domestic and foreign research reports, literary, and the assessment data provided by each department, assesses the material ESG issues, formulates risk	No significant difference.

			management policy therefor to identify, measure, assess, monitor, and control such risks, and adopts action plans, so as to mitigate the effects of related risks. 3. The Committee also formulates related risk management policies and strategies based on the risks assessed. (Note 1)	
III. Environmental issues (I) Has the Company set up an appropriate environmental management system based on the characteristics of its industry?	V		The Company has established environmental, safety, and health management measures in accordance with environmental protection laws and regulations stipulated by the Ministry of Environment (such as the Air Pollution Control Act, the Water Pollution Control Act, the Waste Disposal Act, and the Toxic and Concerned Chemical Substances Management Act). The Company has also obtained ISO 14001 Environmental Management System certification and continues to pass third-party verification (valid through October 14, 2026). The environmental management system includes the following criteria: (1) Collecting, assessing, and identifying risks to the natural environment caused by the Company's activities, products, and services. (2) Establishing measurable goals for environmental sustainability and regularly reviewing the continuity and relevance of these goals. (3) Setting a practical action plan and regularly reviewing the operational results.	No significant difference.
(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V		1. The Company actively promotes various energy conservation measures and uses energy-efficient and energy-saving equipment to reduce the energy consumption of enterprises and products and thereby optimize energy usage effectiveness. 2. In recent years, environment-related hazardous substances in products has become an important issue for sustainable development. The raw materials used by the Company comply with the EU's RoHS, REACH, and halogen-free requirements. In green manufacturing, the Company reduces unnecessary resource waste and seeks to develop waste reduction and recycling/reuse technologies. Across the upstream and downstream value chain, the Company collaborates to promote the recycling and shared use of packaging materials. In addition, the	No significant difference.

			Company actively tests the use of recycled materials with lower environmental impact in its products to maximize the benefits of the circular economy. The Company creates circular value through the recycling of production raw materials, the development of waste reduction technologies, and the design and sale of circular products.	
(III) Has the Company evaluated the potential risks and opportunities posed by climate change to its business now and in the future and adopted relevant measures to address them?	V		Being the highest governance body respecting climate change management, the Sustainable Development Committee annually reviews the Company's strategy and goals for coping with climate change; manages the risks and opportunities that come with climate change; and reviews the implementation status and discusses future plans, and reports to the Board of Directors. To reduce the risk factor, the Company also simultaneously identifies other alternatives and action plans. Measures for mitigation of the climate change risks can be classified into three categories, namely green innovative design, energy management, and carbon information disclosure. Please refer to the Climate Risk Response on Pages 59~66 of the Company's 2022 Sustainability Report on its website for details about the Company's analysis on climate risks and opportunities.	No significant difference.
(IV) Does the Company make statistics on greenhouse gas emissions, water consumption, and total weight of waste for the past two years, and formulate policies for greenhouse gas reduction, water consumption reduction, or other waste management?	V		1. In 2025, the Company adopted the NEXCOM Group as the organizational boundary, covering all operating sites and domestic and overseas subsidiaries, to conduct Scope 1 and Scope 2 greenhouse gas inventories. The inventories were verified by a third party, and ISO 14064-1 greenhouse gas inventory verification was obtained. The Company's energy-conservation and carbon-reduction strategies are stated as following: (1) Replacing and updating old equipment and office lighting step by step in order to achieve the purpose of energy conservation and carbon reduction. (2) Optimizing production processes by introducing automated burn-in rooms in new plants to improve efficiency and reduce energy waste. (3) Evaluating the feasibility of purchasing green power certificates to increase the proportion of renewable energy usage and reduce carbon	No significant difference.

emissions.

Greenhouse gas emissions for the most recent two years:

Year	2024	2025
Category 1	213.7889	163.6228
Category 2	4,348.6065	4130.8818
Category 3	717.3427	607.5267
Intensity (total amount/sales)	0.97	0.86
Total	5,279.7381	4902.0313

Note: The carbon emission inventory boundary for 2025 covers emissions from the parent company only and subsidiaries included in the consolidated financial statements (domestic and overseas).

2. The Company has long been committed to water resource conservation and environmental protection issues. In response to water resources becoming an important issue in international sustainable development, the Company completed a water consumption inventory in 2025 and obtained a verification statement to strengthen water resource management and information transparency, while continuing to implement sustainable water resource management.

Total water consumption:

(Unit: metric tons)

Year	Water consumption (metric tons/revenue)	Water intensity (metric tons/revenue)
2024	8927	0.001648938

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<tr><td>2025</td><td>9595</td><td>0.001682698</td></tr>
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3. The Company is committed to environmental protection and, with respect to waste management, primarily focuses on waste reduction in its manufacturing processes while secondarily considering reuse before disposal. In order to ensure the disposal destination of waste and proper handling of waste, we are discreet in the selection of vendors for waste disposal and reuse by checking its certificates and on-site practices to prevent secondary environmental pollution. The Company has formulated the following waste reduction strategies to reduce the impact of waste on the environment:
(1) Comply with the relevant requirements under the “Waste Disposal Act” and regularly review the hazard and impact posed by the industry on the environment.
(2) Design the product in the manner able to reduce waste generation, such as use of recyclable materials and reduction of the product volume.
(3) Propose waste management plans, formulate improvement of waste reuse rate, and conduct regular reviews and followup.
Waste output in the past 2 years:
(Unit: metric tons)
<table>
<tr><th>Year</th><th>Hazardous waste</th><th>Non-hazardous waste</th><th>Total weight</th><th>Waste intensity (total weight/revenue)</th></tr>
<tr><td>2024</td><td>9.892</td><td>34.780</td><td>44.672</td><td>0.008240</td></tr>
<tr><td>2025</td><td>8.581</td><td>34.510</td><td>43.091</td><td>0.007557</td></tr>
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<td>IV. Social issues
(I) Has the company formulated relevant management policies and procedures in accordance</td>
<td>V</td>
<td></td>
<td>In order to fulfill the corporate social responsibility and protect the basic human rights of employees and all stakeholders, the Company has taken into consideration the human right standards recognized internationally, including the International Bill of Rights and the “ILO International Labor Standards”</td>
<td>No significant difference.</td>
</tr>
</table>

with relevant laws and regulations as well as the International Bill of Human Rights?			(United Nations Business and UN Guiding Principles on Business and Human Rights, to formulate the Company's human rights policy to fully reflect the responsibility to respect and protect human rights. The Company treats all employees with dignity and respect them, and also expects its suppliers and partners to work together to practice the human rights policy. Application scope This policy applies to the Company and all affiliated enterprises within the NEXCOM Group, and the responsible unit is the Management Services Division. 1. Support and respect international human rights, insofar as the Company may exercise influence. 2. Strictly abide by the labor-related laws and regulations applicable within the jurisdictions where the Company's global business locations are situated. 3. Eliminate any acts that infringe or violate human rights. 4. Take concrete actions to reflect the Company's responsibility to respect and protect human rights. 5. Strive to incorporate the principles and spirit of human rights into the corporate values and culture. Based on the Company's business lines and characteristics, the human rights issues and policies focused on by the Company are stated as follows: 1. Occupational health and safety To construct a safe and healthy environment to reduce workplace safety and health risks, and aim to achieve zero occupational disasters. 2. Diversity, inclusion and equal opportunity To advocate a diversified and inclusive new workplace culture that embraces ethnic groups from different backgrounds while respecting and preserving everyone's differences to enhance the value of individual uniqueness and ultimately achieve equality rights at workplace.	

			3. Non-discrimination The Company upholds the principles of openness and fairness, and avoids any discrimination based on "race, class, language, ideology, religion, political affiliation, nationality, birthplace, gender, sexual orientation, age, marriage, appearance, facial features, mental and physical disability, zodiac sign, blood type, or previous union membership." 4. Prohibition of forced labor Respect the individual's freedom to choose occupation, and never force or coerce any unwilling personnel to perform labor services. 5. Prohibition of child labors Protect the physical and mental development of children and never employ child labors. 6. Assist employees to maintain mental and physical health and work-life balance. Build a friendly workplace, care for employees' mental and health , and provide employees with leisure travel subsidies to promote employees' mental and physical health and achieve work-life balance.	
(II) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	V		For information regarding the Company's employee welfare programs and retirement systems, please refer to "Four. Business Overview – 5. Labor relations" of this annual report. Article 20 of the Company's Articles of Incorporation stipulates that if the Company has profits (pre-tax net profit before provision for employee and director remuneration), it shall allocate no less than one percent for employee remuneration (of which the proportion allocated to entry-level employee remuneration shall be no less than five percent). In 2025, the profit of the Company amounted to NT$57,519,315 (pre-tax profit before employee compensation and Director remuneration) and proposes to distribute employee compensation at 1.60%, amounting to $920,309, of which $46,016 will be allocated as compensation for entry-level employees.	No significant difference.

(III) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		"Employees are the most valuable assets of the Company." The Company provides employees with a safe working environment to avert injuries and casualties. It also establishes concrete guidelines, such as the "NEXCOM Regulations Governing Occupational Safety and Health" and the "NEXCOM Occupational Safety and Health Work Rules". 1. Operation safety and health: To prevent certain operations from harming employee's safety and health, equipment and machinery are installed with legally compliant safeguards and the operating procedures are regularly reviewed and improved by the operation supervisors, so as to avert employees' encountering any potential danger at the workplace. If the dangers cannot be averted through improvement in procedures, the Company shall provide employees with effective protection gears on which sufficient and efficient trainings are given, or with job rotations or longer break time, so as to avoid irreversible physical and mental harm to employees. 2. Environmental safety and health: The Company provides employees with a clean and safe workplace, at which the drinking water, facilities, and objects used during operation that might harm employees' health are regularly checked, as required by law, to ensure employees' physical safety and health. 3. Emergency response: The Company evaluates the various hazards before hand and, based on the evaluation results, formulates measures to prevent and address emergencies at an organizational level, in the hope to minimize the live loss and equipment damage resulting from an emergency. To ensure the functioning of the emergency response plan at the occurrence of an incident, related drills are conducted every year. 4. Occupational accident: In the case where an employee becomes sick, injured, or dead due to reasons attributable to his/her work, the Company shall handle the case in accordance of the local laws and regulations. The Company should encourage employees to report any occurrence of incidents (including any near miss); related management unit should also investigate into, and review, the incident occurred, so as to avert recurrence of similar incidents.	No significant difference.

			5. The Company experienced no fire incidents in 2025. 6. The Company regularly arranges for new employees to receive basic trainings and trainings on labor safety and health, so as to ensure that they abide by relevant regulations. 7. For information on the implementation of the Company's employee safety and work environment protection measures, please refer to the "Four. Business Overview, V. Labor Relations, 5. Working environment and employee safety protection measures" section of this annual report.	
(IV) Has the Company established an effective career development training program for employees?	V		The Company has formulated an annual training program, which covers the following dimensions: (Internal training: new employees training, corporate culture training, professional lectures for PM, sales summit, technology summit, and supervisor training) and (external training: Professional training courses.)	No significant difference.
(V) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		The Company provides customers with products and services in a fair and reasonable manner. Examples of "fair and reasonable manner" as stated above are as follows: 1. Contracts are executed based on principles of reciprocity, fairness, and honesty. 2. Whenever being entrusted by customers, the Company always exercises due care and fulfills its fiduciary duty. 3. Advertisements for solicitation of business should not be exaggerated. 4. The Company ensures that the products and services rendered to customers are suitable for them. 5. When offering products or services, the Company describes the important content and discloses any associated risks. 6. The remuneration system for sales personnel shall be based on the equitable consideration of customer rights, in addition to the achievement of sales targets. 7. The channels for customers and clients to file their grievances remain smooth, and the Company always responds to their grievances through the	No significant difference.

			channels. 8. Where a job requires professionalism, the job undertaker should obtain professional qualification or a professional license.	
(VI) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V		The Company has formulated its "Supplier Management Procedures" and "NEXCOM Co., Ltd. Environmental Safety and Health Promotion Letter", in which the Company specifies the selection criteria for environmental protection, human rights, safety, health, and sustainable development for suppliers. Based on cooperation, and through selection, audit, consultation provision, and performance evaluation, the Company fully implements its requirements in daily supplier management activities. The Company will further revise such internal regulations in accordance with international standard or guidance to align suppliers' practices with requirements and expectations in all respects concerning ESH risks, prohibition of child labor, labor management, do-no-harm concerning labors' basic rights, ethical standard, and ethical corporate management.	No significant difference.
V. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	V		The Company prepared the "2024 ESG Sustainability Report" in accordance with the Universal Standards, Sector Standards, and Topic Standards issued by the Global Reporting Initiative (GRI). The report discloses the material topics identified by the Company relating to economic, environmental, and people-related impacts (including human rights), as well as the corresponding disclosures and reporting requirements. The report also references the standards of the Sustainability Accounting Standards Board (SASB) to disclose industry-specific metrics and includes an index corresponding SASB indicators to the report content. The Company's 2024 Sustainability Report includes a content index corresponding to the GRI Standards and indicates that the verification procedures were completed by the independent third-party assurance provider Ares International Certification Co., Ltd. in accordance with the AA1000 AccountAbility Principles: 2018 (AA1000AP 2018) as the assurance standard. The report has also been published on the Company's website. Sustainability reports for previous years are available on the Company's website. (https://www.nexcom.com.tw/About/Page/esg-and-sustainability)	No significant difference.

VI. If the Company has related sustainable development best practice principles compiled in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", it should disclose the difference between its principles and its implementation: To further the implementation of its corporate social responsibility, the Company passed the "Corporate Social Responsibility Best Practice Principles" at a Board meeting in April 2017. The Company regularly reviews the implementation status against the best practice principles and so far has not found its implementation to significantly differ from the best practice principles.
VII. Other important information to facilitate better understanding of the company's promotion of sustainable development: None. Upholding the ideas of giving back to society and becoming involved in public welfare, the Company hosted the fourth blood donation event "A Bag of Irreplaceable Blood," encouraging employees to donate blood and share their compassion. Through this initiative, the Company further demonstrated its commitment to society, enhanced its corporate image, and strengthened its brand value. A total of 78 participants joined the event this year, contributing 107 bags of blood in total. A total of five employees voluntarily participated as volunteers, and gift vouchers were provided to employees as a token of appreciation for their charitable contributions.

Note 1: The Committee also formulates related risk management policies and strategies based on the risks assessed.

Material topics	Risk evaluation items	Description
Environment	Environmental impact and management	1. Through the implementation of process environmental management and a systematic management cycle, the Company effectively reduces pollutant emissions and minimizes environmental impacts. 2. The Company's main markets are in the European Union, where products are required to meet environmental protection regulations. As such, the Company managed to obtain "ISO14001" Environmental management systems in 2005, and will regularly obtain more assurance certificates. 3. The Company constructs its consolidated climate risks identification procedures based on the TCFD framework. Through cross-departmental discussions on climate-related risks and opportunities, a total of three material opportunities and three material risks were identified. 4. In accordance with ISO 14064-1, the Company will regularly inventory its GHG emissions and examine the impact on its operations. Based on the carbon inventory results, the Company continues to implement carbon reduction measures to effectively reduce Scope 1 emission risks and Scope 2 indirect greenhouse gas emissions arising from purchased electricity, heat, or steam. 5. The Company has an annual internal audit plan, which examines the legal compliance of the Company with environmental laws and regulations, and of the Company's operating procedures.

Material topics	Risk evaluation items	Description
Social	Occupational safety and health	1. The Company completed its initial ISO 45001 Occupational Safety and Health Management System certification in 2013 and has continued to obtain the certification on a regular basis thereafter. 2. Fire drills are conducted regularly each year to cultivate employees' emergency response capabilities and self-safety management awareness, thereby preventing employees from exposure to situations that may cause injury or illness, such as chemicals, fires, or explosives.
	Product quality and safety	1. All products of the Company comply with applicable government laws and regulations as well as the EU RoHS requirements, and contain no hazardous substances. 2. The Company first obtained ISO 9001 Quality Management System certification in 1999 and first obtained ISO 13485 Medical Devices Quality Management System certification in 2017. The Company continues to regularly complete the certification and maintenance of various management systems.
Corporate governance	Socioeconomic Compliance	1. Setting the Company's future operational policy. 2. Based on the Company's strategy, implementing R&D, production, and sale of products, and endeavoring to improve production technology, enhance quality, and reduce cost, thereby increasing profitability. 3. Hedging interest rate risk and foreign exchange risk, managing credit facilities and relations with banks. 4. Establishing and reviewing consumer lines of credit, managing and collecting accounts receivable. 5. Reviewing contracts and authorizations, reducing corporate legal risk, and protecting tangible and intangible assets of the Company.
	Enhance the functions of directors	Every year the Company arranges for directors to attend continuing education courses on related subject matters, and provides them with information regarding the latest laws and regulations, policies, and system development.
	Stakeholder communication	1. To avoid misunderstandings arising from differences in positions between stakeholders and the Company that may result in operational or litigation risks, the Company annually analyzes key stakeholders and the material issues of concern to them. 2. The Company has established various communication channels to proactively communicate and reduce conflicts and misunderstandings. An investor mailbox has been established, with the spokesperson

Material topics	Risk evaluation items	Description
		responsible for handling and responding to inquiries.

NEXCOM's Risk Management Strategies

Risk category	Description of risk	Risk management strategies
Sustainable Environment	Increasing Emission of Greenhouse Gases	1. Conduct the inventory based on the ISO 14064-1 GHG Emissions Inventory Management System each year, in order to discover significant emission sources. 2. Establishing a management program to set the goal for carbon emissions and reduce emission of greenhouse gases.
	Increasing Waste Volume/Decreasing Recycling Rate	1. Develop the green design-oriented products, such as use of recyclable materials and reduction of the product volume. 2. Propose waste management plans, and formulate improvement of waste reuse rate.
	Ineffective Energy Conservation	1. Inspecting energy usage of significant energy use equipment for any malfunction. 2. Replace sockets and light tubes with energy-saving ones; replace the dryers with heat recovery adsorption ones, in order to reduce power consumption. 3. Continue to invest in carbon reduction measures in the production process. 4. Formulate energy-saving measures and management programs.
	Violation of Environmental Protection Laws	1. Identifying environmental protections laws and regulations regularly to ensure legal compliance. 2. Regularly convene occupational safety and health committee meeting for review on the operations.
Employee Care	Occupational Accidents	1. Adopting the Regulations of Occupational Safety Management and the plan for occupational safety and health management in accordance with the Regulations of Occupational Safety and Health Management. When accidents occur at the workplace, immediately take necessary first-aid or rescue measures, conduct investigation analysis with labor representatives, and make a record. 2. ISO 45001 Occupational Health and Safety System has been introduced to the Zhonghe Headquarters,

Risk category	Description of risk	Risk management strategies
		Banqiao Sanmin Plant, and Taoyuan Huaya Plant in Taiwan. This ensures effectiveness of the management system of the Company through third-party audits.
	Long Working Hours	To prevent overwork, the Company adopted the "Plan Preventing Abnormal Workload-triggered Disorders" for labor of high risk groups, who work rotating shifts, at night, or over an extended period of time, in accordance with the Occupational Safety and Health Act. Plans and safety measures are undertaken for legal compliance and to ensure occupational safety and physical and mental health of workers.
Business Performance	Violation of Socioeconomic Rights and Compliance	1. The Company ensures the legal compliance of all of its staff and operations through establishing a governance organization and implementing the internal control system. 2. The Company applies for patents on products invented and methods innovated to protect its rights and interest.
	Information Security Incidents	1. Implement the ISO 27001 Information Security Management System and promote relevant information security measures. 2. Conducting an information security risk evaluation on an annual basis and carrying out an improvement plan for high information security risk items. 3. Implement the information security incident notification and drills on an annual basis. 4. Set up a mechanism preventing spam and phishing emails to filter and block malicious and scam emails.
	Delayed Stakeholder Communication	The Company discloses its financial statements and its annual report on the Market Observation Post System (MOPS); convenes the shareholders' meeting and the investor conference to disclose its business performance to investors; and has set up a dedicated email address for stakeholders, through which it actively communicates on and responds to issues of concern.

● Climate-related information

Implementation of Climate-Related Information

Item	State of implementation
1. Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities. 2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short-, mid- and long-term). 3. Describe the financial impact of extreme weather events and transformative actions. 4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system. 5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and major financial impacts used should be described. 6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks. 7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated. 8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of	1. The Sustainable Development Committee is the primary responsible unit for the governance of climate-related risks and opportunities. The Company established the Sustainable Development Committee, of which, the Chairperson is the convener and members shall meet annually. Topics of discussion in a meeting may include possible climate risks caused by the Company's operation, energy and resource efficiency, and environmental issues involving product life cycle, and these climate change topics together with the implementation thereof are reported to the Board of Directors on an annual basis. 2. Actual and potential impacts of climate-related risks and opportunities on the business, strategy, and finances of the organization. The climate-related risks and opportunities are as follows: I. Transition risks: (1) Stakeholder concerns. (2) Renewable energy demand. (3) Carbon tax/carbon fee. II. Physical risks: (1) Extreme rainfall and drought. (2) Rising average temperatures. (3) Typhoons and floods. III. Opportunities: (1) Changes in customers' behaviors. (2) Process improvement and optimization. (3) Energy utilization and efficiency improvement. 3. Based on industry characteristics, the Company identified the following risks

Item	State of implementation
carbon credits or RECs to be offset should be specified. 9. GHG inventory and assurance status, as well as reduction goals, strategies and concrete action plans (to be specified in 1-1 and 1-2 separately).	internally and proposed the corresponding action plan: I. Responses to transition risks: (1) Realtime focus on the latest laws, inspection of the Company's current degree of compliance, and formulation of corresponding measures for legal compliance; (2) Communicate with stakeholders proactively to understand investors' expectations and suggestions on NEXCOM's climate issues. (3) Increase the investment in R&D and marketing of low-carbon products. (4) Cooperate with the supply chain, and select suppliers providing raw materials deriving eco-friendly and low-carbon results as the first priority. (5) Evaluate and plan for diversified power sources to disperse the risk over power purchase and power consumption. II. Responses to physical risks: (1) Adopt automated production to reduce the need for manual operations. (2) Use digital tools to improve the efficiency of work from home. (3) Continue to replace and update the old process equipment and utility equipment. (4) Maintain real-time flexible scheduling in production areas. III. Responses to climate-related opportunities: (1) Participate in domestic and foreign sustainability evaluations to ensure the transparency of sustainability initiatives and upgrade the goodwill. (2) The new products of carbon inventory service and smart meters help increase the market scale and operating revenue. (3) Accelerate the process evolution and add green products or low-energy consumption products to the portfolio. (4) Implement office energy-saving measures, including adjustment of the opening

Item	State of implementation
	and closing time of air conditioning systems. 4. Indicators and goals for the evaluation and management of climate-related risks and opportunities: I. Reduction of GHG emissions: (1) Reduce CO2 emissions in 2030 to 55% in 2024. (2) Achieve carbon neutrality in carbon dioxide emissions by 2050 and realize the net-zero target. (3) Replace T5 light fixture consuming higher energy with LED and T5 light fixtures to save the power by a total of 5,445 kWh annually. (4) Replace the motor of the chiller air-conditioning pump to improve electricity efficiency, achieving annual electricity savings of 1,400 kWh. II. Improvement of Products' Energy Efficiency: In line with government policy, NEXCOM stresses the design and R&D of lower-energy-consuming products for constant improvement of the energy efficiency of its products. III. Decrease in Hours of Operation Interruption: No effect posed on the operation therefor.

1-1 GHG inventory and assurance status for the most recent two years

1- 1-1 GHG inventory information

Describe the GHG emissions (metric tons CO2e), intensity (metric tons CO2e/NTD million), and data coverage for the most recent two years.

(1) Carbon emissions:

(Unit: Metric tons CO_2e/year)

Year	Category 1 (direct)	Category 2 (indirect - energy)	Category 3 (indirect - transportation)	Total
2024	213.7889	4348.6065	717.3427	5279.7381
2025	163.6228	4130.8818	607.5267	4902.0313

Note 1: The table is prepared based on ISO14064-1 category statistics.

(2) Intensity:

Year	CO2e Total Emissions (metric tons CO2e)	Turnover (Million)	GHG emission intensity
2024	5279.7381	5,421.07	0.97
2025	4902.0313	5,702.15	0.86

(3) Data coverage:

Year	Description
2024	Parent company (including factories), Yilan & Kaohsiung Offices Subsidiaries and Sanchong & Taichung Offices in Taiwan Overseas subsidiaries (Mainland China, the United States, and Japan)
2025	Parent company (including factories), Yilan & Kaohsiung Offices Subsidiaries and Sanchong & Taichung Offices in Taiwan Overseas subsidiaries (Mainland China, the United States, and Japan)

Note 1: Direct emissions (Scope 1, i.e. directly from emission sources owned or controlled by the Company), indirect energy emissions (Scope 2, i.e. indirect greenhouse gas emissions from imported electricity, heat or steam) and other indirect emissions (Scope 3, i.e. emissions generated from corporate activities that are not indirect emissions from energy sources but come from sources owned or controlled by other companies).

Note 2: The data coverage of direct emissions and indirect energy emissions shall be handled in accordance with the schedule specified in Paragraph 1, Article 10 herein. Other indirect emissions information may be disclosed voluntarily.

Note 3: Greenhouse gas inventory standards: the Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of GHG emissions can be calculated per unit of product/service or turnover, but at least the data calculated in terms of turnover (NTD million) shall be stated.

1- 1-2 GHG assurance information

Describe the status of assurance in the last 2 year, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.

Year	Scope of assurance	Assurance Body	Criteria of assurance	Opinions of assurance
2024	Based on the categories of ISO 14064-1. Category 1 (direct emissions) Category 2 (indirect - energy) Category 3 (indirect - transportation)	Ares International Certification Co., Ltd.	ISO14064-1:2018	None
2025				

1-2 GHG reduction goals, strategies and concrete action plans

Describe the GHG base year and data, reduction goals, strategies, and concrete action plans, and achievement of the reduction goals.

Year	Base year and data	Reduction goals	Strategies and concrete action plan, and achievement of reduction goals
2024	2023 as the base year The 2024 data are 5279.7381 metric tons CO_2e/year.	Reduce CO2 emissions in 2030 to 55% in 2022. Achieve carbon neutrality and net zero by 2050.	The reduction measures and performance are as follows: 1. Replacement of T5 lighting fixtures with LED lighting on the 13th floor of the Zhonghe headquarters. 2. Replacement of the heat recovery desiccant air dryer at the Sanmin Plant to reduce electricity consumption of the air compressor system. Said two reduction measures have reduced the total emissions by 20.8559 (metric tons CO2e /year), a decrease by 0.44% from 4698.1901 (metric tons CO2e/year) in 2023.
2025	2024 as the base year The 2025 data are 4902.0313 metric tons CO_2e/year.	Reduce CO2 emissions in 2030 to 55% in 2024. Achieve carbon neutrality in carbon dioxide emissions by 2050 and realize the net-zero target.	The reduction measures and performance are as follows: 1. Replacement of T5 lighting fixtures with LED lighting on the 9th floor of the Zhonghe headquarters. 2. Replacement of the chiller air-conditioning pump motor at the Zhonghe headquarters to improve electricity efficiency. Said two reduction measures have reduced the total emissions by 3.2445 (metric tons CO2e /year), a decrease by 0.06% from 5279.7381 (metric tons CO2e/year) in the base year of 2024.

(VI)Ethical Corporate Management - Implementation Status and Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Evaluation Items	The State of Operation			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
I. Establishment of ethical corporate management policies and programs (I) Does the company have an ethical corporate management policy approved by its Board of Directors, and specify on internal charters and external documents such policy, measures, and the commitment regarding implementation of such policy from the Board of Directors and the top management team? (II) Whether the company has established a mechanism for evaluating the risk of unethical conduct, by which it regularly analyzes and evaluates, within a business context, the business activities having a higher risk of unethical conduct and, based on the evaluation results, formulates a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies"? (III) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly	V		By referencing the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies" and the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", the Company, with an approval from the Board of Directors, has established its "Ethical Corporate Management Best Practice Principles" and "NEXCOM Corporate Social and Environmental Responsibility Code of Conduct" to showcase its determination to fully implement ethical corporate management and fulfill its corporate social responsibility. Since incorporation, the Company has been focusing on own business and has never been involved in any political issues; it also internally recommends that colleagues not discuss political or religious issues at the workplace. The Company has established Procedures for Reporting Violations of Ethical Corporate Management to prevent the occurrence of any unethical conduct.	No significant difference.

Evaluation Items	The State of Operation			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
review and revise it?				
II. The implementation of ethical corporate management (I) Does the Company evaluate the ethical records of its counterparties and specify the ethical conduct clauses in the contracts signed with the counterparties? (II) Does the Company have a dedicated unit under the Board of Directors to promote ethical corporate management and report regularly (at least once a year) to the Board of Directors on its ethical management policy, plan to prevent unethical conduct, and the state of monitoring and implementation of such policy and plan? (III) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies? (IV) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits? (V) Does the Company regularly organize internal and external education and training on ethical corporate management?	V		The Company has been implementing its ethical corporate management in accordance with the "NEXCOM Corporate Social and Environmental Responsibility Code of Conduct". The Company established the Ethical Corporate Management Task Force in May 2023. The designated responsible unit is responsible for the amendment, implementation, interpretation, and other related operations of these procedures, and reports to the Board of Directors on a regular basis (once a year). Members of the Ethical Corporate Management Task Force include the head of the Sustainable Operations Executive Office, the Chief Financial Officer, the Human Resources supervisor, and the Audit supervisor. Establishment of ethical corporate management policies and related regulations ● Ethical Corporate Management Best Practice Principles ● Code of Ethical Conduct ● Procedures for Reporting Violations of Ethical Corporate Management The operational status of the Ethical Corporate Management Task Force in 2025 was reported to the	No significant difference.

Evaluation Items	The State of Operation			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			Board of Directors on November 5, 2025. Implementation items related to the Company's ethical corporate management in 2025: ● Ethical corporate management reporting channels The "Procedures for Reporting Violations of Ethical Corporate Management " serve as the basis for reports from company personnel, both internal and external. Email: honest@nexcom.com.tw (received by all members of the Ethical Corporate Management Task Force) Mailing address for written reports (physical mailbox): 9F., No. 920, Zhongzheng Rd., Zhonghe Dist., New Taipei City 23562 (Attn: Ethics Mailbox) The Company has established an effective accounting system and internal control system; its internal auditors conducts the annual audit plan to verify the compliance with its internal control system, thereby ensuring the implementation of ethical corporate management. ● "NEXCOM Corporate Social and Environmental Responsibility Code of Conduct" is included in the teaching materials for the basic training for new employees, and for the corporate culture training held quarterly. Issues regarding material corporate governance topics, fulfillment of social	

Evaluation Items	The State of Operation			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			responsibility, and implementations of ethical corporate management are also discussed and resolved at the Management Commission meeting, and may be presented to the Board of Directors whenever necessary. When conducting a transaction, the Company will determine the counterparty's business ethical status through a set of appropriate credit investigation processes. ● Declaration of ethical corporate management The Company's Ethical Corporate Management Best Practice Principles were approved by the Board of Directors on March 24, 2015. In 2025, the Company promoted the relevant provisions of the "Ethical Corporate Management Best Practice Principles" and the "Code of Ethical Conduct,"and employees signed declarations of ethical corporate management as follows: Number of required signatories: 1,110 Number of completed signatories: 1,110 Signing rate: 100% Declaration content: I am an employee of the NEXCOM Group (NEXCOM International Co., Ltd. and its directly or indirectly held subsidiaries with more than 50% ownership). I fully understand and agree to comply with the relevant	

Evaluation Items	The State of Operation			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			provisions of the “Ethical Corporate Management Best Practice Principles” and the “Code of Ethical Conduct” of NEXCOM International Co., Ltd. I will act in accordance with the principles of integrity and honesty and, in the course of performing my duties and related business activities, will not directly or indirectly offer, promise, request, or accept any improper benefits for myself or others, nor engage in any conduct that violates the “Ethical Corporate Management Best Practice Principles” and the “Code of Ethical Conduct.” In the event of any violation, I agree to accept disciplinary actions in accordance with the relevant regulations.	
III. The operation of the Company’s whistleblowing system (I) Has the Company set up a specific whistleblowing system, a reward system, and a convenient whistleblowing channel, and designated an appropriate and dedicated employee to deal with the accused? (II) Has the Company formulated standard operating procedures for the investigation of the reported matters, follow-up measures to be taken after the completion of the investigation, and the relevant confidentiality mechanisms? (III) Does Company take measures to protect whistleblowers from being improperly treated due to	V		Ethical corporate management reporting channels In accordance with the “Procedures for Reporting Violations of Ethical Corporate Management” issued by the Company’s Ethical Corporate Management Task Force on August 21, 2023, the procedures serve as the operational basis for reports filed by company personnel, both internal and external. The Company accepts anonymous reports. Reporting methods and channels are as follows: Email: honest@nexcom.com.tw (received by all members of the Ethical Corporate Management Task Force)	No significant difference.

Evaluation Items	The State of Operation			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
reporting?			Mailing address for written reports (physical mailbox): 9F., No. 920, Zhongzheng Rd., Zhonghe Dist., New Taipei City 23562 (Attn: Ethics Mailbox) Since the establishment of the reporting channels, the Company has not received any reported cases. Handling procedures: (Article 5 of the Company's "Procedures for Reporting Violations of Ethical Corporate Management") Whistleblowers shall file reports either under their real name or anonymously through the channels specified in Article 4 of these Procedures and provide sufficient information to facilitate verification, including, where possible, the name, department, title of the reported person, the date of occurrence, and a description of the incident. Supporting evidence for investigation (not mandatory) may include invoices, receipts, contracts, correspondence, audio recordings, video recordings, photographs, and other relevant materials.	
IV. Enhance information disclosure Does the Company disclose the contents and implementation results of its Ethical Corporate Management Best Practice Principles on its website and	V		The Company has disclosed the relevant provisions of the "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," and "Procedures for Reporting Violations of Ethical Corporate Management" on the Company's website.	No significant difference.

Evaluation Items	The State of Operation			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
the Market Observation Post System?				
V. If the Company has established its own ethical corporate management best practice principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies", please state the differences between its own principles and the state of implementation: No difference.				
VI. Other important information conductive to understanding the implementation of ethical corporate management (e.g., the Company's review or revision of its own ethical corporate management best practice principles) (I) By complying with the Company Act, the Securities and Exchange Act, regulations governing TWSE/TPEx listed companies, and other laws and regulations governing business conduct, the Company has established a basis for implementing ethical corporate management. (II) By referencing the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, the Company established its own "Ethical Corporate Management Best Practice Principles" through an approval from the Board of Directors on March 24, 2015.				

(VII) Other important information conductive to understanding the operations of corporate governance:

Continuing education of directors: (including those managers attending courses on corporate governance)

Title	Name	Training hours	Date/hours of continuing education	Course organizer	Course name
Chairperson	Lin Mao-Chang	12	May 2, 2025 "3-Hour continuing education course"	Taiwan Corporate Governance Association	Sustainable succession and AI-driven transformation
			May 7, 2025 "3-Hour continuing education course"	Taiwan Corporate Governance Association	Trump 2.0: the death of globalization and regional wars

Title	Name	Training hours	Date/hours of continuing education	Course organizer	Course name
			August. 6, 2025 "3-Hour continuing education course"	Taiwan Corporate Governance Association	Corporate Innovation Growth and AI
			October 31, 2025 "3-Hour continuing education course"	Taiwan Corporate Governance Association	Global Trend Analysis – Risks and Opportunities
Director	Lin Jeng-Tay	6	May 7, 2025 "3-Hour continuing education course"	Taiwan Corporate Governance Association	Trump 2.0: the death of globalization and regional wars
Director	Tu Shu-Ling				
Independent Director	Wang Yun-Yuao				
Independent Director	Chen Ching-Yin		August. 6, 2025 "3-Hour continuing education course"	Taiwan Corporate Governance Association	Corporate Innovation Growth and AI
Independent Director	Li-Chun Chen				
Independent Director	Ling-Fang Lin				
Associate vice president (Chief Corporate Governance Officer)	Chen Yuan-Pin	3	May 7, 2025 "3-Hour continuing education course"	Taiwan Corporate Governance Association	Trump 2.0: the death of globalization and regional wars
President	Yang Chien-Hsing	3	August. 6, 2025 "3-Hour continuing education course"	Taiwan Corporate Governance Association	Corporate Innovation Growth and AI
Vice President	Huang Tsung-Hsi				
Associate vice president (Chief Corporate Governance Officer)	Chen Yuan-Pin				

(VIII) Regarding the implementation of the internal control system, the following matters should be disclosed:

1. Statement of internal control:

NEXCOM International Co., Ltd.

Statement of the Internal Control System

Date: March 6, 2026

The Company states the following for its 2025 internal control system based on the results of self-evaluation:

1. The Company knows that establishing, implementing and maintaining an internal control system is the responsibility of the Company's Board of Directors and managerial officers, and the Company has established this system. Its purpose is to provide reasonable assurance of the achievement of objectives such as the effectiveness and efficiency of operations (including profitability, performance, and asset security, etc.), the reliability, timeliness, and transparency of reporting, as well as compliance with relevant rulings, laws and regulations, etc.
2. Internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance of the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company's internal control system has a self-monitoring mechanism. Once a defect is identified, the Company will take corrective actions.
3. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the criteria of the effectiveness of the internal control system stipulated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria of internal control system adopted in the "Regulations" are based on the process of managerial control and divide internal control system into five components: 1. control environment, 2. risk evaluation, 3. control operations, 4. information and communication, and 5. monitoring operations. Each component consists of a number of items. Please refer to the "Regulations" for these items.
4. The Company has adopted the aforementioned criteria of internal control system to evaluate the effectiveness of the design and implementation of its internal control system.
5. Based on the evaluation results stated in the preceding paragraph, the Company believed that its internal control system (including supervision and management of subsidiaries) as of December 31, 2025 can attain a reasonable assurance that the following objectives were met: (1) Understanding the extent to which the goals respecting business performance and efficiency were achieved; (2) achieving a reporting that was reliable, timely, transparent, and complaint with laws and regulations; and (3) assuring that the legal compliance part of the internal control system was effectively designed and implemented.
6. This statement will become the main content of the Company's annual report and prospectus, and will be made public. If the above-mentioned disclosures have falsehood or concealment, legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Act will be incurred.
7. This statement was approved by the Company's Board of Directors on March 6, 2026. Of the 6 directors present, 0 had objections, and the rest all agreed with the content of this statement and hereby declared the same.

NEXCOM International Co., Ltd.

Chairperson: Lin Mao-Chang Signature and Seal

President: Yang Chien-Hsing Signature and Seal

2. Where a CPA was entrusted to review the internal control system, the review report should be disclosed: Not applicable.

(IX) If there has been any legal penalty against the company or its internal personnel, or any disciplinary penalty by the company against its internal personnel for violation of the internal control system, during the most recent fiscal year or during the current fiscal year up to the publication date of the annual report, where the result of such penalty could have a material effect on shareholder equity or securities prices, the annual report shall disclose the penalty, the main shortcomings, and condition of improvement: None.

(X) Important resolutions of the shareholder meeting and board meeting during the most recent year and during the current year up to the date of publication of the annual report

1. Important resolutions of shareholders' meetings:

Date of meeting	Important Resolution
June 25, 2025 Annual General Meeting of Shareholders	**1. Business report and financial statements for 2024** Resolution results: According to the voting result, the votes cast for the proposal accounted for 89.32%; therefore, the proposal was passed as it is. State of implementation: Implemented as resolved and has been published on the MOPS in accordance with the regulations. **2. Earnings distribution for 2024.** Resolution results: According to the voting result, the votes cast for the proposal accounted for 89.31%; therefore, the proposal was passed as it is. Implementation Status: It was implemented as resolved. The cash dividend was NT$84,735,883 (NT$0.6 per share). September 14, 2025 was set as the ex-dividend date, and October 3, 2025 as the payment date. **3. Motion for amendments to the Company's "Articles of Incorporation."** Resolution results: According to the voting result, the votes cast for the proposal accounted for 89.31%; therefore, the proposal was passed as it is. State of implementation: Implemented as resolved and has been published on the MOPS in accordance with the regulations. **4. Revision of the company's "Procedures for Acquisition and Disposal of Assets".** Resolution results: According to the voting result, the votes cast for the proposal accounted for 89.31%; therefore, the proposal was passed as it is. State of implementation: Implemented as resolved and has been published on the MOPS in accordance with the regulations.

2. Material Resolutions of the Board of Directors Meetings: (matters provided in Article 14-3 of the Securities and Exchange Act)

Date of Board Meeting	Details of resolution	Independent Director's Opinion	The Company's Action With Respect to Independent Director's Opinion	Resolution results
February 26, 2025 Board of Directors	1. Motion to amend certain provisions of the "Procedures for the Preparation and Verification of Sustainability Reports." 2. Motion for the 2024 "Statement of the Internal Control System." 3. Motion for the 2025 operating budget. 4. Motion for the 2024 Business Report. 5. Motion for the distribution of 2024 remuneration to employees and directors. 6. Motion for the 2024 financial statements. 7. Evaluation of the independence and suitability of the Company's attesting CPAs. 8. Proposal for approval of the non-certification service provided by the attesting CPAs' firm and its affiliates to the Company and its subsidiaries. 9. Uncollected significant funds overdue for 3 months or more were evaluated whether or not they were loaned to others. 10. Motion for application for credit lines from financial institutions. 11. Motion for making endorsement/guarantee for subsidiary EMBUX Technology Co., Ltd. - credit	None	Not applicable	The resolution was passed without objections after the chair consulted with all directors (including independent directors) present at the meeting.

Date of Board Meeting	Details of resolution	Independent Director's Opinion	The Company's Action With Respect to Independent Director's Opinion	Resolution results
	lines with financial institutions. 12. Motion for making endorsement/guarantee for subsidiary NexCOBOT Taiwan CO.,Ltd. - credit lines with financial institutions. 13. Motion for making endorsement/guarantee for subsidiary NexAIOT Co., Ltd. - credit lines with financial institutions. 14. Motion for the appointment of the Company's managers. 15. Motion for operating bonus for managers. 16. Motion for the salary adjustment of managers. 17. Motion for the review of remuneration of directors and managers. 18. Motion for matters in relation to the Company's 2025 Annual General Meeting of Shareholders.			
May 7, 2025 Board of Directors	1. Motion for the financial statements for Q1 2025. 2. Earnings distribution for 2024. 3. Uncollected significant funds overdue for 3 months or more were evaluated whether or not they were loaned to others. 4. Motion for making endorsement/guarantee for subsidiary NexAIOT Co., Ltd. - credit lines with financial institutions.	None	Not applicable	The resolution was passed without objections after the chair consulted with all directors (including independent directors) present at the meeting.

Date of Board Meeting	Details of resolution	Independent Director's Opinion	The Company's Action With Respect to Independent Director's Opinion	Resolution results
	5. Motion for making endorsement/guarantee for subsidiary NexCOBOT Taiwan CO.,Ltd. - credit lines with financial institutions. 6. Motion for amendments to the Company's "Articles of Incorporation." 7. Revision of the company's "Procedures for Acquisition and Disposal of Assets". 8. Motion for the appointment of the Company's managers. 9. Motion for changing the date of the Company's 2025 Annual General Meeting.			
August. 6, 2025 Board of Directors	1. 2024 Sustainability Report and external assurance engagement by an external assurance institution. 2. Plant relocation and acquisition of right-of-use assets. 3. Motion for the financial statements for Q2 2025. 4. Motion for application for credit lines from financial institutions. 5. Uncollected significant funds overdue for 3 months or more were evaluated whether or not they were loaned to others. 6. Motion for the distribution of 2024 remuneration to directors.. 7. Motion for promotion and salary adjustment for managers.	None	Not applicable	The resolution was passed without objections after the chair consulted with all directors (including independent directors) present at the meeting.

Date of Board Meeting	Details of resolution	Independent Director's Opinion	The Company's Action With Respect to Independent Director's Opinion	Resolution results
November 5, 2025 Board of Directors	1. Motion for proposal of establishing the Company's 2026 internal audit plan. 2. Motion to amend the Company's "Implementation Rules for Internal Audit." 3. Motion to amend the Company's internal control system regarding "Payroll Disbursement Operations." 4. Define entry-level employees as stipulated in Article 20 of the Company's Articles of Incorporation. 5. Amendments to the Company's "Procedures for Preventing Insider Trading and Handling Material Inside Information". 6. Motion for the financial statements for Q3 2025. 7. Motion for application for credit lines from financial institutions. 8. Motion for making endorsement/guarantee for subsidiary NexAIOT Co., Ltd. - credit lines with financial institutions. 9. Motion for making endorsement/guarantee for subsidiary EMBUX Technology Co., Ltd. - credit lines with financial institutions. 10. Motion for making endorsement/guarantee for subsidiary NexCOBOT Taiwan CO.,Ltd. - credit lines with financial institutions.	None	Not applicable	Motion 1-11 The resolution was passed without objections after the chair consulted with all directors (including independent directors) present at the meeting. Motion 12 The Audit Committee determined that further detailed information was required before discussion could proceed and recommended that the matter be discussed at a subsequent special meeting of the Board of Directors.

Date of Board Meeting	Details of resolution	Independent Director's Opinion	The Company's Action With Respect to Independent Director's Opinion	Resolution results
	11. Uncollected significant funds overdue for 3 months or more were evaluated whether or not they were loaned to others. 12. Motion to participate in the cash capital increase of subsidiary NexAIOT Co., Ltd. and subscribe, as a specific person, to shares not subscribed for by employees and other shareholders.			
December 19, 2025 Board of Directors	1. Motion to participate in the cash capital increase of subsidiary NexAIOT Co., Ltd. and subscribe, as a specific person, to shares not subscribed for by employees and other shareholders.	None	Not applicable	The resolution was passed without objections after the chair consulted with all directors (including independent directors) present at the meeting.

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

IV. Information on CPA professional fees

Amount unit: NTD thousand

Name of CPA firm	CPA name	Audit period	Audit fee	Non-audit fees	Total	Remarks
PwC Taiwan	Wu Jen-Chieh Wang Sung-Tse	January 1, 2025 to December 31, 2025	2,331	850	3,181	The non-audit fees are mainly the fees fir tax certification and transfer pricing services.

(I) Where the audit fee paid in the year of the replacement of CPA firm is less than the audit fee in the year before the replacement, the amount of audit fees before and after replacement, along with the reasons therefor, should be disclosed: None.

(II) Where the audit fee has decreased by 10% or more from the previous year, the amount, percentage, and reason for the decrease in the audit fee should be disclosed: None.

V. Information on change of CPA: None.

VI. Where the chairperson, president, or officers in charge of financial or accounting matters of the Company has worked in the firm of the CPA or its affiliated companies within the last year, the name, job title, and work duration of such a person shall be disclosed: None.

VII. Any equity transfer or change in equity pledge by a director, supervisor, manager, or shareholder with 10% stake or more during the most recent year or during the current year up to the date of publication of the annual report:

(I) Changes in equity

Unit: shares

Title	Name	2025		Up to April 26, 2026	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged	Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged
Chairperson/major shareholder	Lin Mao-Chang	6,153,614	0	0	0
Director	Lin Jeng-Tay	0	0	0	0
Director	Tu Shu-Ling	(6,153,614)	0	Not applicable	Not applicable
Independent Director	Wang Yun-Yuao	0	0	0	0
Independent Director	Chen Ching-Yin	0	0	0	0
Independent Director	Chen Li-Chun	0	0	0	0
Independent Director	Lin Ling-Fang	0	0	0	0
President	Yang Chien-Hsing	0	0	(200,000)	0
Vice President	Lin Hung-Chou	(45,000)	0	0	0
Vice President	Huang Tsung-Hsi	0	0	0	0

Title	Name	2025		Up to April 26, 2026	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged	Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged
Vice President	Liu Chun-Chun	(297,000)	0	0	0
Vice President	Li Chun-I	0	0	0	0
Vice President	Chiu Chun-Ming	(45,000)	0	0	0
Vice President	Shen Chien-I	(15,000)	0	0	0
Vice President	Yeh Shu-Chen	0	0	0	0
Vice President	Chen Po-Hsu	0	0	0	0
Vice President	Lai Hui-Ying	0	0	0	0
Associate vice president	Tu Shu-Ling (Note 2)	(6,153,614)	0	Not applicable	Not applicable
Associate vice president (Finance / Accounting Supervisor)	Chen Yuan-Pin	0	0	0	0
Associate vice president	Chen Chia-Li	(1,000)	0	0	0
Associate vice president	Tsai Chun-Yang	0	0	0	0
Associate vice president	Chang Feng-Jung	0	0	0	0
Associate vice president	Ting Wen-Ching	0	0	0	0
Associate vice president	Lin Chih-Ta	0	0	0	0
Associate vice president	Liu Ying-Tsun (Note 3)	0	0	Not applicable	Not applicable
Associate vice president	Tsai Chung-Yi	118	0	0	0
Associate vice president	Lai Ming-Hsiang	0	0	0	0

Title	Name	2025		Up to April 26, 2026	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged	Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged
Associate vice president	Lo Shih-Yun	0	0	0	0
Associate vice president	Huang Yuan-Hsin	0	0	0	0
Associate vice president	Chiu Chen-Yi	0	0	0	0
Associate vice president	Wu I-Ching	0	0	0	0
Associate vice president	Cheng Chin-Yuan	0	0	0	0

Note 1: Discharged on November 14, 2025.

Note 2: Relieved of duties (retirement) on March 31, 2026.

Note 3: Relieved of duties (resignation) on May 16, 2025.

(II) Equity transfer:

Name	Reason for equity transfer	Transaction date	Transaction counterparty	Relationship between the counterparty and the Company, directors, supervisors, and shareholders holding more than 10% of the shares	Number of shares	Transaction price
Tsai Chung-Yi	Inheritance (transferee)	May 6, 2025	Chen Yi-Lun	None	118	94.89
Yang Chien-Hsing	Gift	January 8, 2026	Chang Yen-Ju	None	200,000	73
Tu Shu-Ling	Gift	November 18, 2025	Lin Mao-Chang	None	6,153,614	76.19
Lin Mao-Chang	Gift (transferee)	November 18, 2025	Tu Shu-Ling	None	6,153,614	76.19
Lin Hung-Chou	Gift	April 18, 2025	Lin Mu-Chiao	None	45,000	53.2

(III) Equity pledge: None.

VIII. Information on the top ten shareholders who are a related party, spouse, or relative within the second degree of kinship of one another:

April 26, 2026

Unit: shares; %

	Name	Shareholding		Shareholding of spouse and minor children		Total shareholding in the name of others		Names and relationships between the top ten shareholders including spouses, second degree of kinship of another under the Statement of Financial Accounting Standards No. 6.		Remarks
		Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Name	Relationship	
1	Lin Mao-Chang	13,611,271	9.64%	0	0.00%	0	0.00%	Lin Hsiu Lin Min	Children	
2	Tai-Ying Investment Co., Ltd.	9,687,129	6.86%	0	0.00%	0	0.00%	None	None	
	Representative: He Chun-Ying	5,918	0.00%	0	0.00%	0	0.00%	None	None	
3	Lin Meng-Ying	6,626,045	4.69%	0	0.00%	0	0.00%	None	None	
4	Joe Perng International Co., Ltd.	3,300,164	2.34%	0	0.00%	0	0.00%	None	None	
	Representative: Peng Shun-Mei	766,022	0.54%	0	0.00%	0	0.00%	None	None	
5	Hao-Jue Investment Co., Ltd.	3,287,921	2.33%	0	0.00%	0	0.00%	None	None	
	Representative: Tu Kun-Hua	364,294	0.26%	0	0.00%	0	0.00%	Tu Shu-Ling	Sister and brother	
6	Han-Fu Investment Co., Ltd.	3,244,787	2.30%	0	0.00%	0	0.00%	None	None	
	Representative: Peng Shun-Mei	766,022	0.54%	0	0.00%	0	0.00%	None	None	
7	Han-Chang Investment Co., Ltd.	3,120,012	2.21%	0	0.00%	0	0.00%	None	None	
	Representative: Lin Hsiu	814,943	0.58%	0	0.00%	0	0.00%	Lin Mao-Chang Tu Shu-Ling	Parent	
8	TaoHsin Education Foundation	2,758,473	1.95%	0	0.00%	0	0.00%	None	None	
	Representative: Tu Shu-Ling	815,141	0.58%	0	0.00%	0	0.00%	Lin Hsiu Lin Min Tu Kun-Hua	Children Sister and brother	

	Name	Shareholding		Shareholding of spouse and minor children		Total shareholding in the name of others		Names and relationships between the top ten shareholders including spouses, second degree of kinship of another under the Statement of Financial Accounting Standards No. 6.		Remarks
		Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Name	Relationship	
9	Tu-Lin Investment Co., Ltd.	2,719,341	1.93%	0	0.00%	0	0.00%	None	None	
	Representative: Wang Chung-Yi	0	0.00%	0	0.00%	0	0.00%	None	None	
10	Chieh-Po Investment Co., Ltd.	2,590,000	1.83%	0	0.00%	0	0.00%	None	None	
	Representative: Lin Min	2,459,552	1.74%	0	0.00%	0	0.00%	Lin Mao-Chang Tu Shu-Ling	Parent	

IX. The total number of shares and the consolidated equity stake percentage held in any single investee enterprise by the Company, its directors, supervisors, manages, or any companies controlled either directly or indirectly by the Company:

December 31, 2025

Unit: thousand shares; %

Investee enterprise (Note)	Investments by the Company		Investment by directors, supervisors, manages, and entities directly or indirectly controlled by the Company		Total investments	
	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage
Nexcom Europe Ltd.	580	100.00%	0	0.00%	580	100.00%
Nex Computers, Inc.	5,000	100.00%	0	0.00%	5,000	100.00%
Nexcom Japan Co., Ltd.	1	100.00%	0	0.00%	1	100.00%
Nexcom International Co., Ltd. (SAMOA)	200	100.00%	0	0.00%	200	100.00%
NEXCOBOT INC.	200	100.00%	0	0.00%	200	100.00%

Investee enterprise (Note)	Investments by the Company		Investment by directors, supervisors, manages, and entities directly or indirectly controlled by the Company		Total investments	
	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage
Green Base Technology Corp.	15,155	75.73%	572	2.86%	15,727	78.59%
NexAIOT Co., Ltd.	18,995	82.73%	1,083	4.72%	20,078	87.45%
NexCOBOT Taiwan CO.,Ltd.	0	0.00%	6,000	100.00%	6,000	100.00%
All IoT Cloud Corp.	1,000	100.00%	0	0.00%	1,000	100.00%
EMBUX Technology Co., Ltd	7,290	100.00%	0	0.00%	7,290	100.00%
TMR Technologies Co.,Ltd.	3,782	82.08%	460	2.30%	4,242	92.08%
Nexcom Shanghai Co., Ltd.	-	0.00%	-	100.00%	-	100.00%
NEXCOM United System Service Corp.	-	0.00%	-	100.00%	-	100.00%
NEXCOM Surveillance Technology Corp.	-	0.00%	-	100.00%	-	100.00%
NEXGOL Co.,Ltd	-	0.00%	-	80.00%	-	80.00%
Beijing Nexgemo Technology Co.,ltd.	-	0.00%	-	45.00%	-	45.00%
Chongqing Nexray Technology Co., Ltd.	-	0.00%	-	53.24%	-	53.24%
DIVIOTEC INC.	0	0.00%	4,000	100.00%	2,000	100.00%

Note: Long-term investments of the Company accounted for using the equity method.

Three. Fund Raising Status

I. Capital and shares

(I) Source of share capital

1. Capital history

April 26, 2026

Unit: shares; NT$

Approval date	Issuance price	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Use of assets other than cash for the share amount	Code of official letter that approved such capital change
November 14, 1992	10	1,000,000	10,000,000	1,000,000	10,000,000	Capital amount upon incorporation:NT$10,000,000	None	Taipei City Jiang Shan Zi No. 00328151
February 2, 1994	10	2,000,000	20,000,000	2,000,000	20,000,000	Follow-on offering: NT$10,000,000	None	Taipei City Jiang Shan Zi No. 00328151
September 25, 1998	10 10	8,000,000	80,000,000	8,000,000	80,000,000	Follow-on offering: NT$18,000,000 Recapitalization of earnings: NT$42,000,000	None	(87) Jian San Bien No. 233503
August 23, 1999	100 10	13,600,000	136,000,000	13,600,000	136,000,000	Follow-on offering: NT$4,000,000 Recapitalization of earnings: NT$52,000,000	None	Jing (88) Shan No. 130699
April 28, 2000	10 10	52,000,000	520,000,000	23,200,000	232,000,000	Recapitalization of earnings: NT$79,680,000 Recapitalization of capital surplus: NT$16,320,000	None	Jing (89) Shan No. 113235
August 10, 2000	20	52,000,000	520,000,000	30,000,000	300,000,000	Follow-on offering: NT$68,000,000	None	Jing (89) Shan No. 128601
July 24, 2001	10	52,000,000	520,000,000	37,250,000	372,500,000	Recapitalization of earnings: NT$72,500,000	None	Jing (90) Shan No. 09001284570
August 12, 2005	10	52,000,000	520,000,000	39,875,000	398,750,000	Recapitalization of earnings: NT$26,250,000	None	Jin Guan Zheng Yi Zi No. 0940133185
July 26, 2006	10	52,000,000	520,000,000	44,245,000	442,450,000	Recapitalization of earnings: NT$38,505,000 Recapitalization of employee bonus: NT$5,195,000	None	Jin Guan Zheng Yi Zi No. 0950132743

Approval date	Issuance price	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Use of assets other than cash for the share amount	Code of official letter that approved such capital change
March 29, 2007	16.4	52,000,000	520,000,000	44,979,000	449,790,000	Exercise of employee stock options: NT$7,340,000	None	Jing Shu Zhong Zi No. 09631852680
July 4, 2007	32	70,000,000	700,000,000	50,977,000	509,770,000	Follow-on offering: NT$59,980,000	None	Jin Guan Zheng Yi Zi No. 0960020441
July 23, 2007	10	70,000,000	700,000,000	59,523,550	595,235,500	Recapitalization of earnings: NT$76,465,500 Recapitalization of employee bonus: NT$9,000,000	None	Jin Guan Zheng Yi Zi No. 0960038614
July 29, 2008	10	100,000,000	,000,000,000	73,509,924	735,099,240	Recapitalization of earnings: NT$119,047,100; recapitalization of employee bonus: NT$20,816,640	None	Jin Guan Zheng Yi Zi No. 0970038195
July 21, 2009	10	100,000,000	,000,000,000	80,860,916	808,609,160	Recapitalization of earnings: NT$73,509,920	None	Jin Guan Zheng Yi Zi No. 0980036606
May 25, 2010	10	100,000,000	,000,000,000	82,947,263	829,472,630	Conversion of convertible corporate bonds into common shares: NT$20,863,470	None	Jing Shu Zhong Zi No. 09901107030
September 9, 2010	10	120,000,000	,200,000,000	87,094,626	870,946,260	Recapitalization of earnings: NT$41,473,630	None	Jing Shu Zhong Zi No. 09901204470
August 17, 2011	10	120,000,000	,200,000,000	87,404,626	874,046,260	Exercise of employee stock options: NT$3,100,000	None	Jing Shu Zhong Zi No. 10001097850
August 17, 2011	10	120,000,000	,200,000,000	87,422,626	874,226,260	Exercise of employee stock options: NT$180,000	None	Jing Shu Zhong Zi No. 10001187310
September 14, 2011	10	120,000,000	,200,000,000	96,163,089	961,630,890	Recapitalization of earnings: NT$87,404,630	None	Jin Guan Zheng Fa Zi No. 1000033280
November 8, 2011	10	120,000,000	,200,000,000	96,191,089	961,910,890	Exercise of employee stock options: NT$280,000	None	Jing Shu Zhong Zi No. 10001256350
February 4, 2012	10	120,000,000	,200,000,000	96,203,089	962,030,890	Exercise of employee stock options: NT$120,000	None	Jing Shu Zhong Zi No. 10101016940

Approval date	Issuance price	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Use of assets other than cash for the share amount	Code of official letter that approved such capital change
May 14, 2012	10	120,000,000	1,200,000,000	96,481,089	964,810,890	Exercise of employee stock options: NT$2,780,000	None	Jing Shu Zhong Zi No. 10101086190
August 13, 2012	10	120,000,000	1,200,000,000	96,583,089	965,830,890	Exercise of employee stock options: NT$1,020,000	None	Jing Shu Zhong Zi No. 10101163590
September 10, 2012	10	120,000,000	1,200,000,000	111,055,253	1,110,552,530	Recapitalization of earnings: NT$144,721,640	None	Jing Shu Zhong Zi No. 10101187820
November 8, 2012	10	120,000,000	1,200,000,000	111,073,253	1,110,732,530	Exercise of employee stock options: NT$180,000	None	Jing Shu Zhong Zi No. 10101231040
February 18, 2013	10	120,000,000	1,200,000,000	111,113,253	1,111,132,530	Exercise of employee stock options: NT$400,000	None	Jing Shu Zhong Zi No. 10201029710
May 15, 2013	10	120,000,000	1,200,000,000	111,219,253	1,112,192,530	Exercise of employee stock options: NT$1,060,000	None	Jing Shu Zhong Zi No. 10201089710
August 20, 2013	10	120,000,000	1,200,000,000	111,331,253	1,113,312,530	Exercise of employee stock options: NT$1,120,000	None	Jing Shu Zhong Zi No. 10201169940
September 25, 2013	10	180,000,000	1,800,000,000	128,007,841	1,280,078,410	Recapitalization of earnings: NT$166,765,880	None	Jing Shu Zhong Zi No. 10201195080
November 21, 2013	10	180,000,000	1,800,000,000	128,032,841	1,280,328,410	Exercise of employee stock options: NT$250,000	None	Jing Shu Zhong Zi No. 10201235670
February 10, 2014	10	180,000,000	1,800,000,000	128,325,841	1,283,258,410	Exercise of employee stock options: NT$2,930,000	None	Jing Shu Zhong Zi No. 10301020490
May 16, 2014	10	180,000,000	1,800,000,000	128,716,841	1,287,168,410	Exercise of employee stock options: NT$3,910,000	None	Jing Shu Zhong Zi No. 10301090590
August 18, 2014	10	180,000,000	1,800,000,000	129,170,841	1,291,708,410	Exercise of employee stock options: NT$4,540,000	None	Jing Shu Zhong Zi No. 10301090590
September 29, 2014	10	180,000,000	1,800,000,000	136,892,472	1,368,924,720	Recapitalization of earnings: NT$77,216,310	None	Jing Shu Zhong Zi No. 10301200550

Approval date	Issuance price	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Use of assets other than cash for the share amount	Code of official letter that approved such capital change
November 17, 2014	10	180,000,000	1,800,000,000	138,045,472	1,380,454,720	Exercise of employee stock options: NT$11,530,000	None	Jing Shu Zhong Zi No. 10301237770
February 17, 2015	10	180,000,000	1,800,000,000	139,046,472	1,390,464,720	Exercise of employee stock options: NT$10,010,000	None	Jing Shu Zhong Zi No. 10401028240
June 15, 2015	10	180,000,000	1,800,000,000	139,821,472	1,398,214,720	Exercise of employee stock options: NT$7,750,000	None	Jing Shu Zhong Zi No. 10401112710
August 19, 2015	10	180,000,000	1,800,000,000	139,852,472	1,398,524,720	Exercise of employee stock options: NT$310,000	None	Jing Shu Zhong Zi No. 10401172070
November 25, 2015	10	180,000,000	1,800,000,000	140,125,472	1,401,254,720	Exercise of employee stock options: NT$2,730,000	None	Jing Shu Zhong Zi No. 10401241270
March 4, 2016	10	180,000,000	1,800,000,000	140,262,472	1,402,624,720	Exercise of employee stock options: NT$1,370,000	None	Jing Shu Zhong Zi No. 10501040790
May 17, 2016	10	180,000,000	1,800,000,000	140,328,472	1,403,284,720	Exercise of employee stock options: NT$660,000	None	Jing Shu Zhong Zi No. 10501100140
August 16, 2016	10	180,000,000	1,800,000,000	140,450,472	1,404,504,720	Exercise of employee stock options: NT$1,220,000	None	Jing Shu Zhong Zi No. 10501197650
November 10, 2016	10	180,000,000	1,800,000,000	140,771,472	1,407,714,720	Exercise of employee stock options: NT$3,210,000	None	Jing Shu Zhong Zi No. 10501263620
March 1, 2017	10	180,000,000	1,800,000,000	140,846,472	1,408,464,720	Exercise of employee stock options: NT$750,000	None	Jing Shu Zhong Zi No. 10601026960
May 16, 2017	10	180,000,000	1,800,000,000	140,919,472	1,409,194,720	Exercise of employee stock options: NT$730,000	None	Jing Shu Zhong Zi No. 10601061640
August 10, 2017	10	180,000,000	1,800,000,000	141,008,472	1,410,084,720	Exercise of employee stock options: NT$890,000	None	Jing Shu Zhong Zi No. 10601114490
November 21, 2017.	10	180,000,000	1,800,000,000	141,226,472	1,412,264,720	Exercise of employee stock options: NT$2,180,000	None	Jing Shu Zhong Zi No. 10601157510

2. Type of equity

April 26, 2026; Unit: shares

Type of equity	Authorized capital			Remarks
	Shares issued and outstanding	Unissued shares	Total	
Registered common shares	141,226,472	38,773,528	180,000,000	Registered shares traded OTC

(II) List of major shareholders

April 26, 2026; Unit: shares

Capital Stock / Name of major shareholders	Shares held	Shareholding Percentage
Lin Mao-Chang	13,611,271	9.64%
Tai-Ying Investment Co., Ltd.	9,687,129	6.86%
Lin Meng-Ying	6,626,045	4.69%
Joe Perng International Co., Ltd.	3,300,164	2.34%
Hao-Jue Investment Co., Ltd.	3,287,921	2.33%
Han-Fu Investment Co., Ltd.	3,244,787	2.30%
Han-Chang Investment Co., Ltd.	3,120,012	2.21%
TaoHsin Education Foundation	2,758,473	1.95%
Tu-Lin Investment Co., Ltd.	2,719,341	1.93%
Chieh-Po Investment Co., Ltd.	2,590,000	1.83%

Note 1: Calculate the average market prices for each year based on the transaction value and volume of each year.

Note 2: Please fill in the information based on the number of shares issued at the end of the year and according to the board of directors or shareholders meeting resolution status for the following year.

Note 3: If retrospective adjustment is required for situations such as gratuitous allotment, the earnings per share before and after adjustment must be listed.

Note 4: If equity securities are issued with terms that allow dividends to be accrued and accumulated until the year the Company makes a profit, the amount of cumulative undistributed dividends up until the current year is disclosed separately.

Note 5: Price to earning ratio = average closing price per share for the year/earnings per share.

Note 6: Price to dividends ratio = average closing price per share for the year/cash dividends per share.

Note 7: Cash dividend yield = cash dividends per share/average closing price per share for the year

Note 8: Net worth per share and earnings per share should be presented with the most recent quarterly information audited (reviewed) by CPAs as of the publication of the annual report; the rest of the

columns should be presented with the current year information as of the publication of the annual report.

Note 9: Pending resolution of 2025 shareholders' meeting.

(III) Dividend policy and implementation status

1. The dividend policy specified on Article 20-1 of the Articles of Incorporation

   If the Company has earnings (net of the employee remuneration and director remuneration specified in Article 20) on the final account, it should use such amount to: (1) pay taxes and duties; (2) compensate for prior deficits; (3) provide 10% of the remainder as legal reserves, except in the case where the legal reserve has reached the paid-in capital; (4) provide or reverse special reserves as required by law; (5) add the remainder, if any, to the accumulated undistributed earnings to from the distributable earnings, which shall be taken by the Board of Directors to draft an earnings distribution proposal and may be distributed after the shareholders' meeting has approved such a proposal.

   Considering the business environment, the growth phase it is in, future capital needs, and long-term financial planning, the Company distributes no greater than 90% of the annual distributable earnings as shareholder dividends, and no less than 5% of such shareholder dividends as cash dividends. Nevertheless, in the event that the total distributable dividend has not reached NT$0.5 per share, the restriction of the aforementioned proportion does not apply.

2. Proposed dividend distribution for the current year

   The Company's motion for the 2025 earnings distribution was approved by the Board meeting held on May 13, 2026 for cash dividends of NT$0.2 per share, totaling NT$28,245,294. The earnings distribution is subject to resolution by the 2026 Annual General Meeting of Shareholders.

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

The 2025 earnings distribution was carried out in the form of cash dividends, posing no impact on the Company's operating performance and earnings per share.

(V) Remuneration of employees, directors, and supervisors

1. Percentage or scope of remuneration of employees, directors, and supervisors stipulated in the Article 20 of the Articles of Incorporation:

   If the Company has profits (pre-tax net profit before provision for employee and director remuneration), it shall allocate no less than one percent for employee remuneration (of which the proportion allocated to entry-level employee remuneration shall be no less than five percent) and no more than one percent for director remuneration. Nevertheless, the Company shall have reserved a sufficient amount to offset its accumulated losses.

   The aforementioned employee compensation shall be distributed by way of stocks or cash. Eligible employees include employees of the controlling or affiliated company meeting certain conditions. The Director remuneration shall be distributed by way of cash. The remuneration of each Director is capped at NT$30,000,000 per year.

   The remuneration mentioned in the preceding two paragraphs may be made only after an approval has been obtained by a majority vote at a Board meeting attended by two thirds of total Board members, and shall be reported to the shareholders' meeting.

2. The basis for estimating employees' remuneration and directors' remuneration for the current period is calculated at 1.6% and 0.8%, respectively, of profit before tax after deducting employees' remuneration and directors' remuneration. Any difference between the estimated amounts and the actual amounts distributed shall be treated as a change in accounting estimate and recognized in current-period profit or loss.

3. Distribution of remuneration approved at the board meeting

Unit: NT$

Item	Amount of remuneration passed by the Board of Directors	
	Cash	Share
Employee remuneration	920,309	0
Director/supervisor remuneration	460,155	0

Said table enumerates the employee remuneration and director/supervisor remuneration - all paid in cash - passed by the Company's Board of Director. The amount distributed is identical with the estimated amount stated in the consolidated financial statements for 2025.

4. Earning distributions report and results at the shareholders' meeting:

The said earnings distribution proposal will be reported at the shareholders' meeting this year.

5. The actual distribution of employee and director remuneration for the previous fiscal year (with an indication of the number of shares, monetary amount, and share price, of the shares distributed); the discrepancy between the actual distribution and the recognized employee or director remuneration, if any, the discrepancy, cause, and how it is treated:

The actual remuneration distributed to employees and directors in 2024, amounting to NT$467,838 and NT$233,919, respectively, is identical with that recognized in the financial statements of the year.

(VI) Buyback of shares by the Company: The Company did not buy back any of its shares in the most recent year and in the current year up to the publication date of this annual report.

II. Corporate bonds: None.

III. Preferred shares: None.

IV. Global depository receipts: None.

V. Employee stock options; new restricted employee shares: None.

(I) Employee stock warrants: N/A.

(II) Names and Acquisition and Subscription Status of Managerial Officers Who Have Acquired Employee Share Subscription Options and the Top Ten Employees (Ranked by the Number of Subscribable Shares) Who Have Acquired Share Subscription Options: N/A.

(III) New restricted employee shares: None.

VI. Issuance of new shares in connection with mergers or acquisitions: None.

VII. Capital allocation plans:

The Company does not have any plan that has yet to be completed, nor any plan that has been completed within the previous 3 years but has yet to yield any benefits.

Four. Business Overview

I. Business contents

(I) Business scope

1. Main contents of the business

(1) Computer and Peripheral Equipment Manufacturing., Trading, and Installation

(2) Communication Equipment and Apparatus Manufacturing, Trading, and Installation

(3) Information Software and Data Processing Services

(4) Embedded Computer Customized Design and Manufacturing Services

2. Revenue breakdown:

Unit: NT$ thousand

Product / Year	2024		2025	
	Amount	Revenue percentage (%)	Amount	Revenue percentage (%)
Network communication	2,415,321	44.55	2,371,938	41.60
IoT automation	1,464,185	27.01	1,532,190	26.87
Smart monitoring	510,280	9.41	648,222	9.41
On-board computer	599,253	11.05	728,716	11.37
AI system	416,825	7.69	353,265	6.20
Others	15,201	0.29	67,822	4.55
Total	5,421,065	100.00	5,702,153	100.00

3. Main products and services: Medical & Healthcare Informatics (MHI), intelligent industrial IoT, industrial computers, touch-screen billboards, Mobile Computing Solutions (MCS), Network and Communication Solutions (NCS), multimedia computers and smart retail.

4. Products and services planned to be developed:

(1) A new generation of embedded computers and industrial computers.

(2) A complete series of energy-saving and fanless embedded computer systems for specific applications in the mass transportation industry, medical industry, industrial industry, energy industry, and multimedia industry.

(3) A full range, from entry-level to high-end, of network communications security monitoring platforms and end user wireless devices.

(4) Industrial-grade mobile computing platforms such as rugged handheld computers, tablet computers, and Mobile Computing Solutions (MCS).

(5) Related industries of the Industrial Internet of Things, such as AI edge computing and smart manufacturing solutions.

(6) Industrial IoT automation intelligent I/O systems and human-machine interfaces.

(7) Customized outsourcing design and production projects and OEM services.

(II) Industry overview

1. The industry's current state and development

(1) Cyber-security system

With the implementation and expansion of 5G networks and IoT applications, cybersecurity has long become an important issue.

How to filter and block hacker intrusions and computer virus threats from massive network data traffic has made information security a critical factor for the survival of enterprises and even nations.

Such a special purpose requires of cyber-security equipment to possess reliability and performance that is higher than general network equipment; this will be the niche for the Company. For the time being, the information security vendors are developing toward cloud-based functions, such as firewall/VPN, anti-virus, spam filtering, intrusion detection/intrusion prevention, contents filtering and other functions, through a security service edge (SASE) to connect the internet and in response to the Network virtualization (SD-WAN) to reduce maintenance costs for end enterprise customers.

The Company is currently engaged in production of the network security hardware platform, which is launched by the main chip manufacturer, at the same time. It supports ultra-large bandwidth, high-speed computing and flexibility, and can provide multiple applications. It is convenient for customers to deploy different micro-services and establish a zero-trust network to ensure the security of corporate information. In addition, with the rise of internet-based applications, demand has emerged for industrial firewalls to protect the real-time integrity and security of smart factory assets and production data, as well as ruggedized firewalls specifically designed to meet the requirements of critical infrastructure such as power plants.

(2) PQC-ready network equipment

With the evolution of mobile communication technologies (such as 5G eMBB and mMTC) and the pervasive connectivity enabled by IoT, at least two major trends have emerged:

The massive volume of data generated through low-latency and wide-area connectivity has accelerated the development of edge computing applications across markets including general enterprises, industry, automotive, healthcare, and defense industries. Consequently, edge AI applications have become an indispensable element. The emergence of the AI wave is expected to drive revolutionary applications through AI-native architectures, particularly in areas related to information management.

A second trend is cybersecurity in the post-quantum era. At present, cybersecurity and cyber resilience have not only become major topics of concern, but have also been incorporated into regulations implemented by major economies around the world (such as the CRA). Accordingly, both the hardware and software design of network equipment must take into consideration whether their security capabilities are sufficient to defend against cyberattacks.

The Company will provide the core hardware required for networks, including edge computing devices, PQC-ready network platforms, software-defined networking equipment, dual-5G supported universal customer premise equipment (uCPE), multi-protocol label switching (MPLS) devices, industrial-grade OT security gateways, and audio-video streaming equipment. By integrating artificial intelligence computing capabilities, the Company aims to optimize the integration and application efficiency of the entire 5G network.

(3) Industrial computer

Industrial computers are ubiquitous in industrial IoT and AI applications. Aside from being present in the embedded computer market, the Company is actively expanding into cloud-edge-plant integrated solutions for IoT AI-IPC and Edge AI through barebone system solutions integrating both hardware and software, thereby opening up new blue ocean markets. In response to the global trend of Industry 4.0 and AI, driven by the opportunities that come with

smart manufacturing, smart machinery ,and AI digital transformation of enterprises, the Company will adopt an R&D strategy focusing on hardware-software integration to benchmark against smart manufacturing, smart machinery, and robot control, thereby growing the opportunities that will come with a new pattern of Industry 4.0.

(4) Multi-media digital billboards and smart retail system

To embark on the trend of smart retail and unmanned stores, the introduction of multimedia digital billboards along with software for AI face recognition and automatic payment will bring another wave of opportunities. Industrial computer manufactures need to form an alliance with TV screen suppliers and AIoT software suppliers to develop cloud-based smart service solutions, thereby tapping into the immense new retail market.

(5) In-vehicle networking and railway transportation AI computers

In-vehicle networking and in-vehicle AI computers have been widely used in logistics, engineering services, mass transportation, emergency medical care, patrol, mining, construction, agriculture and other fields to improve vehicle efficiency, driving safety, and transportation efficiency.

Currently, AI technologies have been incorporated into railway transportation (i.e., trains and light rail trains) to improve passenger safety. Such technologies include distant railway obstacle detection, real-time alert and brake mechanism, and passenger luggage detection. Such special requirement of AI for railway transportation requires a specially-constructed computer that has higher computing power and more accurate AI-driven recognition capability. As such, this will be the best time for us to expand new applications for railway transportation.

In addition to in-vehicle applications, AI is also becoming increasingly prevalent in certain outdoor applications, such as fixed-location traffic flow monitoring and traffic violation recognition. To meet these specialized requirements, the Company has designed its AI products with IP65/IP67-rated dustproof and waterproof protection, enabling in-vehicle AI products to expand into a broader range of transportation-related applications.

2. The relations among the upstream, midstream, and downstream industries:

Below is a summary of the current state of the industrial computer industry, broken down into the upstream, midstream, and downstream:

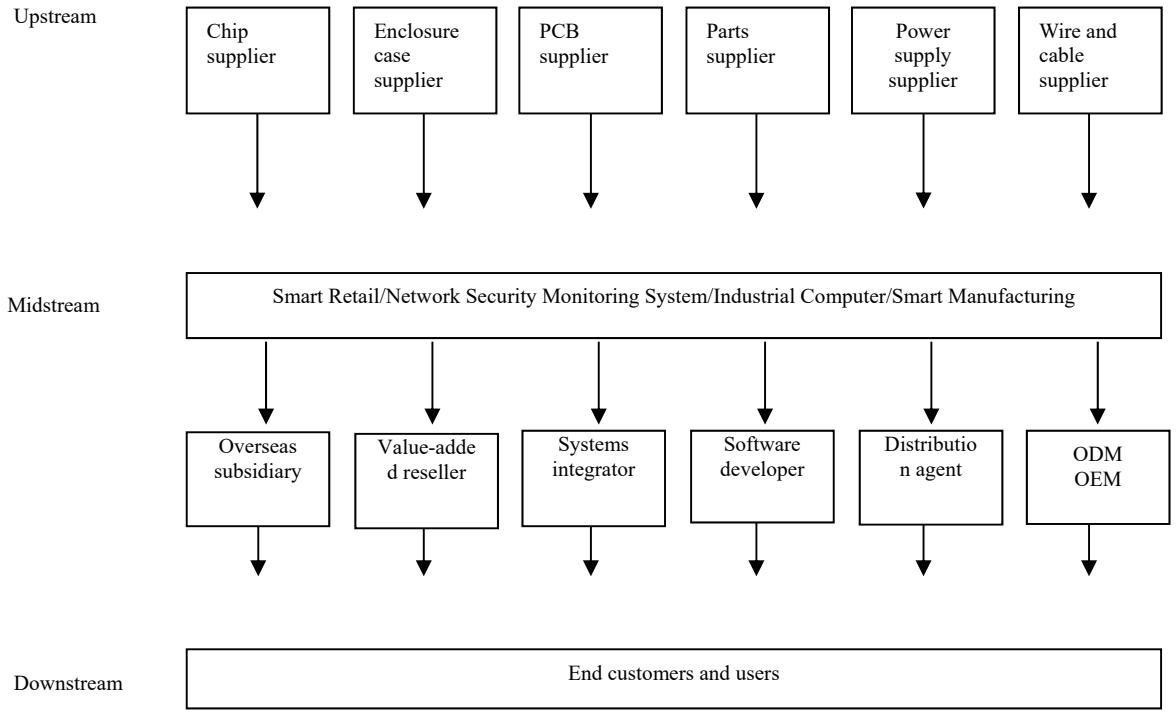
Upstream: Including chipsets, memories, passive components, printed circuit boards, power supplies. and other components; except for key parts and components, other parts and components can be obtained locally Because Intel has a wide range of product lines and its products have higher stability, industrial computer manufacturers largely use Intel's chipsets. However, in the past few years, there has been a substantial presence of AMD SoCs and ARM SoCs in the embedded application market.

Midstream: Including I/O devices, single-board computers, barebones products, industrial computer products, system products, and peripheral equipment. Where there is a need for automated monitoring, there is the target market for manufacturers. As such, manufacturers do not have a zero-sum relation with each other, but seek and develop their own niche markets. Since their growth mainly comes from developing new applications and new customers, it's common that they compete while supplying goods to each other. The competition pattern in recent years has transitioned to vertical integration of the supply chain and the value chain, strategic alliance with peers, cross-shareholding and investment, and even M&A, all worth observing.

Downstream: Industrial computes are sold to end users mainly through systems integrators, distributors, and value-added resellers. Because the industrial computer industry is not a standardized industry but features high degree of systems integration, wide range of applications, and diverse portfolio of customers in the various industries, industry computers are sold to end users worldwide mainly through systems integrators and distributors who have profession engineering background. However, in recent years, those

end users have directly placed OEM orders with industrial computer manufacturers. This prompts the industry computer manufactures to build own systems integration capability - they even transition to be a solutions provider who provide one-stop manufacturing logistics, supply chain management capability, and customer services. Such a change will have a long-lasting effect on the ecology of the industrial computer industry.

The structure of the upstream, midstream, and downstream is shown in the following diagram:



3. Product development trends and market competition

(1) Product development trends

Under a broad definition, the scope of industrial computers and embedded computers means the applications other than the use of personal computers and servers at home or offices. With the expansion of application fields, in addition to traditional applications such as industrial automation, communication, network, commercial use (POS, KIOSK, PANL, PC, ATM), and equipment (panels, semiconductors), the application of industrial computers and embedded computers further covers medical care, transportation (in-vehicle computers, GPS, airport billboards for navigation purpose, mass transit system control), entertainment (gambling, lottery machine, gaming), government (national defense system, voting system) and other captive industries. As such, customized products will feature an even wider difference than standardized products based on the various application fields. This enables customized products to feature practical application functions that satisfy end users' needs. In the face of such revolution, the product portfolio shall include products covering the vertical supply chain to set different technology entry barriers, product customization complexity need to be more complexed, and products need to be more vertically integrated, so as to avert imitation by competitors. This is the direction toward which industrial computer manufacturers are heading, and they need to establish different expertise and characteristics.

In recent years, due to the 5G+AIoT trend, the demand for industrial computers has increased significantly. 5G enterprise private network, Edge AI, smart medical care, and smart image monitoring have driven the market growth momentum.

The iAT3000 intelligent monitoring system and data center, NexDATA, researched and developed by NexAIOT Co., Ltd., and NexCOBOT robot functional safety solution are expected to drive another wave of growth momentum.

(2) Market competition

Description of the competition situation and relation among industrial computer manufacturers:

The Company mainly competes with Advantech and ENNOCONN for the market for industrial computers and embedded computers, and with ENNOCONN and Lanner for the market for network products. As for digital billboards, there are numerous manufacturers but no leader in domestic market. As for project-based products, competitors vary because they compete with each other in their professional fields. In recent years, the subsidiary, NexAIOT has not only deeply engaged in software-hardware integration for industrial IoT solutions but also scaled up to become a solutions provider, thereby widening the gap with competitors.

a. Industrial computer products

(a) Technical specifications ahead of industry peers.

Being a strategic partner of Intel under its Leader Account R&D program, the Company cooperates with Intel on CPUs and chipsets, which are allowed to go to market at the same time as Intel's products, thereby ensuring the innovative technological advantages of the Company's products.

(b) Higher requirements for product quality and reliability.

The Company's product design values the quality of components and parts, and also strict ex-factory verification procedures. Therefore, the products, such as heavy industrial and military-grade products, may operate in a critical environment under temperatures ranging from -40 degrees Celsius to 85 degrees Celsius.

(c) Focus on R&D of niche products, and segment the niche market with customization differentiation

The Company adopts an R&D strategy that focuses on differentiation and customization for its products to be sold on the vertical market, which products include industrial SBCs, fanless computers, medical equipment, computer terminals for the retail industry, and computers for in-vehicle applications and transportation equipment. Doing so averts a red sea competition with industry peers and thereby creates a unique industrial advantage for the Company.

b. Digital billboard

The Company expects its R&D of digital billboards to provide customers with a one-stop shopping service, which covers services ranging from PCB, system products, and retail industry total solutions that integrate software applications. This is a relatively completive niche that NEXCOM has over those industry peers who only produce and sell hardware platforms.

c. In-vehicle networking computers

The Company expects its R&D of computers for in-vehicle information and communication applications to provide more sophisticated and dedicated platforms for different in-vehicle networking computer applications. That means an optimized design for specific applications ranging from PCBs, systems, to integration of peripheral products. This is the relatively professional attribute NEXCOM has over those industry peers who only produce general-purpose hardware platforms.

d. Network Communication Products

In response to customers' need for integration of product functions, the design of cyber-security products gradually transitions to an integration of the switch function and the storage function. Meanwhile, market demand for product bandwidth has increased from 100G

to 1.6T. Furthermore, corresponding products are being developed for Time-Sensitive Networking (TSN) and emerging AI edge computing applications. In the face of the requirements for higher bandwidth and integration of more application functions, a product's suitability and stability are determined by a company's ability to integrate hardware with software.

In addition to playing the role as a network security hardware supplier, the Company also has deployed related wireless broadband communication products, including enterprise-grade and industrial-grade product lines, in order to capitalize on the trend toward open 5G architectures and the growing business opportunities arising from the adoption of private 5G networks.

Over the past few years, the network communication business group has actively invested R&D resources in the development of telecommunications-related equipment, including universal customer premise equipment, base station backhaul routers, and computing devices for the post-quantum era. Together with application packages provided by software partners, the Company delivers professional and comprehensive solutions and service strategies to customers. By leveraging technological leadership over industry peers, the Company aims to achieve faster time-to-market advantages.

In addition, through participation in international industry exhibitions across various overseas regions (e.g. Mobile World Congress) and co-marketing with important strategic partners, it improves NEXCOM's brand awareness in the market, hence the increased product inquiries.

e. Smart Manufacturing and Industrial Robot Controller

The subsidiary, NexAIOT, and NexCOBOT have devised their blueprints for Industry 4.0 and successfully developed industrial IoT solutions. For instance, the iAT3000, the cloud-based smart automatic monitoring system, can bridge the OT, IT, and CT of various factories, monitor important systems such as production lines, machinery, and equipment, and integrate machine tool IoT with big data and transmit the results to a data middle platform, thereby realizing data visualization anytime, anywhere with its AI application performance monitoring. In recent years, driven by demand from smart manufacturing and large hospital smart medicine cabinet projects, revenue growth is expected to remain promising.

NexCOBOT has taken the lead in the industry by launching comprehensive functional safety solutions designed with Intel, NVIDIA, and Renesas CPU chips. These solutions enable robotics companies to rapidly implement systems compliant with international robotic safety certification requirements and have already secured design orders from globally renowned manufacturers.

f. IP cameras and network video recorders

Subsidiary GreenBase focuses its product development on intelligent video surveillance solutions. Its IP-CAM incorporates AI-based image processing technologies to enhance video analytics (VA) functions, such as line-crossing detection, intrusion detection, and human/vehicle classification. The products also offer a high degree of customization, enabling functional adjustments and integration according to different application scenarios to improve monitoring efficiency and accuracy. Its network video recorders (NVRs) integrate PoE Hub designs that simultaneously provide power supply and network connectivity, thereby simplifying system installation and deployment. In addition, the products feature AI expansion capabilities that continuously enhance intelligent analytics functions, creating smart surveillance solutions with efficiency, flexibility, and scalability.

(III) Technology and R&D Overview

1. The R&D expenses stated on the financial statements for 2025 and 2024 accounted for 10.04% and 10.82%, respectively, of the operating revenue. Estimated R&D expenses for 2025 stands at NT$623,000 thousand.

2. Technology and products successfully developed in 2025:

(1) Next-generation AI intelligent cybersecurity application platform.

(2) Post-quantum encryption hardware-accelerated cybersecurity application platform.

(3) Integrated cybersecurity and smart meter gateway.

(4) Development of RMS (Remote Management Software) enabling customers to perform remote management and update services.

(5) Benchmarking industrial IoT and industrial computer management software, and developing NexVIC Edge to implement a software-driven hardware sales strategy.

(6) Independently developed hospital-grade smart medicine cabinet systems, successfully entering the dispensing systems of major domestic hospitals and extending into chain pharmacy systems and clinics.

(7) Successful development of the nDAS6000 SMART I/O system, which integrates IoT Web UI and dashboard functions in addition to automation control functions, receiving strong customer support and expanding into international markets.

(8) Integration of Industry 4.0, SAF, and Edge AI into the iAT3000 plant-wide monitoring system, offering highly integrated physical AI and cybersecurity capabilities with strong cost-performance advantages, while enabling easy integration with controllers from major automation vendors, thereby enhancing market competitiveness.

(9) Independently developed an AI-assisted enterprise cloud situation room utilizing NexDATA to integrate OT and IT application modules, including ten major categories and twelve functional modules, combined with the iAT3000 system to provide AI industrial IoT plant-wide solution sales.

(10) Strengthened the Edge AI product line by launching new products including AIGE1000, AIGE100, and AIGE200, realizing new integrated AI-and-controller functionalities.

(11) One of the few providers in the industry capable of offering consulting, project execution, and implementation services for Industry 4.0 and smart manufacturing, while collaborating with multiple well-known system integrators to provide one-stop ESG product manufacturing traceability and carbon footprint traceability solutions, thereby forming a co-creation ecosystem.

(12) Integration of NVIDIA Isaac Sim, ROS, and cuMotion robotic technologies.

(13) Implementation of Linux NIC and ECM (Ethernet Control Model) technologies.

(14) Development of RZ-T2M Safety OS applications compliant with SIL3 (IEC 61508 / ISO 13849) standards.

(15) FSoE technology and functional safety (FuSa) cross-check mechanisms.

(16) Technologies related to the ISO 10218 robot safety standard.

(17) Optimization of collaborative robot collision detection algorithms.

(18) Robot system dynamic parameter identification technology.

(19) Development of EtherCAT multi-master system technology. (29) Development of the eSAF Frontier V200 (OpenWRT version), featuring intrusion detection and prevention, malicious IP blocking, geo-blocking, asset management, network visualization, and real-time network monitoring capabilities to protect critical assets.

(20) Development of the eSAF Guardian AI robotic protection system.

(21) Subsidiary TMRTEK assisted the Group in implementing IEC 62443-4-1 certification in response to the EU CRA requirements.

(IV) Long-term and short-term business development plans

1. Short-term business development plans

(1) The subsidiary, NexAIOT, is focusing on the new market of Industry 4.0 solutions and expanding its business scale into the three major sectors of green manufacturing, Edge AI, and smart medicine cabinets.

(2) Continue to strengthen the strategic alliance with subsidiaries and important partners in Mainland China and important partners; deeply cultivate the local market and support major customers in the technical services and projects.

(3) Proactively develop emerging markets in Southeast Asia and expand the business of agents and system integrators in various countries.

(4) Develop new products related to AI-IPC to launch into the AI application field.

(5) Engage in strategic alliances with well-known IT software vendors to provide customers with complete solutions and consulting planning services for green manufacturing.

(6) Establish a complete supply chain covering ESG upstream and downstream dealers, strengthen the procurement capacity for key components, and meet the requirements of the global net zero carbon emission schedule.

(7) Develop key customers in the vertical markets for different applications; swiftly tap into specific professional fields, such as automotive applications, medical applications, industrial automation, production line automation, industrial firewalls, and cloud-based smart services.

(8) The subsidiary, NexCOBOT, specializes in software and hardware integrated controllers for robots and motion controls, and strives for the ODM project from global industrial robot manufacturer based on the new laws governing functional safety.

2. Long-term business development plans

(1) Develop the six key industries based on the Company's niche capabilities, which key industries include: Industry 4.0, robots, in-vehicle IoT, smart medical care, and industrial network security/development solutions, so as to seize the immense opportunities that come with the advent of IoT.

(2) Support NEXCOM Group's subsidiaries in transforming into an industrial solution operation model with software and hardware integration, in order to benchmark vertical markets in AIoT-related areas, such as green manufacturing, robotic safety control.

(3) Gradually improve the capabilities of overseas subsidiaries respecting marketing, technical support, and product assembly and sales, so that they can become a regional business support center that serves and develops customers locally.

(4) Proactively develop the regional markets worldwide to offset the impact of regional economic volatility.

(5) Deeply cultivate the vertical market for specific applications, establish the system integrators' ability to execute projects, and secure a leading position in the industry.

II. Market and production and sales overview

(I) Market analysis

1. Sales region of main products

Unit: NT$ thousand

Year / Sales region	2024		2025	
	Amount	Percentage (%)	Amount	Percentage (%)
Asia	1,196,519	22.07	1,512,057	26.52
Europe	2,073,972	38.26	2,066,170	36.23

America	1,271,187	23.45	1,354,343	23.75
Others	45,278	0.83	72,856	1.28
Subtotal of exports	4,586,956	84.61	5,005,426	87.78
Domestic sales	834,109	15.39	696,727	12.22
Total	5,421,065	100.00	5,702,153	100.00

2. Market share; future market supply and demand and growth

Since its incorporation in November 1992, NEXCOM has become an industry leader in the fields of industrial computer applications, embedded computer applications, and cyber-security platforms. The Company has taken a substantial market share in the local markets worldwide, given that it has leveraged the globalization advantages, operated in a localized manner, and provided customers with comprehensive services ranging from design and manufacturing of hardware to provision of solutions.

In recent years, the industrial applications of IPC have been widely extended in various intelligent related fields. In addition to continuing to consolidate the leading position in industrial computers, NEXCOM, via its associates, also applies the software and hardware integrated solution products to digital transformation related projects, such as AIoT-related areas including green manufacturing and green building, smart medical care, and smart image security. All of them are products and services provided by the Company.

3. Competitive niche

The Company possesses order-winning criteria in the market, given that it has been pioneered in technology, product confidence, and product computability,and that its technological support and after-sales services have been rapid and effective.

The Company’s competitive niche is as follows:

(1) A strong R&D team; excellent R&D innovation capability

With more than 30 years of dedicated experience in R&D of industrial computers and embedded computers, NEXCOM’s R&D team is fully capable of providing solutions to different industries with its cutting edge technologies. Our R&D personnel consist of three main teams: product design, product testing/support, and project management; they have been committed to developing and innovating products to meet the needs of different customers. NEXCOM’s R&D team upholds the ideal to develop products that are highly valuable, cost-competitive, and capable of instantly satisfying the needs of local markets, in the hope to offer One-Stop Design Service.

(2) The capability to propose solutions by integrating hardware, software, and firmware

Aside from having an outstanding hardware R&D capability in the industry, the Company also possesses a firmware development capability -which is rarely seen among industry peers - e.g., automatic maintenance and modification of BIOS; software development capability; capability in developing other applied software, drivers, and utility programs; remote/online system monitoring; and Nexcare, a solution that provides debug and self healing services. In addition, a dedicated software team has been established for the SoC platforms, providing services such as platform transplantation, system testing and verification, application software development, and system debugging. The Company is ahead of the industry in terms of applications, and has gradually expanded the distance from its peers.

(3) Comprehensive international marketing network

To attend to the market change, respond to customer needs immediately, shorten the delivery time, and provide comprehensive after-sales services and technical services, the Company has

successively established subsidiaries in the United States, Japan, and mainland China, planned a global logistics support system, built a comprehensive marketing network, and in doing so improved customers' satisfaction. The Company has also set up assembly lines and testing lines in the United States and mainland China, to satisfy the needs arising from the BTO orders placed by customers; it has also established a global delivery system to satisfy customers' needs. Subsidiaries in the United States and mainland China have all passed the ISO 9001 certification; they have on-site maintenance capabilities that can meet the needs of local customers and improve operational efficiency.

(4) Products with high quality and reliability

In terms of industrial solutions, NEXCOM derives its core competitive advantages mainly through its taking a position to provides high-quality and reliable products. Its products are widely adopted by worldly renowned and certified brands.

4. Favorable and unfavorable factors of development prospect and countermeasures:

(1) Favorable factors:

A. Because Taiwan has established an information industry supply chain that is the most powerful and comprehensive in the world, any products that are based on PC technologies can be found in Taiwan at the highest speed and lowest cost.

B. Nowadays, most buyers in the industrial automation industry are willing to accept industrial control solutions and automation solutions that are based on PC technologies. As such, IPC has become the best choice for "Applied & Embedded Computing", and so its growth is expectable.

C. Since this is the area of Mission Critical Computing & Non-Stop Operations, any products or services that are defect in terms of quality or design will all be rejected. As such, with excellent products and services, manufacturers can easily win customers' recognition. This is the only way to cultivate customers.

D. The Company possesses order-winning criteria in the market, given that it has been pioneered in product technology, product confidence, product reliability, and product computability, that its technological support and after-sales services have been rapid and effective, and that it has been enhancing its core competitive advantages.

E. The various leading manufacturers in the market respecting each independent field gradually release OEM orders for their hardware platforms so that they can concentrate on providing solutions. This is conductive to the Company's growth in the future.

F. The demand for robots and Industry 4.0 is increasing day by day.

(2) Unfavorable factors and countermeasures:

A. The PC industry is extremely volatile, the life cycle of which is usually less than 1 to 2 years. Despite the commitment of large brands such as Intel to supply goods in the long-term, it's still common that some parts and components usually run out-of-stock, causing difficulties to manufacturers and customers.

Countermeasures:

At the phase of designing a product, an assessment of the Life Cycle of all parts and components shall be conducted; only parts and components that are readily available in the long term will be used. A primary system and a secondary system of suppliers who provide substitute parts and components shall also be established. In the case where a parts or component might run out-of-stock, stocking up of such parts and components shall be conducted, and a notice shall be delivered to customers in advance requesting Approval for engineering change and providing the option of Last Buy.

B. The visibility of the NEXCOM brand is not sufficient because it is still new to the market. An additional period of time for brand management and promotion is required before the

NEXCOM brand can be accepted and trusted by large customers and users who are relatively conservative.

Countermeasures:

a. Cooperate with strategic partners; hold the NEXCOM Tech Day, Joint Marketing, and other events to strengthen brand visibility.

b. Strengthen new online sales channels on the website to increase industry exposure and scale of direct sales online.

c. Strengthen strategic alliances with leaders of each industry in the field of machine tool IoT to gain international renown and customer recognition.

d. Increase media coverage; provide reporting materials; provide in-depth description in writing of the issues that concern the market; improve media exposure density.

C. Form alliances with competitors vertically and horizontally to expand the advantages that come with economies of scale.

Countermeasures:

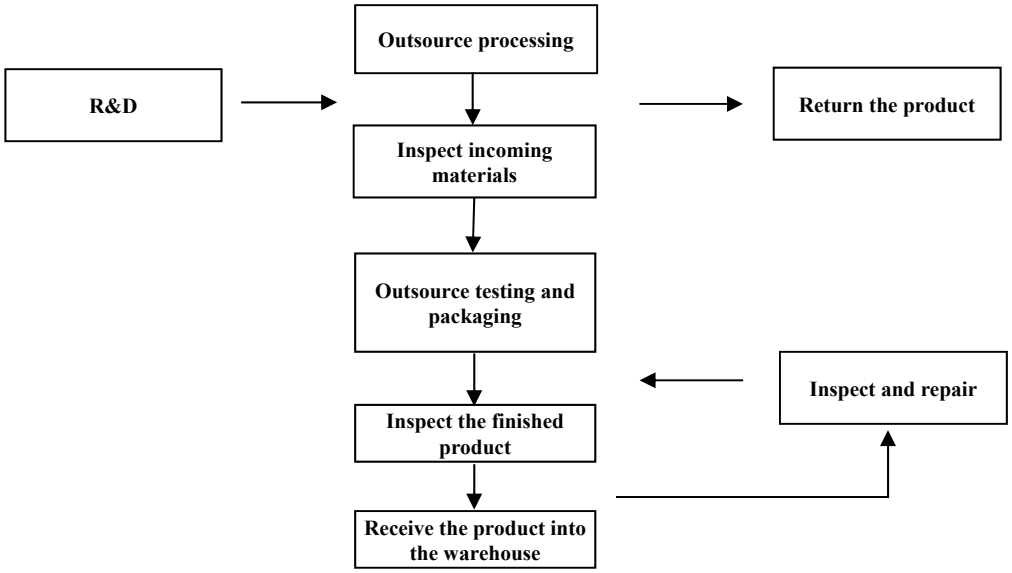
For the Domain Market and the Served Industry Segment: Integrate vertically; enhance solutions and strategic alliances; seek market complementation and sales performance synergy; deeply cultivate the market to establish competitive advantages and entry barriers; deepen the development of niche markets; avoid taking a red ocean strategy that is based on economies of scale to compete with industry peers; develop niche products characteristics of NEXCOM and therefore a blue ocean market strategy.

(II) Important applications and production process of main products

1. Application of main products

Product item	Major application and function
Single-board computer (SoC)	SoC is a piece of a single-pattern PCB which integrates computing functions with I/O ports. It is sized 3.5” or 5.25”, based on a Mini-ITX or a PICMG architecture, and expanded by using the various Backplanes. As such, SoC is the important standard for the industrial computer industry. It is mainly used in the embedded computers used for Industrial Control and Computer Telephone Integration (CTI).
System products	System products are a combination of SoCs, enclosure cases, power supplies, heat dissipation modules, and data storage modules. They fall into three categories: embedded system products; high-density blade servers; and network security monitoring system products - all are characterized by a high customization requirement. Their main applications include (1) industrial information system equipment that requires compact and miniaturized computing devices, such as automated teller machines, tool machines, medical equipment, and Mobile Computing Solutions (MCS); and (2) cluster supercomputing platforms and Internet security system equipment required for academic purpose, national defense, and engineering design.
Industrial IoT	Industrial IoT products are products developed by applying developed software to existing industrial computer hardware platforms to add value to such products. Such products include: nDAS controller, HMI, IoT gateway, AI edge, robot controller, RPA server, Autonomous Mobile Robot (AMR), data center, and enterprise situation room. Value-added services are provided on a project by project basis to satisfy manufacturers’ industrial needs for launch of smart manufacturing and digital transformation.

2. Production process



(III) Supply of main raw materials

Currently the Company purchases raw materials from a domestic renowned supplier who has a stable and long-term business relationship with the Company.

Its raw material supply is sufficient; therefore, the Company does not expect any shortage of production materials.

Name of main raw materials	Major suppliers
CPU	Synnex, WT Microelectronics, and Fuwei
Chipset	Synnex, WT Microelectronics, Texas Instruments and Edom Technology Co., Ltd.
PCB	Allied CircuiT, HannStar Board Corporation, First Hi-tec Enterprise, and Worldteck Optronic
Enclosure case	Giga Solution Tech, Shyong Shuenn Co., Ltd., Panadvance, Cheng Fwa Industrial, And Chanyu

(IV) The names of suppliers and customers who have accounted for more than 10% of the total purchases (sales) in any of the most recent 2 years, their purchases (sales) amount and proportion.

1. The names of suppliers who have accounted for more than 10% of the total purchases in any of the most recent 2 years, the purchases amount and proportion, and reasons for any change:

Unit: NT$ thousand

	2024				2025				Up to March 31, 2026			
Item	Name	Amount	As a percentage of net purchases for the year (%)	Relationship with the issuer	Name	Amount	As a percentage of net purchases for the year (%)	Relationship with the issuer	Name	Amount	Ratio to net purchase in current year to the end of the previous quarter (%)	Relationship with the issuer
1	Supplier A	560,300	17	None	Supplier A	675,611	18	None	Supplier T	146,356	15	None
2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Supplier A	137, 363	14	None
3	Others	2,714,298	83	None	Others	3,159,132	82	None	Others	705,910	71	None
4	Net purchases	3,274,598	100		Net purchases	3,834,743	100		Net purchases	989,629	100	

Analysis of change: Major suppliers of the Group for the most recent two years remained largely the same. The Group, in order to diversity purchase risks without reducing its products' quality, usually purchases form suppliers who offer lower prices and better payment terms. As such, only Supplier A accounts for more than 10% of the Group's annual total purchase amount.

2. The names of customers who have accounted for more than 10% of the total sales amount in any of the most recent 2 years, the purchases amount and proportion, and reasons for any change:

Unit: NT$ thousand

	2024				2025				Up to March 31, 2026			
Item	Name	Amount	As a percentage of net sales for the year (%)	Relationship with the issuer	Name	Amount	As a percentage of net sales for the year (%)	Relationship with the issuer	Name	Amount	Ratio to net sales in current year to the end of the previous quarter (%)	Relationship with the issuer
1	Customer S	1,240,971	23	None	Customer S	1,011,030	18	None	N/A	N/A	N/A	N/A
2	Others	4,180,094	77	None	Others	4,691,123	82	None	Others	1,146,731	100	None
3	Net sales	5,421,065	100		Net sales	5,702,153	100		Net sales	1,146,731	100	

Analysis of change: The Group's major customers for the most recent two years remained largely the same. To diversity the risk of concentration of sales, the Group annual develops new customers while maintaining business relationship with existing customers. As such, only customer S accounts for more than 10% of the Group's annual sales amount.

III. Employee information in most recent 2 years and the current year as of the publication date of the annual report

Year		2024	2025	Up to March 31, 2026
Number of employee	Indirect personnel	936	942	920
	Direct personnel	302	292	276
	Total	1,238	1244	1206
Average age		42.27	42.66	42.22
Average years of service		6.54	6.71	6.42
Education profile	PhD.	0.57%	0.48%	0.41%
	Master's	19.47%	19.61%	19.24%
	University or college	61.39%	59.73%	60.36%
	High school	5.90%	6.99%	5.80%
	Below high school	12.68%	13.18%	14.18%

IV. Information on environmental protection expenditures

The first half of the Company's product production process features automated machinery plugging in SMDs, while the second half of the process features personnel plugging in SMDs manually. Later operations such as testing, inspection, and packaging require relatively intense manpower. As such, the Company did not incur any environmental pollution.

1. According to laws and regulations if it is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and set up an exclusively responsible unit/office for environmental issues, the description of the status of such applications, payment or establishment shall be made: Waste Filing and Control Number: (F01B0092)
2. Setting forth the company's investment in the major anti-pollution facilities, the use purpose of such facilities and the possible effects to be produced: None.
3. Describing the process undertaken by the company on environmental pollution improvement for the most recent fiscal years and up to the prospectus publication date. If there had been any pollution dispute, its handling process shall also be described: None.
4. Describing any losses suffered by the company in the most recent fiscal years and up to the prospectus publication date due to environmental pollution incidents (including any compensation paid), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: None.
5. Explaining the current condition of pollution and the impact of its improvement on the profits, competitive position, and capital expenditures of the company, as well as the projected major environment-related capital expenses to be made for the coming 2 fiscal years.

V. Labor relations

(I) Employee benefit measures, continuing education, training, retirement system, and the implementation:

1. Employee benefit measures and the implementation

“Medical Insurance”: Labor Insurance, National Health Insurance, group insurance, business travel insurance and comprehensive protection.

“Health checkup”: Regular health checkup to ensure the employees’ health.

“On-site services”: Healthcare professionals by contract provide on-site health services and health care, health consultation and health promotion services.

“Massage Station”: Visually impaired masseuse are hired to provide massage services, such as shoulder relaxing and neck massage services.

“Healthy Food”: The canteen for employees is set up to provide group meal service, and meal allowances are provided.

“Educational trainings”: Provide employees with internal/external educational training opportunities.

“Club subsidies”: Employees are encouraged to organize their own clubs, and financial subsidies are provided.

“Organization of Events”: Employees’ travels, film appreciation, year-end banquets, and recognition for outstanding team members organized in order to regulate the physical and mental well-being of employees.

“Bonus and Welfare”: Festival bonus, year-end bonus and performance bonus to help improve the employees’ life.

“Welfare allowance”: Allowances for travels, birthday/ festival/ birth/ marriage/ funeral/ hospitalization .

“Maternity protection”: Set up breastfeeding room and nursery facilities.

“NEX Cafe”: The café subordinated to the Company to serve coffee.

“Health and Vitality Center”: The Center comprises a gym and an aerobic room to provide employees with more exercise spaces.

“Other benefits”: By cooperating with other vendors, the Company provides employees with more preferential treatments in daily life, such as food, clothing, housing and transportation.

2. Training system and continuing education system for employees

The Company arranges annual training plans according to its policy to improve their awareness of quality, teach them work skills, cultivate different talents to improve their skills and competency, thereby achieving the goal of quality improvement.

The achievement of educational trainings for 2025 is listed as follows:

Item	Number of class	Total number of participants	Total hours	Total expense (NT$)
New recruit training	43	254	1,530	0
Occupational competency training	610	8,350	10,870.85	184,187
Executive skills training	2	231	1,848	165,000
General purpose training	19	250	354	0
Total	674	9,085	14,602.85	349,187

3. Retirement system and its implementation

(1) As required by the "Labor Standards Act", the Company has established its own defined benefit pension plan, which is applicable to the service years of all regular employees before the promulgation of the "Labor Pension Act" on July 1, 2005, and to the service years of employees who elected to apply the Labor Standards Act after such date. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 4% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent Supervisory Committee of Labor Retirement Reserve Fund (the "Fund"). Before the end of each year, the Company assesses the balance in the aforementioned Fund. If the balance in the Fund is inadequate to pay the retirement benefits of employees who are eligible for retirement in the following year by the aforementioned method, the Company is required to fund the deficit in one appropriation before the end of next March.

In 2021, pursuant to Article 11, Paragraph 3 of the Labor Pension Act, and with the consent of both labor and management as well as approval by the NEXCOM Labor Retirement Reserve Supervisory Committee, NEXCOM settled employees' years of service under the old pension system. The settlement amount, totaling $11,758 thousand, was paid from the labor pension reserve account held in trust with the Trust Department of the Bank of Taiwan. Providing retirement pension payments in advance while maintaining employees' existing employment rights is also an important aspect of corporate social responsibility and a meaningful employee benefit offered by the Company beyond legal requirements. The Company encouraged employees to transfer the settlement amount into their individual accounts under the new labor pension system. By transferring the amount into individual pension accounts, employees can not only achieve greater financial stability after retirement, but also be exempt from retirement income tax on the settlement amount in the year of settlement.

The Company has fully settled employees' years of service under the old labor pension system. Accordingly, pension expenses recognized under the aforementioned system were $0 thousand in both 2024 and 2025.

(2) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the "Labor Pension Act", covering all regular employees with R.O.C. nationality. Under the "Labor Pension Act", the Company and its subsidiary contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. Pension shall be calculated as the amount in the employee's retirement account plus any accumulated gains and is paid monthly or in lump sum upon retirement of an employee. Employees who reach the age of 60 may apply directly to the Bureau of Labor Insurance. The Group's overseas subsidiaries abide by local regulations to contribute an amount of pension equal to a certain percentage of an employee's salary every month. Pension of each employee is managed by the government. Other than the monthly contributions, the Group has no further obligations.

The pension expenses recognized for 2024 and 2025 in the manner prescribed above was NT$47,917 thousand and NT$48,469 thousand, respectively.

4. Labor-management agreements and measures for preserving employees' rights and interests

The Company's labor-management relation is based on a principle of harmony. By formulating a comprehensive set of regulations respecting incentives, communication, training, benefits, and retirement, the Company aligns employees' interest with that of the Company.

5. Working environment and employee safety protection measures

Considering the importance of the working environment and employee safety protection measures, the Company identifies and analyzes material environmental aspects and hazards against ISO14001 and ISO 45001 (certificate is valid between January 9, 2023 and January 8, 2026). By managing

goals and projects, the Company improves the deficiencies in prioritized areas while controlling those with lower risks through operating control. After good operation, the identified deficiencies are all controlled and improved. Below is the Company material goals and management projects:

No.	Project name	ESH goal	Current state	State of implementation
1	Product design improvement program	Reduce the chassis size of the VTC1031 by 30% through optimized mechanical design, simplified specifications, and the adoption of smaller electronic components	The current low-end products have relatively large chassis dimensions. Smaller components can be adopted to reduce PCB size, lower BOM costs and design complexity, while enhancing performance and expandability.	1. Conducted circuit and layout analysis for the ATC356 product. 2. Performed prototyping and reliability testing. 3. After completing all tests, the product met the requirements and has been implemented into this series.
2	Energy-conservation project	Replace air-conditioning pump motors for the chilled water system at Zhonghe Headquarters to reduce electricity consumption by 10%.	Most of the existing cooling water pump motors are older models with relatively low energy efficiency and insufficient operating efficiency. Long-term operation has resulted in high electricity consumption and increased maintenance frequency.	1. Gradually replaced cooling water pump motors on each floor. 2. Following the improvements, electricity consumption was reduced by 11.9% based on calculations.
		Reduce lighting electricity consumption on the 9th floor office at Zhonghe Headquarters by 30%.	The T5 lighting fixtures on the 9th floor of Zhonghe Headquarters have been in use for ten years and exhibit lumen depreciation. Besides, T5 light tubes have a high damage rate, with obvious light decay, thereby likely to affect human eyes.	1. Replace the light tubes on 9th floor. The original T5 lighting tubes were replaced with LED panel lights. As a result, a total of 93 lamps were replaced. 2. After the replacement, the power consumption reduced by 67.64% upon calculation.
3	Safety Protection Program	Install material storage racks in the packaging material warehouse at the Huaya Plant to achieve 100% prevention of cushioning material collapse	Cushioning materials in the packaging warehouse are currently stored in stacked arrangements. Some materials do not have dedicated racks, and excessive stacking height poses a risk of collapse.	1. Conducted an inventory of packaging material types, dimensions, and weights to plan rack designs. 2. Installed material storage racks and carried out anti-toppling safety inspections to ensure safety. 3. Conducted regular inspections to ensure safe usage.

No.	Project name	ESH goal	Current state	State of implementation
4	Illumination improvement program	Achieve 100% illumination enhancement across the entire DIP production area at the Huaya Plant	The existing lighting equipment in the DIP area mainly consists of single LED lamps and fluorescent tubes, and the brightness level complies with regulatory requirements. However, customers have adopted higher illumination standards; therefore, improvement works were carried out.	1. Conducted an illumination improvement assessment for the area and replaced the fixtures with LED panel lighting. 2. After installation and measurement, the illumination level reached 740 lumens, meeting customer requirements. 3. Conducted regular inspections and maintenance.

Subsequent activities that promote the environment and occupational safety and health

Introduce the temperature sensing function to the burn-in room

The Company actively protects operators and equipment to reduce occupational incidents and reduce production costs. Aside from improving the working environment and operation management, temperature sensors and alarm lamps are also installed, so as to ensure the operational safety of factory employees and the safety of factory assets.

Energy-saving (lighting) equipment replacement and update planning

The Company will replace the traditional lighting equipment with high-efficiency and energy-saving ones to effectively reduce the consumption and waste of energy and, therefore, helps reduce GHG emissions and mitigate the impact on environment. Energy-saving lamps usually have longer service life so as to reduce the cost of replacement. Besides, energy-saving light fixtures usually have better lighting effects and color presentation so as to improve lighting quality and enhance workers' sense of comfort and work efficiency.

Occupational accidents prevention plan

To achieve the goal of zero-accident, the Company annually devises an occupational accident prevention plan based on past occupational accident record and the risk level of each operation. All business units involved shall implement the plan according to the timeline and content specified therein. The plan is updated through an internal audit system which identifies any deficiencies. Through the PDCA cycle, the Company expects to reduce the hazard risks facing each business unit year on year, thereby achieving the ultimate goal of zero-accidents.

Implement automated check

Employees' physical safety may be at risk due to unsafe operation, equipment, or management when they operate in a working environment or engage in production processes, operation, or any job. As so, the Company actively promote automated inspection, hoping to spot any potential risk factor and achieve effective control. Items subject to automated inspection include ventilation equipment, raw material usage, operating environment, personal protective equipment, operating machinery, and motor vehicles, and so on.

Protection and restriction for organic solvents and chemicals

Organic solvents and chemicals are generally used in the manufacturing process or laboratory tests, so facilitating operators' understanding of organic solvents and chemicals through general safety and health education and training helps avert the occurrence of accidents.

Labels affixed on the outside of organic solvent or chemical containers or bottles include information concerning warning messages, signs, and manufacturer information. The Safety Data Sheets (SDS)

shall be made available adjacent to organic solvents or chemicals for users' reference preventing occupational accidents due to inappropriate application.

Electric hazard training

It's common that extension cords and push-button switches are used in the production process. As so, facilitating operators' understanding of such extension cords and push-button switches through general safety and health education and training helps avert the occurrence of electrification. A high-voltage image and an electrical safety sign are attached adjacent to 220v outlets. In addition, an external cover in a conspicuous color (red) is installed to prevent the occurrence of occupational accidents.

Internal environment evaluation and check

In conformity with the plans for Maternal Health Protection, Prevention of Unlawful Infringement in the Performance of Duties, and Prevention of Ergonomic Hazards, evaluations and inspections, hazard identification, risk assessments and checks of proper work assignments, and design with respect to internal workplace and adjacent environment are implemented to discover and prevent any potential risk factor in the work environment in advance.

Workplace unlawful infringement prevention

The Company has issued the workplace unlawful infringement statement, declaring its zero tolerance against workplace unlawful infringements of any managing executives, facilitated managers' code of conduct and education and training, and provided reporting channels and subsequent handling procedures.

Maternal health protection

On-site healthcare personnel provide care and conduct interviews with pregnant employees to better understand their needs, recommend suitable job assignments and work arrangements, and ensure the physical and mental well-being of pregnant, postpartum, and breastfeeding female employees, thereby achieving the objective of maternal health protection.

Ergonomic hazards prevention

Ergonomic hazard factors in the office and laboratory are neglected most of the time. Therefore, the Nordic Musculoskeletal Questionnaire (NMQ) is used to measure the pain scale on body parts of individuals, particularly of high-risk positions, and subsequent review and improvement will be made based on the correlation between position and jobs found.

Prevention of abnormal work load

Categorization of risk levels through questionnaires measuring abnormality in employees' body and mental state, plus the 10-year cardiovascular disease statistics, allows medical personnel to discover employees of high risk and mitigate such risk of diseases by providing health education and assistance.

Implement annual health checks

Health checks can facilitate a good understanding about employees' actual health and help to find the correlation between source of abnormality and jobs, particularly for cardiovascular disease triggers. The health condition of employees of mid-to-high risk shall be followed up on by on-site medical personnel to ensure good employee health management.

Middle-aged and elderly employee workplace safety

In order to encourage generation collaboration and succession, the Company has built a friendly operational environment for middle-aged and elderly employees. In addition to the prevention of potential risk factors, unlawful infringement, ergonomic hazards, and abnormal-workload-triggered diseases, risk assessments on the workplace and personal health combined with health management and abnormality follow-ups are carried out for middle-aged and elderly employees of mid-to-high

risk. The competency index is used to evaluate the safety and suitability of tasks, and with the on-site medical personnel's assistance, it makes sure that middle-aged and elderly workers are safe both physically and mentally.

Regular work environment monitoring

To ensure the safety of laboratory and production line working environments: laboratories and production lines contain various potential occupational safety and health hazards. Operations involving soldering, organic solvents, SMT processes, and board-cutting machines may all pose potential risks. To reduce the likelihood of occupational injuries and diseases, labor work environment monitoring is conducted semi-annually to track physical and chemical hazards present in the workplace and ensure that the working environment complies with legally permissible exposure standards. To further reduce threats from hazardous factors, adequate protective equipment is provided, and employees working in potentially hazardous environments are required to wear qualified protective gear to ensure occupational safety and health. The work environment monitoring results for the entire year of 2025 were all in compliance with regulatory standards.

6. Work Rules

The Company has established its Work Rules, which stipulate the rights and obligations of the labor and the management in order to establish a sound modern-day management system,

and to make both the labor and management willing to work together and seek business growth together. The major contents of the Work Rules are as follows:

(1) General Provisions (2) Appointment (3) Service (4) Wages and Bonuses (5) Working Hours, Break, and Vacation (6) Leave (7) Performance Evaluation (8) Rewards (9) Discipline (10) Job Transfer (11) Education and Training (12) Welfare (13) Occupational Accident Compensation (14) Retirement (15) Opinion Communication (16) Complaint and Punishment of Sexual Harassment (17) Supplementary Provisions.

(II) Losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes, if any, and disclosure of the incurred and estimated expenditures as well as response measures:

1. The Company did not have any dispute with labors in the most recent year and the current year up to the publication date of this annual report.
2. The Company provides multiple channels for communication and coordination by both the labor and the management and strives to maintain a harmonious labor-management relationship.

VI. Cyber security management

I. Cyber security risk management

(I) Cyber Security Management:

The Company's Information Technology Division officially obtained ISO/IEC 27001 international standard certification on March 27, 2023, and successfully completed recertification in 2025. The certificate is valid through March 26, 2026. The external certification body is TUV NORD Taiwan Co., Ltd.

The contents include:

1. Regular internal reviews: Ensure the effectiveness and compliance of the information security management system; establish and implement information security management procedures.
2. Management review: The senior management should evaluate the operation of the information security management system and ensure its continuing applicability.

3. Resolution of nonconformities: Ensure that the nonconformities found by the Company may resolved in a timely manner, and take appropriate actions to prevent recurrence.

4. Preparation for the review on certificate renewal: Prepare necessary documents and records to respond to the review on certificate renewal.

(II) Cyber security management

- Purpose

  Maintain information assets of NEXCOM International Co., Ltd. (hereinafter, "NEXCOM") and its subsidiaries; enhance information security management; ensure confidentiality, completeness, and availability of information assets thereof to strengthen the information environment for continuous information business operation. Comply with relevant laws and regulations to avoid any internal and external, intentional or unintentional threats, and take them as the guidelines for the implementation of information security measures, specific policies, and related rules.

- Application scope

  All of NEXCOM's and its subsidiaries' employees, contracted suppliers, and personnel thereof.

- Definitions

  I. Information Assets: The personnel, documents, information, hardware, and software keeping the normal operation of NEXCOM's information business.

  II. Information Environment for Business Continuity: The computer operating environment maintaining the continuity of all of NEXCOM's businesses.

- Vision and Goals

  I. Vision for the Information Security Policy:

  Enhance personnel's awareness, prevent data leakage, and ensure service availability

  II. Based on the vision for the information security policy and to maintain confidentiality, completeness, and availability of NEXCOM's Information assets, the information goals are devised as follows:

  (I) Organize information security education and training, facilitate employees' awareness of information security, and boost their understanding regarding related responsibilities.

  (II) Ensure confidentiality of business data, avert unauthorized access or modification, and enable data access control.

  (III) Affirm consistent availability of the core system provided by the organization.

  III. Annual to-do list, required resources, responsible personnel estimated time to complete, evaluation approach and result with respect to the information security goals above shall be proposed, and relevant monitoring and measurement procedures shall be handled in accordance with the "Monitoring and Measurement Control Procedure Handbook".

  IV. The Information Security Execution Team shall report the implementation results of effectiveness measurement on information security goals in a management review meeting.

- Responsibilities

  I. NeXCOM's management shall establish and review such a policy.

  II. The Information Security Execution Team shall implement this policy through the management program and standard operating procedures.

  III. All personnel and suppliers shall comply with relevant security management procedures to maintain the information security policy.

IV. All personnel and suppliers shall report any information security incident and identified vulnerability.

V. Any unit obtaining NEXCOM's confidential information or personal data due to business needs shall be responsible for keeping information secret and use it properly in compliance with relevant national laws and NEXCOM's information security protocols.

VI. In the event of a data leakage or information security incident due to negligence of a unit, this unit shall be held legally liable.

VII. The Company will take civil, criminal, or administrative action against personnel whose behaviors risk information security depending on severity of such behaviors, or take punitive actions according to NEXCOM's rules.

● Review

This policy shall be reviewed in a management review meeting on an annual basis to update on the latest legal, technological, and business development, ensuring NEXCOM's continuity and practical skills in information security.

● Implementation

This Policy shall take effect after the review of the "Information Security Management Committee" and the approval of the managing representative. Subsequent amendments thereto shall be effected in the same manner.

(III) Specific management plans and resources invested in cyber security management

1. Specific management procedures promulgated are as follows:

No.	Document number	Category	Name
1	ISMS-1-001	Level 1 Policy	Information Security Policy
2	ISMS-1-002	Level 1 Policy	Statement of Applicability
3	ISMS-2-001	Level 2 Procedures	Overview Identification Procedures
4	ISMS-2-002	Level 2 Procedures	Monitoring and Measurement Management Procedures
5	ISMS-2-003	Level 2 Procedures	Information Security Organizational Procedures
6	ISMS-2-004	Level 2 Procedures	Information Asset Management Procedures
7	ISMS-2-005	Level 2 Procedures	Risk Assessment Management Procedures
8	ISMS-2-006	Level 2 Procedures	Personnel Security Management Procedures
9	ISMS-2-007	Level 2 Procedures	Document Management Procedures
10	ISMS-2-008	Level 2 Procedures	Internal Audit Management Procedures

No.	Document number	Category	Name
11	ISMS-2-009	Level 2 Procedures	Correction and Improvement Management Procedures
12	ISMS-2-010	Level 2 Procedures	Access Control Management Procedures
13	ISMS-2-011	Level 2 Procedures	Physical and Environmental Safety Management Procedures
14	ISMS-2-012	Level 2 Procedures	Operation and Communication Safety Management Procedures
15	ISMS-2-013	Level 2 Procedures	System Development Procedures
16	ISMS-2-014	Level 2 Procedures	Supplier Management Procedures
17	ISMS-2-015	Level 2 Procedures	Safety Incident Management Procedures
18	ISMS-2-016	Level 2 Procedures	Business Continuity Management Procedures
19	ISMS-3-001	Level 3 Work	Information Assets Work Instructions
20	ISMS-3-002	Level 3 Work	Account and Password Work Instructions
21	ISMS-3-003	Level 3 Work	System Development Work Instructions
22	ISMS-3-004	Level 3 Work	Business Continuity Plan

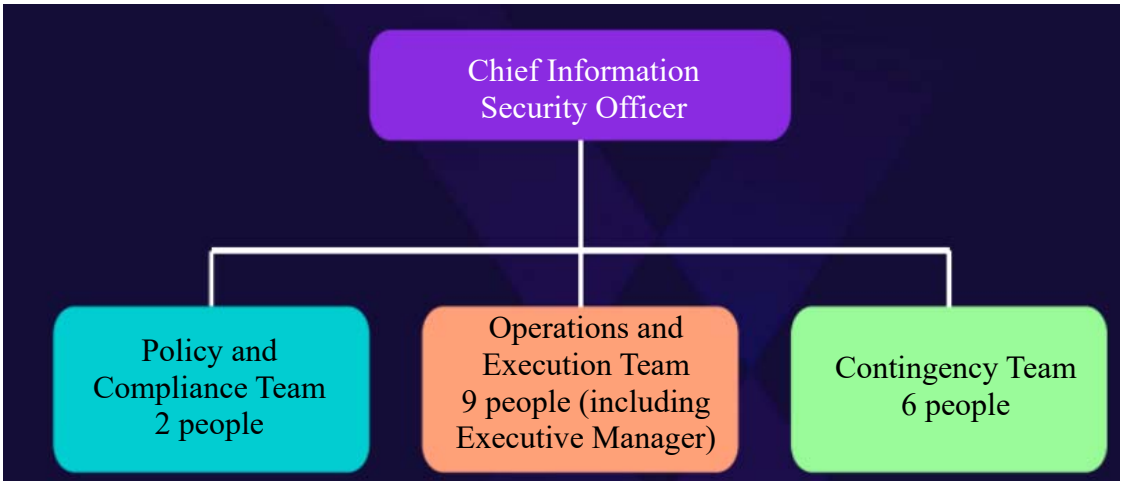
2. Specific Implementation Status:

- January 2025: Implemented information security education and training at the Company level
- May 2025: Passed external audit security review.
- September 2025: Completed account privilege review operations.
- November 2025: Completed company-wide social engineering drills.
- December 2025: Completed vulnerability scanning and remediation for internal systems.

The Company reports its cybersecurity risk management framework and implementation status to the Board of Directors at least once annually. The most recent report was made on November 5, 2025.

(IV) Resources Invested in Cyber Security Management

1. Organizational structure and human resources allocation:



2. Project Resources Invested:

- Appointment of ISO 27001 consultants and application for verification
- Purchase of the IPS (Intrusion Prevention System)
- Purchase of Network Access Control (NAC)
- Execution of social engineering drills
- Execute vulnerability scan on core system.
- Software system revision for information security enhancement
- Introduce source code scanning services to conduct comprehensive scans of application development

(V) Matters associated with cyber-security risk assessment and analysis, and countermeasures therefor

NEXCOM International Co., Ltd. has established the information security management system risk assessment and management guidelines and provided the risk assessment standards to be followed by the responsible unit, custody unit and user unit in the information process, in order to execute the risk control effectively and prevent the threat from information security events.

1. Responsibility for risk evaluation

(1) Risk owners: Responsible for authorizing the acceptable risk value, risk assessment results, risk improvement plans, control measures, opportunity assessment results and opportunity implementation plans.

(2) Information security execution team: Responsible for double checking the relevant information process risk assessment results, taking appropriate control measures against the information processes with the VaR exceeding the acceptable extent, and generating the "Risk Improvement and Opportunity Implementation Plan."

(3) Responsible unit supervisor: Responsible for reviewing the risk assessment results within the business scope of the unit.

(4) Responsible unit for information process: Responsible for executing the procedural items such as threat and vulnerability assessment and calculation of VaR of information process.

2. Definitions

(1) Confidentiality: Only authorized personnel can access the information.

(2) Integrity: Ensure the correctness and completeness of the information and processing methods.

(3) Availability: Ensure that authorized users can timely access the information and related assets when necessary.

(4) Acceptable Value at Risk: The minimum risk tolerance per type of information process.

(5) Threat: Unexpected events that might cause damage to the system or to NEXCOM.

(6) Vulnerability: A factor that might damage an information asset due to its own condition or the environment it is located in, as a result of certain threat.

(7) Risk: The potential threat that might causes loss or damage to NEXCOM's information processes, which is usually measured by the impact posed by vulnerabilities and the likelihood of occurrence.

(8) Opportunities: In addition to the improvement plan in response to the risk, any other action taken by NEXCOM to enhance the practices adopted by NEXCOM for the information security.

(9) Risk Owner:

i. Qualified people with the authority to approve and verify various information process risks within NEXCOM.

ii. The risk owners refer to the management representatives.

3. Risk assessment process

(1) Identification and classification of information assets shall be conducted in accordance with the "Information Asset Management Procedures."

(2) Risk assessment

Information systems and services that meet the following criteria shall be assessed for threat and vulnerability:

i. Important infrastructure and services within the safe area where NEXCOM's information security management system is constructed.

ii. Internal and external issues and interested parties' requirements.

(3) Threat and vulnerability assessment

Information systems and services that are subject to threat and vulnerability assessment and possible incidents (threat - vulnerability) are divided into six categories including:

i. Human factors: including the risks caused by the intentional or unintentional behavior of personnel and improper human resource management.

ii. Documents/data: including risks arising from improper creation, maintenance, control, and transmission of information and documents.

iii. Software: including the risks caused by improper system design, maintenance and operation.

iv. Hardware: including all possible risks over failure or damage of hardware devices.

v. Communication: including the risk that might arise from the failure of data, video and audio transmission media.

vi. Environment: including the risk that might arise from overall information environments, such as natural disasters, water supply, electricity and air conditioning, etc..

(4) Evaluate various events and record the main events faced by each asset in the "Risk Assessment Summary Table."

(5) If the value at risk of information assets is above 7 (inclusive), it is necessary to conduct the threat and vulnerability assessment.

(6) If the value at risk in terms of any of the confidentiality, availability and integrity of the information assets is 4, it is necessary to conduct the threat and vulnerability assessment.

4. Means of control

(1) After assessing the acceptable risk value of the information process, the risk analysis results should be reported to the risk owners. Appropriate control measures should be selected for information assets with the value at risk exceeding the acceptable limit. Generate the "Risk Improvement and Opportunity Implementation Plan" to explain the implementation method of risk control measures.

(2) The "Risk Improvement and Opportunity Implementation Plan" should be reviewed and followed up by the risk owners.

5. Improvement planning and measures:

The risk improvement plan proposed after the risk assessment should be filled into the "Risk Improvement and Opportunity Implementation Plan" for control, and followed up until the improvement is completed.

II. List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: Such incident did not occur.

VII. Important contracts:

The important contracts still outstanding and the important contracts expired in the most recent year and in the current year up to the publication date of this annual report are as follows:

Nature of the contracts	The parties involved	Contract start and end date	Principal contents	Restrictive clauses
Service agreement	Institute for Information Industry	As prescribed in the contract	Service agreement	As prescribed in the contract
Lease contract	CMC Magnetics	As prescribed in the contract	Real Estate Rental and Leasing	As prescribed in the contract

Five. Review and analysis of financial status and financial performance and risk

I. Financial position

(I) Main reasons for any material change in the company's assets, liabilities, or equity during the past 2 fiscal years, and the effect thereof:

Unit: NT$ thousand

Item \ Year	2025	2024	Percentage of change	
			Increased (decreased) amount	%
Current assets	3,603,249	4,520,257	(917,008)	(20)
Funds and investments	64,247	55,926	8,321	15
Fixed assets	1,442,161	1,391,232	50,929	4
Intangible assets	50,839	52,907	(2,068)	(4)
Other assets	885,119	711,625	173,494	24
Total Assets	6,045,615	6,731,947	(686,332)	(10)
Current liabilities	2,499,132	3,169,543	(670,411)	(21)
Non-current liabilities	417,263	331,483	85,780	26
Total Liabilities	2,916,395	3,501,026	(584,631)	(17)
Capital stock	1,412,265	1,412,265	0	0
Capital reserves	375,545	375,545	0	0
Retained earnings	1,335,574	1,363,844	(28,270)	(2)
Other equities	(31,417)	19,633	(51,050)	(260)
Non-controlling interests	37,253	59,634	(22,381)	(38)
Total shareholders' equity	3,129,220	3,230,921	(101,701)	(3)

Description of items sustaining material changes (i.e., items of which the annually changed amount reached 20% and NT$10 million or more in the past two fiscal years):

1. Current assets decreased compared to 2024, mainly due to decreases in cash and cash equivalents and accounts receivable.

2. Other assets increased compared to 2024, mainly due to increases in right-of-use assets and deferred tax assets.
3. Current liabilities decreased compared to 2024, mainly due to decreases in short-term borrowings and accounts payable.
4. Non-current liabilities increased compared to 2024, mainly due to an increase in lease liabilities.
5. Other equity decreased compared to 2024, mainly due to a decrease in exchange differences arising from the translation of financial statements of foreign operations.

Non-controlling interests decreased compared to 2024, mainly due to the recognition of losses incurred by subsidiaries.

(II) Items wielding material impacts shall be disclosed, specifying therein future countermeasures, and their impact on the Company's business and financial affairs.

II. Financial performance

(I) Main reasons for any material change in operating revenues, operating profit, or pre-tax profit during the past 2 fiscal years:

Unit: NT$ thousand

Item \ Year	2025	2024	Percentage of change	
			Increased (decreased) amount	(%)
Net operating income	5,702,153	5,421,065	281,088	5
Operating costs	4,248,849	4,125,619	123,230	3
Operating gross profit	1,453,304	1,295,446	157,858	12
Operating expenses	1,408,788	1,440,578	(31,790)	(2)
Operating profit (loss)	44,516	(145,132)	189,648	(131)
Non-operating income and (expenses)	(4,004)	90,684	(94,688)	(104)
Net profit (loss) before tax	40,512	(54,448)	94,960	(174)
Income tax expense (gain)	(4,104)	(102,303)	98,199	(96)
Net profits for the period	44,616	47,855	(3,239)	(7)
Other comprehensive income (net after tax) for the period	(49,438)	41,923	(91,361)	(218)
Total comprehensive income for the period	(4,822)	89,778	(94,600)	(105)
Net profits attributable to shareholders of parent company	54,588	84,890	(30,302)	(36)

Net profits (losses) attributable to non-controlling interests	(9,972)	(37,035)	27,063	(73)
Comprehensive income attributable to shareholders of parent company	5,416	127,367	(121,951)	(96)
Comprehensive income attributable to non-controlling interests	(10,238)	(37,589)	27,351	(73)
Earnings per share- Basic	0.39	0.60	(0.21)	(35)
Earnings per share- Diluted	0.39	0.60	(0.21)	(35)

Description of items sustaining material changes (i.e., items of which the annually changed amount reached 20% and NT$10 million or more in the past two fiscal years):

1. Operating profit increased compared to 2024, mainly due to increased revenue in 2025, reduced inventory valuation losses, and decreased operating expenses.
2. Non-operating income and expenses decreased compared to 2024, mainly due to exchange losses recognized from the appreciation of the New Taiwan dollar in 2025, reduced government subsidy income, and income recognized in 2024 from amounts reversed after the expiration of claim rights.
3. Net profit before tax decreased compared to 2024, mainly due to the increase in operating profit in 2025.
4. Income tax benefits decreased compared to 2024, mainly due to reduced losses of Taiwan subsidiaries in 2025, resulting in a decrease in recognized deferred income tax benefits.
5. Net other comprehensive income and total comprehensive income for the period decreased compared to 2024, mainly due to exchange losses recognized from the translation of financial statements of foreign operations in 2025.
6. Net profit attributable to owners of the parent decreased compared to 2024, mainly due to the decrease in recognized income tax benefits in 2025.
7. Net loss attributable to non-controlling interests decreased compared to 2024, mainly due to reduced losses of non-wholly-owned subsidiaries in 2025.
8. Comprehensive income attributable to owners of the parent decreased compared to 2024, mainly due to decreases in net profit attributable to owners of the parent and net other comprehensive income for the period.
9. Comprehensive loss attributable to non-controlling interests decreased compared to 2024, mainly due to reduced losses of non-wholly-owned subsidiaries in 2025.
10. Basic and diluted earnings per share decreased compared to 2024, mainly due to the decrease in net profit for 2025.

III. Cash flow

(I) Description and analysis of changes in the cash flow in the most recent year (2025):

Unit: NT$ thousand

Cash balance, beginning of period	Net cash flow from operating activities during the year	Net cash flow from other activities during the year	Cash balance (shortage)	Expected remedies for cash shortage	
				Investment plan	Wealth management plan
1,485,845	159,664	(780,092)	816,788	—	—

Net cash outflow from investing and financing activities amounted to NT$780,092 thousand, mainly due to the continued purchase of equipment and software for operational needs and the repayment of borrowings in 2025.

(II) Corrective actions responsive to insufficient liquidity: Not applicable.

(III) Cash flow analysis for the coming year:

Unit: NT$ thousand

Cash balance, beginning of period	Net cash flow from operating activities during the year	Net cash flow from other activities during the year	Cash balance (shortage)	Expected remedies for cash shortage	
				Investment plan	Wealth management plan
816,788	100,000	(200,000)	716,788	—	—

Analysis of changes in projected cash flows for the coming year:

(1) Operating activities: Revenue is expected to resume growth after major ODM customers complete inventory destocking, thereby generating net cash inflows from operating activities.

(2) Investing and financing activities: In 2026, the Company expects to relocate its plant and purchase equipment and software to meet operational needs. In addition, the Company will continue to distribute cash dividends, directors' remuneration, and employee bonuses, while repaying short-term and long-term borrowings based on funding requirements in order to reduce the debt ratio.

IV. Effect of major capital expenditures on finance and business matters in the most recent year: None.

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

(I) Reinvestment Policy

The Company has established its "Regulations Governing the Supervision of Subsidiaries", and stipulated a set of investee management procedures in its investment cycle; both serve as the guidelines on engaging in or managing investees.

(II) Reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, and the plan for improving re-investment profitability

1. Nex Computers, Inc., Nexcom Japan Co., Ltd., GreenBase Technology Corp. and its subsidiaries, EMBUX Technology Co., Ltd., and Nexcom International Co., Ltd. (SAMOA), recognized investment income of $67,384 thousand in 2025. This was mainly due to stable shipments and operations of Nex Computers, Inc., Nexcom Japan Co., Ltd., Greenbase Technology Corp., and EMBUX Technology Co., Ltd., in 2025, and the recognition of interest income by Nexcom International Co., Ltd. (SAMOA).
2. NexAIOT Co., Ltd. and its subsidiaries, TMR Technologies Co., Ltd. and All IoT Cloud Corp. recognized investment losses totaling $89,219 thousand in 2025. This was mainly because the operating scale of some of the above subsidiaries had not reached economies of scale, resulting in operating losses. In the future, they will focus on product development and business promotion to increase revenue and profitability. In addition, as the inventories of some customers of NexAIOT had not yet been fully digested, shipments decreased, resulting in operating losses. In the future, it will continue to develop new customers, reduce expenses, and strengthen project control to increase revenue and profitability.

(III) Investment Plan for the Coming Year

The Company will prudently evaluate domestic and overseas investments, deepen its global market presence, and expand its scale to promptly capture business opportunities for its products across various application fields, thereby sustaining its growth momentum.

VI. Risk analysis

(I) Impact of changes in the interest rates, exchange rates, and inflation on the Company's profit and loss in the most recent year and in the current year up to the publication date of this annual report, and future countermeasures

Unit: NT$ thousand

Risk item	Impact on the Company's profit or loss			Future countermeasures
	Financial account	Until March 31, 2026	2025	
Interest rate	Interest income	937	14,680	1. Interest income mainly consists of interest earned from temporarily unused cash deposited with financial institutions, and interest rate fluctuations have not had a significant impact on the Company. 2. The Company maintains close relationships with multiple financial institutions to obtain more favorable borrowing interest rates and reduce the impact of interest rate fluctuations on the Company.
	Interest expense	13,218	36,242	
Exchange rate	Gain (loss) on exchange	12,557	(26,712)	1. The Company continuously monitors foreign exchange rate trends. In addition to using foreign currencies received from sales to settle foreign currency payments for purchases as a natural hedge, it also buys or sells foreign currencies or adjusts foreign currency borrowings at appropriate times to reduce the impact of exchange rate fluctuations on profit or loss. 2. When exchange rate fluctuations become significant, the Company renegotiates transaction

Risk item	Impact on the Company's profit or loss			Future countermeasures
	Financial account	Until March 31, 2026	2025	
				prices with customers or suppliers to mitigate the impact of exchange rate volatility on operations. 3. When necessary, the Company adopts derivative financial instruments for hedging purposes, such as forward foreign exchange contracts.
Inflation	—	—	—	The Company has taken the initiative to reduce costs and at the same time kept close relations with suppliers and customers. In the event of a price hike of raw materials, it dynamically adjusts its procurement and sales policies matching prices.

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

Risk item	State of implementation	Policy and countermeasures
High-risk, highly leveraged investments	The Company's investments mainly consist of investments in domestic and overseas operating locations or strategic alliances related to its core business. The Company does not engage in any high-risk or highly leveraged investments.	The Company has consistently focused on its core business and does not engage in high-risk or highly leveraged investments.
Lending funds to others; Endorsement and guarantee	The Company currently has no loans to others, and all endorsements and guarantees are provided to the Company's subsidiaries (sub-subsidiaries).	The Company makes endorsement and guarantee in accordance with its "Operating Procedures for Loaning of Funds to Others" and "Operating Procedure for Making of Endorsements/Guarantees."
Derivative transactions	The Company did not engage in derivative trading in the period between January 1, 2025 through March 31, 2026.	If derivative financial instrument transactions are conducted in the future, they will be handled in accordance with the Company's "Procedures for Acquisition and Disposal of Assets."

(III) Future R&D plans and estimated R&D expenses

1. Future annual R&D plans

(1) Vertically integrated hardware platform product development

Smart network security dedicated hardware platform

Integrated AI edge computing Netcom equipment

Smart high-performance 6G professional universal user-end device

Industrial AI network security gateway

NISE/NIFE series industrial automation dedicated hardware platform

VTC/VMC/ATC series telematics hardware platform

nROK/aROK/vROK/rROK series railway information and communication hardware platform

IP65/67 outdoor AI application platform

NViS series network surveillance and recording hardware platforms

NVAiS series network AI surveillance and recording hardware platforms

Neu-X series automatic service machine and equipment hardware platform

XPPC series ultra-thin touchscreen computer hardware platform

AIEdge series AI application hardware system

nPAC programmable automation controller

nDAS IoT Smart Device

MARS400 series Physical AI humanoid robot/quadruped robot controller hardware platforms

TP200 web-based robot handheld teaching pendant hardware development

Development of embedded IEC-61508 SIL3 functional safety hardware platform

NexClaw AI Workforce Platform (enterprise AI digital employee and intelligent assistant platform)

(2) Advanced hardware technology development

Low Earth orbit satellite communication network equipment hardware platforms

Development of 800G high-bandwidth network cards

Development of next-generation network accelerator cards

Development of ultra-low latency TSN industrial cybersecurity solutions

Research and development of 1.6T networking technologies

Power plant-level AI cybersecurity box

Application of the various AI accelerator cards to telematics

(3) Emerging application technology and integrated solution development

6G private network hardware platform integration solution

Scalable 5G AI network gateway integrated application solutions

Development of platform firmware resilience (PFR) and hardware root of trust (HRoT) security architectures

Development of Dual BIOS v2 intelligent dual-firmware backup and seamless switching technology

Development of automated secure development and monitoring platforms compliant with international cybersecurity regulations (CRA/IEC 62443)

Ethernet Bypass: Unified Control up to 400G

NEXLOCK: Protect your device form privileged access.

SuperCap automotive power interruption protection (UPS)

Multi-channel and multiplex image transmission and network management technologies

AI-based network camera human/vehicle detection and license plate recognition technologies

Thermal image webcam technology

Full-distance remote control network camera lens module
Expandable multi-lens network camera systems
Ultra-low illumination full-color network camera technologies
Low-power-consumption BLE mesh network smart building energy conservation solution
EtherCAT multi-master control technologies
Robot functional safety control technology development
Integration of next-generation NVIDIA IGX Thor platforms with functional safety applications
Customized AI report generation modules for data centers
Smart pharmacy inventory management modules for data centers
Smart medicine cabinet labeling and access management modules for data centers
AI assistant real-time data query technologies for the situation room
AI agent automated report generation technologies
eSAF Platform Manager – Nex-Gen AI cybersecurity analytics platform
eSAF Guardian AI robotic cybersecurity monitoring and protection system
eSAF Frontier V Series – Next-Gen multifunctional OT firewall
Integrated wireless transmission and Edge AI Gateway analytics solutions for smart water resource monitoring
Integrated micro wind power generation and wind direction monitoring systems
NexBrain Enterprise AI Platform & Compute Center
NexGPM architecture: front-end and back-end decoupled development technologies
NexGPM front-end: React Web 2.0 interactive user interface design
NexGPM back-end: Python high-performance programming and Nginx reverse proxy and access control design
NexGPM deployment: Docker-packaged application environments
NexGPM synchronization: database CDC technology for regulatory and legal content synchronization

2. Estimated R&D expenses

The R&D expenses stated on the financial statements for 2025 and 2024 accounted for 10.04% and 10.82%, respectively, of the operating revenue. Estimated R&D expenses for 2026 stands at NT$623,000 thousand.

(IV) The impact of changes in significant policy and laws, domestic and foreign alike, on the Company's finance and business matters and the countermeasures

The Company was not affected by any changes in domestic or foreign policies and laws that had an impact on its financial position or operations in the most recent year.

Nevertheless, in response to potential future policy and legal changes, the Company will continue to seek consultation and advice from relevant professional institutions, such as legal and accounting advisors, and formulate corresponding response measures to mitigate the impact of significant domestic and foreign policy and legal changes on its financial position and operations.

(V) The impact of technological changes (including cyber safety risks) and industry changes on the Company's finance and business matters and the countermeasures

Labor shortage has been bothering the industry over the past years. As time and environment shifts,

the new generation have largely lost a diligent work attitude, but have embraced fun and changes at work. To cope with future changes, the Company has launched automation to minimize the requirements for labors, so that the production process can be simpler and purer. Reducing the dependence on human intelligence and making the production process simpler is the direction that the Company is heading towards. To respond to the soaring domestic demands of China and its made-in-China policy, the Company must adopt a strategy that shifts certain production to China. Production in Taiwan still has a niche, in that it can provide low-quantity highly-customized products.

IoT will be an important trend that thrives in the post PC era, having the technology serve humanity. IoT applications will also cover the IPC industry. This is a customized product that features diversified specifications and is produced in little quantity by multiple means; it requires flexibility from order-taking to production and a short time-to-market. Such an advantage, which the IPC industry used to distinguish itself from the PC industry, will give the IPC industry more say on the market if taking into account future market variation trend.

(VI) Impact of recent corporate image change on corporate crisis management, and countermeasures

The Company's corporate image has been good. The Company did not engage in any illegal conduct, and no change in corporate image occurred. The Company's corporate crisis management mechanism functions well. The Crisis Management Team composed of the Company's responsible person, spokesperson, and related executives is fully competent to cope with any contingency. The emergency procedures will start upon the occurrence of a corporate crisis. The Crisis Management Team will handle the crisis and assign corresponding contacts who are responsible for disclosing real-time and correct information and related countermeasures to investors, the competent authority, and the media.

(VII) Expected benefits and possible risks of the merger and acquisition, and countermeasures

As of the most recent year and in the current t year up to the publication date of this annual report, the Company did not have any merger and acquisition plan. Should there be any merger and acquisition plan in the future, it should be prudently evaluated based on the consideration as to whether such a merger and acquisition brings concrete synergy to the Company, so as to ensure the original shareholder equity.

(VIII) Expected benefits of plant expansion, possible risks, and countermeasures

Any expansion or addition to the Company's plant must undergo a feasibility analysis and a financial analysis, and be supplemented with countermeasures.

(IX) Risks associated with the concentration of purchases and sales, and countermeasures

As disclosed in related chapters of this annual report, the Company mainly purchases from and sells to the parties based on considerations regarding their distinctively industrial characteristics and the Company's needs at different operating phases. In the future, the Company will mitigate the purchase and sales concentration risk by developing important clients, new projects, new suppliers of parts and components, and new partnership with clients.

(X) Impact, risks, and countermeasures relating to substantial transfers or changes in shareholdings by directors, supervisors, or major shareholders holding more than 10% of the Company's shares. During the most recent year and up to the date of publication of the annual report, there were no substantial transfers of shareholdings by directors, supervisors, or major shareholders holding more than 10% of the Company's shares to other parties. Accordingly, no material impact on the Company has arisen therefrom.

(XI) The impact of the change in management rights on the Company, the risks, and countermeasures

There was no change in management rights in the most recent year and the current year up to the publication date of this annual report. All of the Company's directors and employees have been striving to manage the Company, a reason why the Company has remained a good operational performance in the past years. In the future, the Company will uphold a philosophy of a robust

management to earn shareholders' recognition for the management team. As such, it's not likely that a substantial shift or change in shareholding will occur such that the management rights are changed and thereby the Company is impacted or any risks arise therefrom.

(XII) Litigation or non-litigation matters: The Company shall disclose any material litigation, non-litigation, or administrative dispute cases involving the Company, its directors, supervisors, president, de facto people in charge, major shareholders holding more than 10% of the Company's shares, or subsidiaries, whether concluded by final judgment or currently pending, if the outcome may have a material impact on shareholders' equity or the price of the Company's securities. The disclosure shall include the facts in dispute, amount in controversy, date of commencement of the litigation, principal parties involved, and the status of the case as of the date of printing of the annual report:

1. Any litigation, non-litigation, or administrative dispute cases involving the Company during the most recent year and up to the date of publication of the annual report, whether concluded by final judgment or currently pending, the outcome of which may have a material impact on shareholders' equity or the price of the Company's securities, including the facts in dispute, amount in controversy, date of commencement of the litigation, principal parties involved, and current status of handling: None.

2. Any litigation, non-litigation, or administrative dispute cases involving the Company's directors, supervisors, president , de facto person in charge, major shareholders holding more than 10% of the Company's shares, or subsidiaries during the most recent two years and up to the date of pulication of the annual report, whether concluded by final judgment or currently pending, the outcome of which may have a material impact on shareholders' equity or the price of the Company's securities, including the facts in dispute, amount in controversy, date of commencement of the litigation, principal parties involved, and current status of handling: None.

(XIII) Other important risks and countermeasures: None.

VII. Other important matters: None.

Six. Special Items

I. Information on affiliates

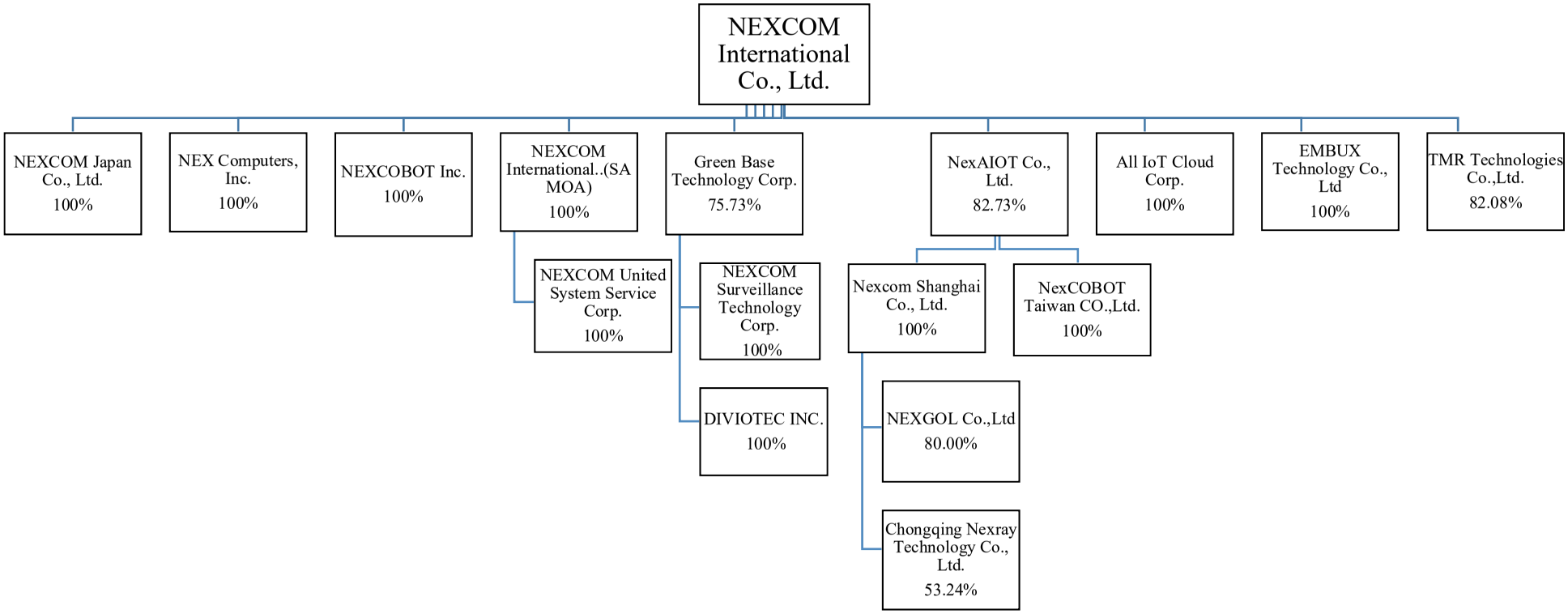
(I) Consolidated business report of affiliates

1. Overview of affiliates

(1) Organizational chart of affiliates

NEXCOM International Co., Ltd.

Organizational chart of affiliates



(2) Basic information on affiliates

December 31, 2025

Unit: NT$ thousand

Company name	Date incorporated	Address	Paid-in capital	Major business activities or product lines
Nex Computers, Inc.	1999/09/01	41300 Boyce Road Fremont CA 94538, USA	56,977	Trading of computers and peripheral equipment
NEXCOM Japan Co., Ltd.	2000/12/04	9F,Tamachi Hara Bldg., 4-11-5, Shiba Minato-ku, Tokyo, Japan	12,762	Trading of computers and peripheral equipment
NEXCOM International Co., Ltd. (SAMOA)	2004/08/30	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	14,562	Investment
Green Base Technology Corp.	2011/05/20	13F., No. 922, Zhongzheng Rd., Zhonghe Dist., New Taipei City	200,127	Trading of computers and peripheral equipment
NexAIOT Co., Ltd.	2014/03/19	13F., No. 922, Zhongzheng Rd., Zhonghe Dist., New Taipei City	229,592	Trading of computers and peripheral equipment
Nexcom Shanghai Co., Ltd.	2014/05/12	Room 406-407, Building C, No. 154, Lane 953, Jianchuan Road, Minhang District, Shanghai	104,234	Trading of computers and peripheral equipment
EMBUX Technology Co., Ltd	2014/06/30	13F., No. 916, Zhongzheng Rd., Zhonghe Dist., New Taipei City	36,450	Trading of computers and peripheral equipment
NEXCOM United System Service Corp.	2015/03/30	Room 604, No. 609, East Yunling Road, Putuo District, Shanghai	33,998	Trading of computers and peripheral equipment
NEXCOM Surveillance Technology Corp.	2015/05/27	South Block B, 8F, Building B3, Xiufeng Industrial City, Gankeng Community, Buji Street, Longgang District, Shenzhen	30,321	Trading of computers and peripheral equipment
All IoT Cloud Corp.	2015/09/08	13F., No. 922, Zhongzheng Rd., Zhonghe Dist., New Taipei City	10,000	Trading of computers and peripheral equipment

Company name	Date incorporated	Address	Paid-in capital	Major business activities or product lines
NEXGOL Co.,Ltd	2017/02/21	Building 1, No. 999, Xingguang Avenue, Yongchuan District, Chongqing	44,650	Trading of computers and peripheral equipment
Chongqing Nexray Technology Co., Ltd.	2017/03/27	Building 1, No. 999, Xingguang Avenue, Yongchuan District, Chongqing	25,314	Manufacturing of computers and peripheral equipment
TMR Technologies Co.,Ltd.	2017/10/06	13F., No. 916, Zhongzheng Rd., Zhonghe Dist., New Taipei City	46,072	Trading of computers and peripheral equipment
NexCOBOT Taiwan CO.,Ltd.	2018/04/03	13F., No. 916, Zhongzheng Rd., Zhonghe Dist., New Taipei City	79,800	Trading of computers and peripheral equipment
NEXCOBOT Inc.	2018/04/05	46665 Fremont Blvd, Fremont CA 94538, USA	5,921	Trading of computers and peripheral equipment
DIVIOTEC INC.	2012/11/05	29F.-1, No. 97, Sec. 4, Chongxin Rd., Sanchong Dist., New Taipei City	40,000	Manufacturing of computers and peripheral equipment

(3) Information on the same shareholder of affiliates presumed to have a relationship of control or subordination: Not applicable.

(4) Businesses covered by affiliate companies: Computer and Peripheral Equipment Manufacturing and Trading

(5) Information on directors, supervisors, and presidents of affiliate companies:

December 31, 2025

Unit: thousand shares; %

Company name	Title	Name or Representative	Shareholding	
			Number of shares	Shareholding Percentage
Nex Computers, Inc.	Director	NEXCOM International Co., Ltd. Representative: Lin Mao-Chang and Yang Chien-Hsing	5,000	100.00%
NEXCOM Japan Co.,	Director	NEXCOM International Co., Ltd.	1	100.00%

Company name	Title	Name or Representative	Shareholding	
			Number of shares	Shareholding Percentage
Ltd.		Representative: Lin Mao-Chang, Yang Chien-Hsing, and Yang Yu-Shu		
	Supervisor	NEXCOM International Co., Ltd. Representative: Chen Yuan-Pin		
NEXCOM International Co., Ltd. (SAMOA)	Director	NEXCOM International Co., Ltd. Representative: Lin Mao-Chang	200	100.00%
Green Base Technology Corp.	Director	Lin Mao-Chang	348	1.74%
		Yang Hsing-Yao	88	0.44%
	Independent Director	Chung Chen-Ming	0	0%
		Chen Hong-Ming	0	0%
		Li Ying-Hui	0	0%
	President	Yang Hsing-Yao	88	0.44%
NexAIOT Co., Ltd.	Director	NEXCOM International Co., Ltd. Representative: Lin Mao-Chang, Lin Hung-Chou, and Shen Chien-I	18,995	82.73%
	Supervisor	Yang Yu-Shu	12	0.05%
	President	Lin Hung-Chou	429	1.87%
Nexcom Shanghai Co., Ltd.	Director	NexAIOT Co., Ltd. Representative: Lin Mao-Chang	—	100.00%
	Supervisor	NexAIOT Co., Ltd. Representative: Chen Yuan-Pin		
NEXCOM United System Service Corp.	Director	NEXCOM International Co.,Ltd.(SAMOA) Representative: Lin Mao-Chang	—	100.00%
	Supervisor	NEXCOM International Co.,Ltd.(SAMOA) Representative: Chen Yuan-Pin		
	President	Wang Cheng-Jen	—	—
NEXCOM Surveillance	Director	Green Base Technology Corp.	—	100.00%

Company name	Title	Name or Representative	Shareholding	
			Number of shares	Shareholding Percentage
Technology Corp.		Representative: Lin Mao-Chang		
	Supervisor	Green Base Technology Corp. Representative: Chen Yuan-Pin		
	President	Yang Hsing-Yao	—	—
All IoT Cloud Corp.	Director	NEXCOM International Co., Ltd. Representative: Lin Mao-Chang, Lin Hung-Chou, and Chen Po-Hsu	1,000	100.00%
	Supervisor	NEXCOM International Co., Ltd. Representative: Yang Yu-Shu		
NEXGOL Co.,Ltd	Director	Nexcom Shanghai Co., Ltd. Representative: Lin Mao-Chang and Lin Hung-Chou	—	80.00%
		Chongqing Googol Changjiang Research Institute Representative: Lu Shu	—	20.00%
	Supervisor	Chongqing Googol Changjiang Research Institute Representative: Lin Chen-Jung		
	President	Chen Chih-Hang	—	—
EMBUX Technology Co., Ltd	Director	NEXCOM International Co., Ltd. Representative: Lin Mao-Chang, Lin Hung-Chou, and Ting Wen-Ching	7,290	100.00%
	Supervisor	NEXCOM International Co., Ltd. Representative: Yang Yu-Shu		
	President	Ting Wen-Ching	—	—
TMR Technologies Co.,Ltd.	Director	NEXCOM International Co., Ltd. Representatives: Lin Mao-Chang, Lin Hung-Chou, and Lai Kuan-Chou	3,782	82.08%
	Supervisor	Yang Yu-Shu	—	—

Company name	Title	Name or Representative	Shareholding	
			Number of shares	Shareholding Percentage
	President	Lai Kuan-Chou	85	1.85%
NexCOBOT Taiwan CO.,Ltd.	Director	NexAIOT Co., Ltd. Representative: Lin Mao-Chang, Lin Hung-Chou, and Shen Chien-I	7,980	100.00%
	Supervisor	NexAIOT Co., Ltd. Representative: Yang Yu-Shu		
	President	Shen Chien-I	—	—
NEXCOBOT Inc.	Director	NEXCOM International Co., Ltd. Representative: Lin Mao-Chang and Lin Hung-Chou	200	100.00%
CHONGQING NEXRAY TECHNOLOGY Co., Ltd.	Director	Suzhou Surite Trading Co., Ltd. Representative: Ma Yuan	—	17.76%
		Nexcom Shanghai Co., Ltd. Representative: Lin Hung-Chou and Lin Ming-Hao	—	53.24%
		Chongqing Thermal Technology CO., LTD. Representative: Tang Chuan-Ming	—	29.00%
	Supervisor	Nexcom Shanghai Co., Ltd. Representative: Chen Chih-Hang	—	—
	President	Chen Chih-Hsu	—	—
DIVIOTEC INC.	Director	Green Base Technology Corp. Representative: Lin Mao-Chang, Yu Ju-Fen, and Yang Hsing-Yao	4,000	100.00%
	Supervisor	Green Base Technology Corp. Representative: Yang Yu-Shu		
	President	Yu Ju-Fen	—	—

Note: Information on directors, supervisors, and presidents of affiliates as of the publication date of this annual report.

(II) Consolidated Financial Statements of Affiliates

NEXCOM International Co., Ltd.

Declaration of Consolidated Financial Statements of Affiliates

For 2025 (from January 1, 2025 to December 31, 2025), the companies required to be included in the consolidated financial statements of affiliated enterprises prepared by the Company in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" were identical to those required to be included in the consolidated financial statements of parent and subsidiary companies prepared in accordance with IFRS 10. In addition, all relevant information required to be disclosed in the consolidated financial statements of affiliated enterprises had already been disclosed in the aforementioned consolidated financial statements of parent and subsidiary companies. Accordingly, no separate consolidated financial statements of affiliated enterprises were prepared.

In witness thereof, the Declaration is hereby presented.

Company name: NEXCOM International Co., Ltd.

Responsible person: Lin Mao-Chang

Match 6, 2026

(III) Affiliation Report: Not applicable, because, by law, the Company does not need to prepare an affiliation report.

II. Private placement of marketable securities in the most recent year and the current year up till the publication date of this annual report: None.

III. Other matters that require additional explanation: None.

IV. Any events in the most recent year and the current year up to the publication date of this annual report that materially affect shareholders' equity or the price of securities as defined in Article 36, Paragraph,2 Subparagraph 2 of the Securities and Exchange Act: None.

NEXCOM International Co., Ltd.

Chairperson: Lin Mao-Chang

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NEXCOM Group

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