Stock Code：3715

Dynamic Holding

Dynamic Holding Co., Ltd.

2025 ANNUAL REPORT

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

Dynamic Website：https://www.dynaholding.com

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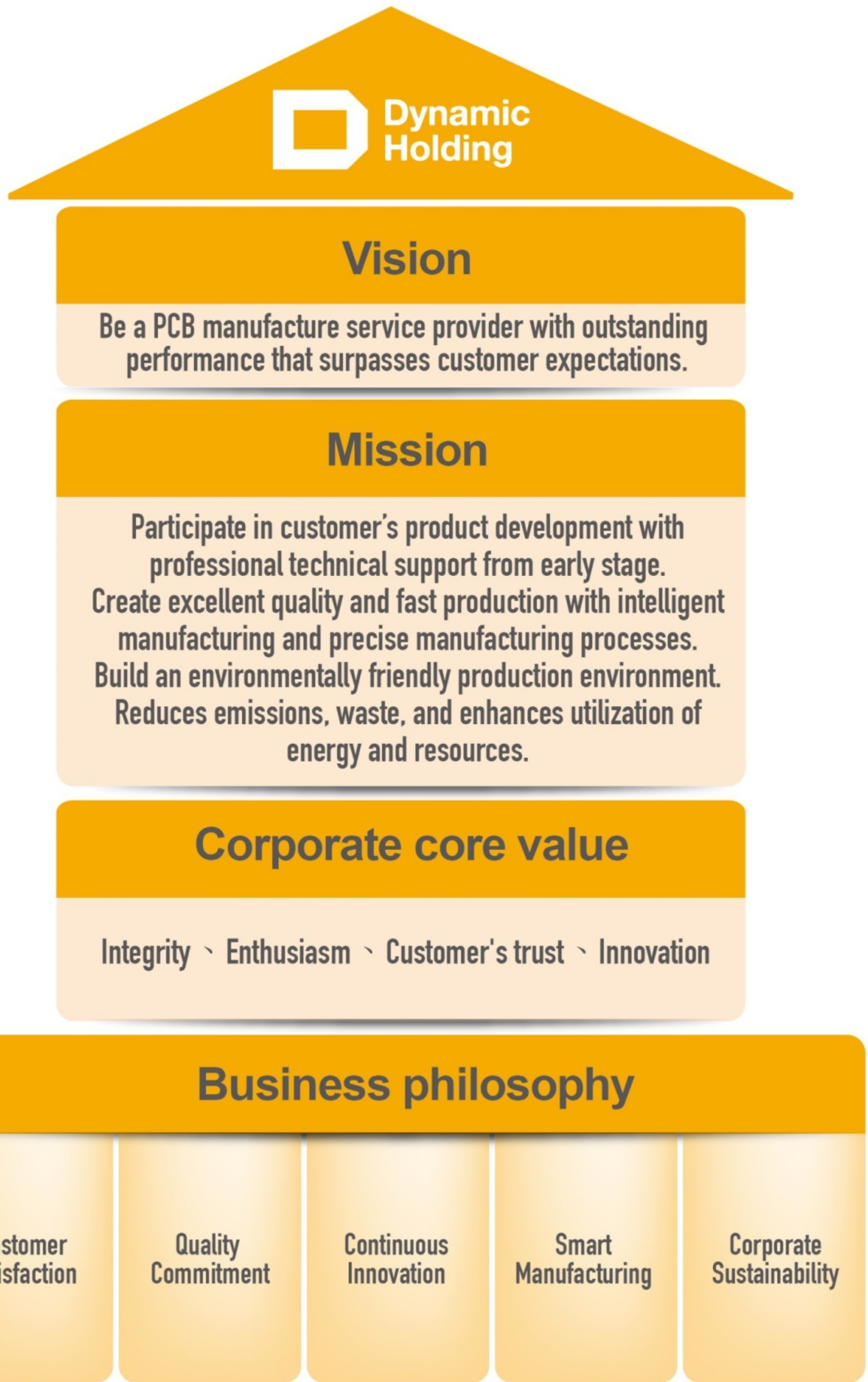
Corporate Vision、Mission、Values and Business Philosophy



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I. Letter to Shareholders

Dear Shareholders:

Global Economic Outlook

In 2025, under the prosperity driven by technology, the global economy gradually emerged from the shadow of tariff shocks, demonstrating significant resilience with an annual growth rate of about 3.3%. Investments in artificial intelligence and information technology continued to rise, with strong performance from the U.S. and major Asian exporters creating spillover effects worldwide. However, growth momentum remained uneven, and geopolitical risks, trade policy changes, and supply chain restructuring kept the overall situation in a cautious recovery mode with risks coexisting.

Looking ahead to 2026–2027, global economic growth is expected to remain at 3.2%–3.3%. While appearing stable, this balance is built on multiple forces. Potential risks include downward revisions to AI productivity expectations, rising trade tensions, expanding fiscal deficits and debt, and heightened political uncertainty. The key lies in striking a balance between optimism and prudence, strengthening sound policies and structural reforms, and ensuring that Tech Dividends transform into sustainable and inclusive growth momentum, avoiding sharp cyclical fluctuations.

According to the update of the World Economic Outlook released by the International Monetary Fund (IMF) in January 2025, the global economic growth rate in 2024 is 3.2%, and it is predicted to be 3.3% in both 2025 and 2026, which is lower than the historical average of 3.7%. Growth rates among countries diverge, with the US growth rate increasing but risks for other economies tending to the downside. Global inflation is expected to drop from 4.2% in 2025 to 3.5% in 2026. Inflation in developed economies will return to target earlier, providing room for interest rate cuts. The IMF pointed out that the medium-term growth rate of the global economy is still below historical levels, and policymakers must rebuild fiscal and monetary buffers, promote structural reforms, and strengthen multilateral cooperation to enhance growth prospects and ensure sustainable economic development.

Global Electronics Market Outlook

Despite economic slowdown and tariff pressures, Prismark raised its forecast for the global electronics market in 2025 to USD 2.77 trillion, up 8.5% year-on-year, mainly driven by strong expansion in infrastructure, especially AI servers, which significantly outpaced moderate growth in other applications. In 2026, the market is expected to reach USD 2.93 trillion, up 5.8%, with servers remaining the main driver, smartphones recovering moderately under AI influence, and automotive gradually rebounding as inventories adjust. The compound annual growth rate (CAGR) for 2025–2029 is projected at 5.9%, showing that AI infrastructure investment has become the core driver of medium- to long-term growth.

However, concerns about whether AI investment is forming a bubble are increasing. AI data center investment is highly concentrated at the service provider level rather than the end-consumer market, with capital expenditure far exceeding actual revenue. Equity and transaction structures may also create cyclical risks, which may not pose immediate problems but could amplify risks during downturns. Overall, whether the AI industry can avoid bubble formation depends on whether future revenues can sustainably support massive capital spending.

PCB Market Outlook

Prismark forecasts that the PCB market output value will grow about 15.4% in 2025, driven mainly by AI servers and high-speed network infrastructure, with strong demand from military and aerospace applications. The recovery of smartphones and PCs also contributed. The multilayer board market is expected to grow over 18%, with boards above 18 layers increasing more than 50%. Boards with 8–16 layers will continue to grow due to server and PC demand, though competition and price pressure remain. High-density interconnect (HDI) boards are projected to grow 25.6%, driven by penetration into AI servers, networking equipment, satellite communications, and automotive electronics. Challenges include tariffs, inflation, overcapacity, and shortages of advanced materials. Geopolitical tensions are pushing supply chain diversification, with Thailand emerging as a manufacturing hub in Southeast Asia, offering lower production costs than Japan, Korea, and Taiwan.

In 2026, the PCB market output value is expected to continue strong growth at 9.1%. HDI boards, driven by AI server and high-speed network demand, are projected to grow about 13%, while multilayer boards are expected to grow about 11%, supported by advanced materials, complex designs, and processes.

Dynamic Outlook

In 2025, Dynamic's revenue grew by 9.4%, reaching a new record high. This was mainly due to strong growth in the HDI market, with HDI revenue up 26% and its share rising from 32% to 37%, optimizing the product mix. In applications, storage devices, networking and servers, and computers and peripherals grew by 65%, 53%, and 57% respectively, showing strong momentum. Gross margin declined slightly due to higher initial operating costs at the Thailand plant and rising raw material prices. However, with high-end AI products entering mass production in Thailand in the second half of 2026, margins are expected to improve significantly. Net profit margin in 2025 was 4.02%, with EPS at NT$2.7, showing stable profitability.

Dynamic Electronics (Huangshi) was listed on the Shanghai Stock Exchange on October 24, 2025 (stock code: 603175), significantly enhancing capital market financing capacity, which will support revenue and profit growth in the coming years.

The most important achievement in 2025 was Dynamic's AI deployment. With AI booming, PCB technology advanced to a higher level, and overall output value surged. Customers demanded supply chain stability and flexibility, requiring production base reallocation. Dynamic held a leading advantage, having planned its Thailand plant in 2022, starting mass production in Q3 2024, and focusing on advanced process technology. By 2025, Dynamic had completed its layout with high-end AI products as the main growth engine for the next 5–8 years, with three product lines—GPU, ASIC, and Switch—progressing simultaneously. Customer certifications for factories and products were obtained, securing supplier qualification. Dynamic continues deep collaboration with key customers, actively deploying next-generation PCB process development, with professional talent and advanced equipment in place, maintaining industry-leading technical and mass production capabilities.

In 2025, to address carbon fee transition risks and meet its Science Based Targets initiative (SBTi) carbon reduction goals, Dynamic introduced an internal carbon pricing system, implemented via shadow pricing, aligning with international trends and corporate carbon reduction strategies. Dynamic's internal carbon pricing application and evaluation scope covers Scope 1, 2, and 3. Preliminary assessments indicate that it will be applied to the company's procurement management and product R&D design, incorporating related carbon emissions and carbon footprints into decision-making considerations. In terms of renewable electricity usage, in 2025 the group generated 2.15 million kWh of solar power and purchased 139 million kWh of green electricity, achieving a 30% green power usage rate. Dynamic will continue to promote the transition to green energy, moving toward a more sustainable future. In addition, in 2025 Dynamic continued to work hand in hand with supply chain partners to conduct ISO 14067 Product Carbon Footprint (PCF) audits, improving the supply chain carbon footprint management system, providing customers with the necessary information, and jointly reducing product carbon footprints to realize the vision of sustainable development and environmental coexistence.

2025 Sustainability Achievements

1. **International Recognition**: Selected for the S&P Global Sustainability Yearbook for two consecutive years and awarded Ecovadis Gold (top 5% globally).
2. **Sustainability Awards**: Won TCSA Top 100 Sustainability Model Award, Sustainability Report Silver Award, ranked in the top 5% in corporate governance evaluation, and received TIP Taiwan Sustainability AAA rating (top 5%).
3. **Supply Chain Excellence**:
   - Foxconn Sustainability Excellence Award
   - AUMOVIO Supply Chain Excellence Award
   - Kimtigo Pillar of Strength Award
   - Honored by Foxconn Industrial Internet with Quality Improvement Award and Service Excellence Award
4. **Green Sustainability Development**:
   - Business Weekly Carbon Competitiveness Top 100
   - Taoyuan 1.5°C Model Enterprise
   - Thailand plant awarded Green Industry Level 3 Certificate
   - Certified Green Supply Chain Management Enterprise
   - Hubei Provincial Green Manufacturing Enterprise

These achievements show Dynamic's strong resilience and continuous ESG optimization momentum.

Our 2025 operating performance and 2026 business plan summary are shown as follows:

A. Operation Results in 2025

(A) Consolidated operation plan execution results in 2025

Unit: NTD thousands

Item	2025	2024	Growth Rate
Operating income	$19,452,961	$17,787,004	9.37%
After-tax (loss) gain	781,286	1,075,539	(27.36%)
Profitability	4.02%	6.05%	(33.55%)

(B) Consolidated budget implementation in 2025

Unit: NTD thousands

Item	2025 Actual Performance	2025 Budget	Achievement Rate
Operating income	19,452,961	19,255,549	101.03%
Operating cost	15,691,276	15,483,906	98.68%
Operating margin	3,761,685	3,771,643	99.73%
Operating expenses	2,601,845	2,542,520	97.72%
Operating profit	1,159,840	1,229,123	94.36%
Pre-tax profit	1,060,418	1,101,079	96.31%

(C) Revenue and profitability analysis in 2025

Unit: NTD thousands

<table>
<tr><th colspan="3">Item</th><th>2025</th><th>2024</th></tr>
<tr><td rowspan="2">Financial revenues & expenses</td><td colspan="2">Financial revenue</td><td>19,917,641</td><td>18,282,792</td></tr>
<tr><td colspan="2">Financial expenses</td><td>18,857,223</td><td>16,715,204</td></tr>
<tr><td rowspan="6">Profitability</td><td colspan="2">Return on assets</td><td>3.54%</td><td>5.43%</td></tr>
<tr><td colspan="2">Return on equity</td><td>7.53%</td><td>14.36%</td></tr>
<tr><td rowspan="2">Ratio to paid-in capital</td><td>Operating profit</td><td>40.9%</td><td>55.36%</td></tr>
<tr><td>Pre-tax profit</td><td>37.39%</td><td>56.45%</td></tr>
<tr><td colspan="2">Net profit margin</td><td>4.02%</td><td>6.05%</td></tr>
<tr><td colspan="2">Earnings (loss) per share in NTD</td><td>2.7</td><td>3.78</td></tr>
</table>

(D) Research and development status in 2025

In 2025, with the booming AI-related industries, high-end servers and GPU applications continued to expand. AI servers, 5G mobile communications, autonomous driving, and satellite communications remained the main axes of electronic industry development. In response to high-speed chip heat dissipation needs, technologies such as embedded copper coins and copper paste saw strong market demand. In 2025, besides ongoing quality improvement and process capability enhancement, Dynamic invested heavily in equipment and technology at Huangshi Plant II and Thailand Plant to meet thick board production demand for AI servers, strengthening capabilities in AI server and switch markets. The Thailand Plant 5 successfully began production in 2025, achieving mass production capacity for high-layer count boards and advanced HDI boards, meeting European and American customers' requirements for third-location manufacturing. Factory and product certifications were completed for multiple customers.

Dynamic also advanced high-frequency/microwave product expertise, collaborating with networking and automotive millimeter-wave radar companies on early design development, successfully entering 5G Open-RAN customers with RRU and antenna equipment. Antenna self-testing technology and equipment were introduced, further enhancing competitiveness in high-frequency, high-speed, and high-heat-dissipation PCB technologies.

The main R&D projects and achievements in year 2025 are summarized as the following six points:

1. High-speed, Low-loss Products

- Completed advanced material certifications (M8, M9).
- Achieved 50-layer technical certification, with processing capability up to 60 layers and board thickness up to 8mm.
- Advanced HDI: completed 20-layer anylayer and based on 6+14+6 reliability verification, further progressed to the process and test of 7+10+7.
- Product technical capability: The stepped gold finger designs of two-time lamination, N+N design, and multi-steps HDI design types have been completed in processing and delivered., N+N, N+M+N, DIC (Drill In Center), back-drill 2±2 mil, TLPS (Transient Liquid Phase Sintering) are all being developed and making phasal progresses.

2. Advanced HDI and Thinner Products

- Completed 24-layer 8+8(B)+8 server HDI development.
- Achieved mass production of 16-layer anylayer HDI, PCS size >550mm LCD/LED boards. Completed development of 24-layer 8+8(B)+8 server HDI boards.
- Certified and mass-produced 12-layer anylayer cavity laptop boards, automotive central control boards, Successfully mass-produced 14-layer HDI boards with full inner and outer 3oz copper design for smart grid control.
- Successfully developed and mass-produced 8+8 HDI test module products with PCS size >580mm, 1 piece per panel.
- Completed development and mass production of anylayer camera modules with finished board thickness <0.3mm; blind hole diameter capability has been extended down to 3 mil.
- Completed development of 48-layer M+N and M+2+N HDI products with 6.0mm board thickness, as well as 7+12+7 HDI development. In addition, material studies for multi-press lamination have been completed and standardized, enabling more diverse and stable use of anylayer materials.
- Thin products: Mini-LED boards with 0.2mm thickness have been certified and entered production. The R&D focus in 2025 is on developing and producing even thinner BT-type materials in the 0.15–0.1mm range.

3. **High-frequency Millimeter-wave (mmWave) Products**

- Automotive radar at 60GHz/77GHz shipments rising and keep developing new customers.
- Antenna self-test platform operational for 77GHz S-parameters.
- Collaborated with Tier-1 and chip companies on waveguide radar, entering pilot production.
- Additionally, relevant testing instruments have been purchased, providing full testing capabilities to better meet customer needs.
- In satellite communications and microwave products, ground receiving stations for geostationary orbit (GEO) satellites continue in mass production, while

ground receiving stations for low Earth orbit (LEO) satellites—the most scalable area of development—are actively being pursued through ongoing customer engagement to secure mass production opportunities.
- 5G Open-RAN RU modules under development; FWA and CPE equipment certified by multiple customers.

4.High Heat-dissipation Products
- Embedded copper technology applied to automotive and communications.
- Thick copper (>3oz) designs and effectively provide customers with design recommendations and development to meet their heat dissipation needs.
- 12oz samples in progress.
- Evaluated high thermal conductivity RCF (>2.0W/m-k) and completed internal certification of heat spread paste (HSP). Customer sample trials are in progress
- simultaneously, to meet the heat dissipation needs of wireless communication products, the application of thermal conductive copper paste is being evaluated.
- Overall, in response to the thermal technology requirements that customers are focused on, a complete set of product and process service technologies is about to be established.

5.**Embedded Passive/Active Components**
- Initiated embedded capacitor process development for AI/server applications.
- Co-developed embedded 48V iBSG (integrated Belt Starter Generator) with customers, and have been certified.
- Began embedded resistor (0402) development.
- Improved embedded component minimum size capability to 2x2mm, progressing toward smaller dimensions.

B. Business Plan Summary for 2026

(A) Business Principles

1. Business Level:

(1) Set sustainability (ESG), transformation (smart manufacturing), upgrade (precise process), and profitability (internal growth) as the four major goals for 2025.

(2) Establish a professional, independent and diversified board of directors structure by increasing independent directors with expertise in technology, cybersecurity, ESG and sustainable development, and continue to increase the number of female directors.

(3) To achieve Dynamic's commitment to the Science-Based Targets Initiative (SBTi) carbon reduction pathways and goals, an internal carbon pricing system has been implemented.

(4) The compensation of directors and executives is now linked to the company's ESG performance, making "sustainability" a key differentiating factor for Dynamic.

2. R&D Level:

(1) Continuing the research and development direction in 2025

- 5G high-frequency communication network base station and CPE, RRU, Small Cell, satellite communication, 800G high-speed transmission, AI Server and Switch
- Advanced Driver Assistance Systems (ADAS), 4D Imaging Radar, LiDAR
- Wearable device, 48V iBSG
- MiniLED backlight/direct-lit module
- Electric car charging pile, EV automotive relay, engine and motor control modules

(2) Technology development schedule is as follows:

Year / Content	Product Application	2026				2027			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
5G telecom/datacom small cell process capability development and samples	ADAS / Satellite Comm. / 5G comm./ 800G high speed								
High-end server, switch products	**Server, Switch, Base station core**								
Embedded component products	Wearable devices /48V iBSG								
Heat dissipation management products (HSP<Heat Sink Paste>、Coin 、copper paste、thick copper above 6oz) process capability development and samples	Automotive/ Relays/charging piles for new energy vehicles /Medical/Defense/aerospace/5G communication /Satellite transmission								
High-frequency base station, satellite antenna product process capability development	Antenna for 5G base station /CPE/Small cell								

Program evaluation

Prototyping

Mass production →

3. Marketing Level:
   (1) Extend the company's marketing strategy considerations into customer marketing and production lines. Gather information on upper, middle, and lower stream industries; competitors; the environment; and administrative regulation related information through multiple channels so that the operational level can carry out appropriate decisions and R&D strategies.
   (2) Fully communicate with the customer design and sales end and fully cooperate with their market and product positioning to avoid over- and under-product specifications as well as successfully establishing a market segment using precise and appropriate product quality and cost prices.
   (3) Use production bases to cover international customers worldwide; actively establish a global services network; and provide instant and effective post-sales marketing, technology, and quality services in order to get a better grip on customers' demand and build a firm relationship with the customers.
   (4) Providing all kinds of resources for the research and development of the potential products which developed by emerging enterprises to establish a partnership basis, and to become their long-term collaboration partner once product development has matured and obtained a certain market share.

4. Management Level:
   (1) Respecting self-value realization of employees and continuing to promote talent cultivation projects to improve the quality of all levels of leaders. Carry out career development planning and design in both management and professional techniques. Furthermore, to better implement corporate social responsibility (CSR) and improve the requirements of the Responsible Business Alliance (RBA) to root the company culture (Integrity, Enthusiasm, Learning, Teamwork) in everyone's heart. Build a developmental organization structure to support the company's continued growth. In response to the company's new product development and plant expansion plan, actively recruit professional talents and train successors. Strengthen education and training, including internal and external training, general knowledge education, special education, professional education and certification training. Also keep promoting academic upgrading programs, cooperate with universities and colleges to develop entrance program for students graduated from vocational school, and entrance examination registration program of vocational school or university for students who have equivalent qualifications of high school in order to keep the good employee and enhance the company's overall academic level.
   (2) As for the continuous promotion of the performance management system, the President's crew, "DynamicX iLearning", promoted the "Quantitative Performance of Team and Position" activity in March, 2018, all the members of the team work together to achieve goals and share the bonus brought by work performance. It is used to promote performance management downwards to the units and to individuals. The effects are obvious. The

turnover rate, production efficiency and quality are all improved; thereby competitiveness is boosted by cost reduction.

(3) The Knowledge Management System (KMS) is a cross-plant knowledge-sharing platform established under a rigorous information security and confidentiality mechanism. By integrating data classification retrieval with access authority management, the system serves not only as a vital cornerstone for talent training and the preservation of the Company’s core competitiveness, but also as a decision-support platform for our global teams to access industry trends and historical technical literature. Actively promoted by the iLearning Committee, the KMS has become an essential tool for employees’ daily operations. As of 2025, the system has archived over 10,000 entries of technical diagrams, manufacturing process specifications, and case studies, while maintaining a high monthly active usage rate—effectively reducing the cost of cross-regional technical communication. Furthermore, in conjunction with the commencement of production at the Thailand plant in 2025, the system successfully implemented multi-lingual (Thai, English, and Chinese) IPC international standards and operational guidelines. This has significantly enhanced the professional skills of our local employees, ensuring that the production quality of overseas facilities aligns with Group standards, thereby achieving global layout and localized empowerment.

(4) Actively plans to surpass the competition of traditional industries and move towards a new generation of automation, intelligence and information. Utilize smart factory as the carrier, intellectualization of key manufacturing links as the core, and network interconnection as the support. These aspects are embodied in the deep integration of various links of the manufacturing process and the new generation of information technology, such as Internet of Things, big data, cloud computing, etc.

(5) In addition to continuously maintaining management systems related to environmental protection and occupational health and safety, each production plant has independently established Dynamic's product carbon footprint system by leveraging its experience in ISO 14067 product carbon footprint inventory. This system enables the tracking and calculation of the product carbon footprint for every production part number, while driving forward the carbon footprint management of the supply chain. The maintenance status of each system is shown in the table below:

Classification	**System / Standard**	**Kunshan Plant**	**Huangshi Plant**	**Thailand Plant**
Environmental Management System	ISO 14001	V	V	V
Water Resources Management	AWS		V	
Waste Management	UL 2799		V	
Organizational Carbon Emission Management	ISO 14064-1	V	V	V

Classification	System / Standard	Kunshan Plant	Huangshi Plant	Thailand Plant
Product Carbon Emission Management	ISO 14040 & ISO 14044		V	
Product Carbon Emission Management	ISO 14067		V	
Occupational Health and Safety Management	ISO 45001	V	V	V
Energy Management	ISO 50001	V	V	
Hazardous Substance Process Management	IECQ QC 080000	V	V	V

Dynamic integrates its governance priorities and goals with global climate action initiatives, placing "net-zero and carbon reduction" at the core of its corporate governance. In 2023, the company submitted its commitment to science-based carbon reduction targets to the SBTi organization. In April 2025, SBTi officially approved Dynamic’s science-based recent emissions reduction targets. Using 2023 as the base year, Dynamic aims to achieve a 42% absolute reduction in organizational carbon emissions (Scope 1+2) by 2030. For indirect emissions (Scope 3), the company has proposed a 25% absolute carbon reduction target aligned with the WB2C (Well Below 2°C) trajectory, committing to a 25% carbon reduction by 2030 across actions such as purchased goods and services, fuel- and energy-related activities, and waste generated in operations. Dynamic also invites its supply chain to join the carbon reduction movement, aiming to contribute its share to promoting sustainable development in harmony with the global environment.

(6) Work with our suppliers to promote various policies such as labor, health and safety, environment, ethics and management systems, and implement corporate social responsibility.

(B) Anticipated Sales Volume and its Basis

Based on the 2025 actual performance and 2026 annual forecast, comprehensively evaluate the company's advantages and market trends, and set the company's main directions for 2026:

1. Production capacity: According to the expansion of production capacity of Huangshi Plant and Thailand Plant, it is estimated that the overall sales area will increase by about 13%.
2. By technology types: including conventional board, HDI, high frequency-high speed board, thick copper board, Semi-flex board, etc.
3. By product application categories:
   (1) Automotive PCB: The growth will come from advanced driver assistance systems (ADAS) and electric vehicles.
   (2) Netcom & AI-related: In response to the development of AI, the demand for servers and Netcom-related increases.
   (3) Storage devices: The demand for SSD and memory modules will increase.

(4) Display panel: Demand is stable and new display technologies will be ready for certification (QD-LED).
(5) Consumer electronics: mobile phone related products.
(6) Medical products: The demand stays stable. Striving for new sample approval.

(C) Critical Production Planning Policies

In the year 2026, in line with the needs of the market and customers, the following short/medium/long-term plans are set:

1. Short-term: On the production side, the Company dynamically allocates manufacturing capacity, while the sales strategy prioritizes high-ASP and high-gross-margin orders. Nevertheless, continuous attention must be paid to the uncertainties arising from armed conflicts and geopolitical risks.
2. Mid/long-term:

- **Process Optimization:** Drive precision manufacturing to enhance production process capabilities.
- **Product Portfolio:** Portfolio migration into high-end, high technical content, and high value-added products.
- **AI Readiness:** Leverage automation and smart manufacturing to cultivate Dynamic's core competitiveness in the AI era.

C. Impact on future development strategy by the external competitive environment, regulatory environment, and overall business environment

As for the external competition, the industry is rapidly concentrating on high-end applications, particularly in AI servers, high-performance computing, and automotive electronics. There is a significant increase in demand for high-layer boards (over 18 layers), high-layer combined with advanced HDI boards, and high-frequency materials. Major international and Chinese companies are simultaneously increasing investments and upgrading technologies, leading to heightened price competition and higher technical barriers. In this context, PCB manufacturers must strengthen R&D capabilities, deepen collaborative development with key clients, and improve yield and process stability to establish differentiated competitive advantages.

In terms of the regulatory environment, the following laws and regulations in Taiwan will be revised in 2025 and are relevant to the Company: Company Act, Income Tax Act, Personal Data Protection Act, and Environmental Impact Assessment Act. The following laws and regulations in China will be revised in 2025 and are relevant to the Company operations: Foreign Trade Law, Anti-Unfair Competition Law, Private Economy Promotion Law, (Commercial) Arbitration Law, Hazardous Chemicals Safety Law, Cybersecurity Law, Environmental Protection Tax Law, and Maritime Code. We remain highly vigilant regarding amendments to laws, regulations, and policies. If any amendment is relevant to the Company's daily operations or long-term development, we will immediately conduct a thorough assessment and planning, incorporate it into the company's development strategy, and amend our internal management procedures as needed.

In terms of increasing geopolitical risks, such as U.S.-China tech competition, supply chain restructuring, and trends toward regional manufacturing, are prompting companies to accelerate global layouts, such as establishing factories in Southeast Asia to diversify risks. Also, fluctuations in inflation and raw material prices (e.g., copper foil, substrates) are exerting pressure on cost structures and profit margins. Companies need to mitigate impacts through long-term contracts, price pass-through mechanisms, and effective supply chain management. In the meantime, sustainability and carbon management have shifted from compliance requirements to competitive thresholds. International clients generally require suppliers to implement carbon assessments, SBTi targets, and renewable energy usage. PCB manufacturers need to integrate ESG strategies into operational decisions; otherwise, their order-taking capacity may be affected.

2026 will be the first year of revenue generation from AI products, with explosive growth expected in 2027. Our goal is to become the world's first-class team in AI product PCB by 2027.
Our vision and goals are clear: we must work hand in hand with all partners, execute swiftly and precisely, maintain caution and awareness of being elimated by customer, and move forward confidently.

Finally, I want to wish everyone health and safety for yourselves and your families.

Ken Huang, Chairman

II. Company Introduction

A. Founding Date

August 18, 1988, with capital of NT$12,000,000.

B. Company History

Year-Month	Company Development
1988.08	The company was established in Taoyuan County for paid-in capital of NT$12,000,000.
1993.05	Passed the UL product safety specification verification
1996.11	Processed a cash capital increase of NT$16,000,000 for paid-in capital of NT$28,000,000.
1996.12	Passed the quality management system ISO 9002 verification.
1998.04	Processed a cash capital increase of NT$70,000,000 for paid-in capital of NT$98,000,000.
1997.12	Processed surplus transfer into a capital increase of NT$40,000,000 for paid-in capital of NT$138,000,000.
2001.12	Processed surplus transfer into a capital increase of NT$110,400,000 and employee bonuses transfer into a capital increase of NT$2,600,000 for paid-in capital of NT$251,000,000.
2001.12	Reinvested and established subsidiary WINTEK(MAURITIUS) Co., Ltd.
2002.02	Indirectly reinvested and established Dynamic Electronics (KS) Co., Ltd.
2002.04	Processed cash capital increase of NT$40,000,000; surplus transfer into capital increase of NT$125,500,000; and employee bonuses transfer into capital increase of NT$3,500,000 for paid-in capital of NT$420,000,000.
2002.05	Passed the Automotive Industry Quality Management System QS9000 verification.
2002.05	Initial public offering on May 27, 2002.
2002.10	Officially registered in the emerging stock market and traded over the GreTai Securities Market.
2003.01	Reinvested in Germany to establish subsidiary Dynamic Electronics Europe GmbH in Germany.
2003.06	Processed surplus transfer into capital increase of NT$126,000,000 and employee bonuses transfer into capital increase of NT$14,000,000 for paid-in capital of NT$560,000,000.
2003.10	Kunshan plant officially began mass production and delivering shipments.
2003.10	Purchased the factory land and other buildings located on Shanying Road.
2003.06	Ranked number 649 among the top 1000 largest plants in the manufacturing industry by CommonWealth Magazine in 2003.
2003.07	Passed Environmental Management System ISO14001 Verification.
2004.09	Passed the Quality Management System ISO9000 Verification.
2004.09	Passed the Automotive Industry Quality Management System TS16949 Verification when the Kunshan plant began producing automotive panels.
2004.10	Processed surplus transfer into capital increase of NT$56,000,000 and employee bonuses transfer into capital increase of NT$4,000,000 for paid-in capital of NT$620,000,000.
2004.11	Transferred capital reserve into capital increase of NT$30,000,000 with the capital of NT$650,000,000.
2005.01	Processed the cash capital increase of NT$150,000,000 for paid-in capital of NT$800,000,000.

2005.05	Ranked number 392 among the top 10,000 largest plants in the manufacturing industry by CommonWealth Magazine in 2004; and considered as one of the 38 fastest growing companies in the manufacturing industry.
2005.06	Obtained ASUS Green Product GA Verification.
2005.08	Processed surplus transfer into capital increase of NT$224,000,000 and employee bonuses transfer into capital increase of NT$11,632,000 for paid-in capital of NT$1,035,632,000.
2005.09	Obtained the LG Love Green Certification.
2005.09	Reinvested in Japan and established subsidiary Dynamic Electronics Japan.
2006.11	Processed the cash capital increase of NT$176,000,000 with the paid-up capital of NT$1,211,632,000.
2006.09	Processed surplus transfer into capital increase of NT$363,490,000 and employee bonuses transfer into capital increase of NT$30,377,000 for paid-in capital of NT$1,605,499,000.
2006.10	Processed the cash capital increase of NT$168,750,000 with the paid-up capital of NT$1,774,249,000.
2006.12	Taoyuan plant began production for high density interconnect panels.
2007.02	Obtained SONY Green Partner Certification.
2007.06	Withdrew subsidiary Dynamic Electronics Japan.
2006.10	Passed the Hazardous Substance Process Management System QC080000 Certification.
2007.10	Processed surplus transfer into capital increase of NT$354,850,000 and employee bonuses transfer into capital increase of NT$22,841,000 for paid-in capital of NT$2,151,940,000.
2007.12	Indirectly reinvested and established Dynamic Electronics (Xiamen) Co., Ltd.
2008.01	Reinvested and established subsidiary Dynamic PCB Electronics Co., Ltd., in Seychelles.
2008.05	Ranked number 246 among the 1000 largest plants in the manufacturing industry by CommonWealth Magazine in 2007.
2008.10	Processed surplus transfer into capital increase of NT$215,194,000 and employee bonuses transfer into capital increase of NT$17,543,000 for paid-in capital of NT$2,384,678,000.
2008.10	Indirectly reinvested and established Kunshan Tybrake Industry Co., Ltd. and Kunshan BaoYing Electronics Technology Co., Ltd.
2009.03	Listed on the Taiwan Stock Exchange and processed the cash capital increase of NT$23,000,000 with the paid-up capital of NT$2,614,678,000.
2009.04	Reinvested in Abon Touchsystems Inc.
2009.06	Kunshan plant began production of high density interconnect panels.
2009.11	Passed work safety performance approval by the Council of Labor Affairs.
2009.12	Sold the indirectly reinvested Kunshan Tybrake Industry Co., Ltd. and Kunshan BaoYing Electronics Technology Co., Ltd.
2010.02	Passed ISO 14064-1 Greenhouse Gas Verification.
2010.03	Passed Occupational Health and Safety Management System OHSAS 18001 Verification.
2010.08	Issued the first domestic unsecured convertible bonds in the amount of NT$900,000,000.
2011.08	Processed surplus transfer into capital increase of NT$236,507,000 with the paid-up capital of NT$2,864,360,000.
2011.12	Taoyuan plant began producing rigid-flex board products.

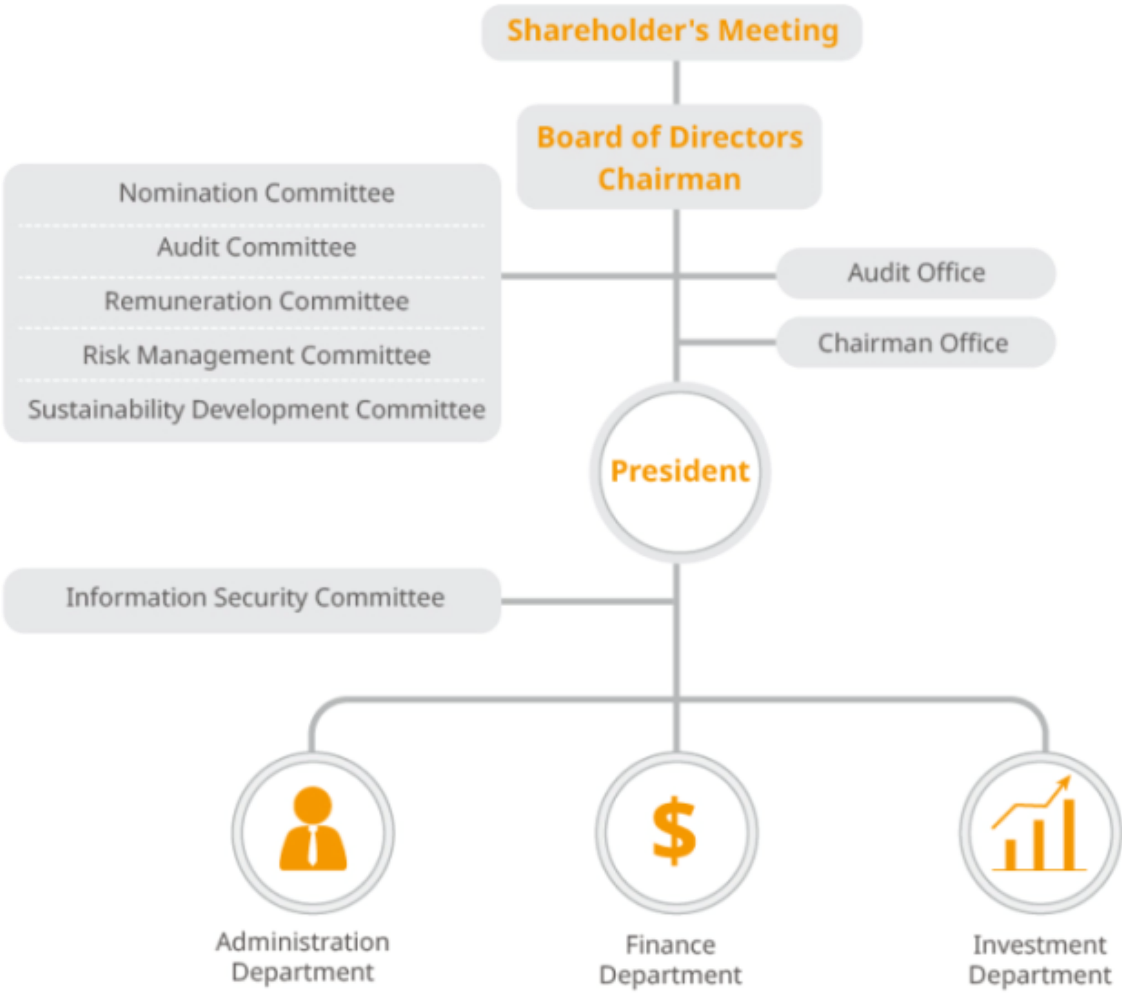
2012.06	Taoyuan plant began production for 12L any-layer high density interconnect panels.
2012.11	Processed surplus transfer into capital increase of NT$71,234,000 with the paid-up capital of NT$2,935,594,000.
2013.02	Disposed of 100% equity of the indirectly reinvested company Tybrake Industry (Xiamen) Co., Ltd.
2013.07	Processed treasury shares capital reduction of NT$60,000,000 for paid-in capital of NT$2,875,594,000.
2013.12	Kunying Electron (Kunshan) Co., Ltd. is renamed as Dynamic Electronics (Kunshan) Co., Ltd.
2013.12	Processed treasury shares capital reduction of NT$15,000,000 for paid-in capital of NT$2,860,594,000.
2014.10	Reinvested and established subsidiary Dynamic Electronics Co., Ltd., in Seychelles.
2014.11	Passed Energy Management System ISO50001 Verification.
2014.12	Issued the first Corporate Social Responsibility Report that conformed to the GRI G4 and AA1000 first category moderate level assurance grade requirements.
2014.12	Change the company address from Taoyuan County Guishan Township to Taoyuan City Guishan district in response to the administrative zone changes.
2015.01	Reinvested and established subsidiary Dynamic Electronics Holding Pte. Ltd., in Singapore.
2015.01	Reinvested and established subsidiary Dynamic Electronics Trading Pte. Ltd., in Singapore.
2015.11	Indirect investment in Sub-subsidiary company: Dynamic Electronics (Huangshi) Limited, which located in mainland China.
2015.11	Processed treasury shares capital reduction of NT$50,000,000 for paid-in capital of NT$2,810,594,000.
2016.03	Disposal of Abon Touchsystems Inc.
2017.01	Liquidation with Dynamic Electronics Europe GmbH, the German subsidiary.
2017.05	In the third corporate governance assessment, Dynamic was honored to rank top 5% among all listed companies.
2017.09	Official mass-production and shipment by Huangshi Plant.
2018. 09	Passed Automotive Quality Management System IATF16949 certification.
2018.11	Taoyuan Plant and Kunshan plant passed the AS9100D Aerospace Quality Management System Certification.
2019.08	In conjunction with the Group's production line consolidation, the production capacity of Taoyuan Plant was transferred to the overseas factories. The Taoyuan Operation Headquarters is fully devoted to R&D, product technology and Group’s orders etc. businesses.
2019.08	Kunshan plant passed the ISO13485 Medical Devices Quality Management System Certification.
2019.10	Taoyuan plant is sold.
2020.01	The operating headquarters relocated to the 6th floor, No. 50, Minquan Road, Luzhu District, Taoyuan City.
2020.06	Implementing cash capital increase of NTD 300,000,000. The paid-in capital was NTD 3,110,594,000.
2020.11	Implementing capital reduction to make up for the loss of NTD 335,453,000. The paid-in capital was NTD 2,775,141,000.
2021.01	Huangshi plant starts production of HDI

2021.03	Passed the ISO45001 certification of occupational safety and health management system.
2021.05	Issued the second domestic unsecured convertible bond NTD500 million
2022.01	New shares were issued through the conversion of corporate bonds, and the paid-in capital was NTD2,775,183,610.
2022.01	Passed the ISO27001 certification of information security management system.
2022.03	Acquired 70% equity each of Chianan Tech. Corp. and Cheng Chong Technology Co., Ltd.
2022.05	On May 20th, 2022, it was resolved at a shareholder's meeting to establish Dynamic Holding Co., Ltd. by way of share conversion. The company applied for stock listing and trading in accordance with relevant regulations.
2022.08	New shares were issued through the conversion of corporate bonds, and the paid-in capital was NT$2,775,489,340.
2022.08	Approved by the Taiwan Stock Exchange on June 23, 2022, Dynamic Electronics Co., Ltd. terminated its stock listing and trading on August 25 of the same year. Starting from the same day, it was replaced by Dynamic Holding Co., Ltd. for stock listing and trading, with the industry category listed as "Electronic Components" and the stock code as "3715."
2022.10	Our subsidiary, Dynamic Electronics (Huanshi) Co., Ltd., has acquired the land required for expanding its investment in Thailand.
2022.10	At the first extraordinary meeting of shareholders in 2022, it was resolved to approve the first public issuance of RMB common stock (A shares) by our subsidiary, Dynamic Electronics (Huanshi) Co., Ltd., and to apply for listing on the securities exchange in mainland China.
2022.12	Our subsidiary, Dynamic Electronics (Huanshi) Co., Ltd., has been restructured into a joint stock limited company and renamed as Dynamic Electronics (Huanshi) Co., Ltd.
2023.02	Our subsidiary, Dynamic Electronics (Huanshi) Co., Ltd., was has renamed as Dynamic Electronics Co., Ltd.
2023.04	Indirectly re-invest in a subsidiary in Thailand, Dynamic Technology Manufacturing (Thailand) Co., Ltd.
2023.08	Issue new shares for the conversion of corporate bonds, with the paid-in capital amounting to NT$2,776,169,930.
2023.11	Issue new shares for the conversion of corporate bonds, with the paid-in capital amounting to NT$2,776,745,840.
2024.11	Dynamic PCB Electronics Co., Ltd. completed liquidation procedures.
2025.10	The Company's subsidiary, "Dynamic Electronics Co., Ltd.", was officially listed on the Main Board of the Shanghai Stock Exchange.
2025.12	Capital increase by cash through issuing new shares, with the paid-in capital totaling NT$ 2,835,745,840.

III. Corporate Governance

A. Organization System

(A) Organization structure



(B) Primary Operational Departments

Unit by Rank					Responsibility and in Charge of
Shareholders' Meeting					1. Top decision-making unit of the Company. 2. Exercising powers in accordance with the provisions of Company Act.
	Board of Directors				1. Exercising powers in accordance with the resolutions of the shareholders' meeting and the provisions of the articles of association. 2. Exercising powers in accordance with the provisions of the Company Law and other relevant laws and regulations. 3. The highest decision-making unit of the Company most of the time.
		Chairman			1. The Chairman of the shareholders meeting and the board of directors. Representing the company externally. 2. Exercising power in the Company within the scope authorized by the board of directors. 3. Examination or approval for various investment and financing activities. 4. Approval of bank payment and payment voucher.
		Auditing Office			1. Assist the board of directors and managers to check and review the deficiencies of the internal control system and measure the effectiveness and efficiency of operations. 2. Assist managers to establish various internal control systems and management measures of the Company.
		Legal Office			1. Formulation or verification of various contracts. 2. Contact window for consulting on various internal and external legal matters. 3. Responsible for the formulation and supervision of the company's integrity management policy and prevention plan, and report to the board of directors on a regular basis.
			President		1. Plan the guidelines, strategies, plans, goal formulation, implementation and review of the company's long-term, medium-term and short-term operations. 2. Implement ESG planning and practice. 3. Manage affairs for the company and represent the company within the scope authorized by the company's articles of association or contract. 4. All other tasks shall be subject to the level of authority table.
				Investment Business Unit	1. Assist in the establishment of financial management, legal compliance, and risk management mechanisms for the reinvestment business. 2. Project planning and execution.
				Financial department	1. Establish accounting system, internal control system and SOP 2. Tax planning and assisting accountants in tax/financial verification certification 3. Budget compilation, review and implementation analysis 4. Fund planning for the three places across the Taiwan Strait 5. Derivative Commodity Operations 6. Supervise the financial and accounting business of subsidiaries.

Unit by Rank					Responsibility and in Charge of
				Administration department	1. Analysis of company organization, job function and division of authorities and responsibilities. 2. Execution of various personnel and salary operations. 3. Management of general affairs related matters 4. Planning and supervision of labor safety and health affairs. 5. Employee health management planning and implementation.

B. Information pertaining to the Directors, President, VP, AVP, and Supervisors in each department and branch office

(A) Directors

1. Information on the Directors

(1) Relevant Information and numbers of share held of the Directors and Supervisors

Apr. 28, 2026; Unit: Shares

Title	Nationality or Registered in	Name	Gender/ Age	Assumed office on	Duration of role	First elected on	Shares held when elected		Presently hold		Spouse, minor offspring presently hold		Shares held under others' names		Primary experience/ education	Other offices held in the Company or other companies	Supervisory or director roles held by spouse or other closely-relatives holding		
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
Chairman	Taiwan, R.O.C.	Ken Huang	Male/ 41-50	2023.05.18	3 years	2022.08.25	11,162,071	4.02%	11,447,807	4.04%	187,736	0.07%	0	0.00%	EMBA of National Chengchi University VP of Sales and Marketing Div. at Dynamic Electronics Co., Ltd.	Chairman at Wintek (Mauritius) Co., Ltd. Executive Director and President at Dynamic Electronics (Kunshan) Co., Ltd. Chairman and President at Dynamic Electronics (Huangshi) Co., Ltd. Chairman at Dynamic Electronics Co., Ltd. Chairman at Dynamic Electronics Overseas Investment Holding Pte. Ltd. Chairman at Dynamic Electronics Holding Pte. Ltd. Chairman and CEO at Dynamic Technology Manufacturing (Thailand) Co., Ltd.	Corporate Director Representative	Tiffany Tsan	Spouse
Corporate Director	Taiwan, R.O.C.	Hung-Li Investments Co. Ltd.		2023.05.18	3 years	2022.08.25	9,497,735	3.42%	9,497,735	3.35%	-	-	-	-	-	-	-	-	-

Title	Nationality or Registered in	Name	Gender/ Age	Assumed office on	Duration of role	First elected on	Shares held when elected		Presently hold		Spouse, minor offspring presently hold		Shares held under others' names		Primary experience/ education	Other offices held in the Company or other companies	Supervisory or director roles held by spouse or other closely-relatives holding		
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
Corporate Director Representative	Taiwan, R.O.C.	Tiffany Tsan	Female	2024.11.04	1.5 years	2024.11.04	185,736	0.07%	185,736	0.07%	11,449,807	4.04%	0	0.00%	University of British Columbia, Commerce	Head of Hung Li Investment Co., Ltd. Head of Chien Hung Investment Co., Ltd. Head of Chi Chin Investment Co., Ltd.	Chairman	Ken Huang	Spouse
Corporate Director	Taiwan, R.O.C.	Chien-hung Investment Co., Ltd.		2023.05.18	3 years	2023.05.18	3,069,023	1.11%	3,555,023	1.25%	0	0.00%	0	0.00%	-	-	-	-	-
Corporate Director Representative	Taiwan, R.O.C.	Kelly Liu	Female	2024.11.04	1.5 years	2024.11.04	5,151	0.00%	9,928	0.00%	0	0.00%	0	0.00%	Department of French, Wenzao Ursuline University of Languages Dynamic Electronics Co., Ltd.: Chief of Process Technology Department Deputy Manager of Manufacturing Department Deputy Manager of Information Department	Manager of Corporate System Integration Development Department, Dynamic Electronics Co., Ltd.	None	None	None

Title	Nationality or Registered in	Name	Gender/ Age	Assumed office on	Duration of role	First elected on	Shares held when elected		Presently hold		Spouse, minor offspring presently hold		Shares held under others' names		Primary experience/ education	Other offices held in the Company or other companies	Supervisory or director roles held by spouse or other closely-relatives holding		
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
Independent Director	Taiwan, R.O.C.	Yi-chia, Chiu	Male/ 51-60	2023.05.18	3 years	2023.05.18	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Ph.D. of Technology Management, National Chiao Tung University Vice Dean of the College of Business, National Chengchi University Director of Graduate Institute of Technology Management and Intellectual Property, Chengchi University CEO of EMBA, Chengchi University Independent Director of Globe Union Industrial Corp. and Flytech Technology Co., Ltd.	Professor of Graduate Institute of Technology Management and Intellectual Property, Chengchi University Independent Director of Wowprime Independent Director of CTBC Insurance Co., Ltd. Independent Director of Taiwan Life Insurance Co., Ltd.	None	None	None

Title	Nationality or Registered in	Name	Gender/ Age	Assumed office on	Duration of role	First elected on	Shares held when elected		Presently hold		Spouse, minor offspring presently hold		Shares held under others' names		Primary experience/ education	Other offices held in the Company or other companies	Supervisory or director roles held by spouse or other closely-relatives holding		
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
Independent Director	Taiwan, R.O.C.	Vincent Lin	Male/ 51-60	2025.05.22	1 year	2025.05.22	8,000	0.00%	8,000	0.00%	0	0.00%	0	0.00%	PhD in Computer Science, National Chiao Tung University Host of the Ministry of Economic Affairs' "Intelligent Home Robot" Industry Specialist Project Quanta Computer BU1 Associate Director Technical VP of Emotibot Technologies Limited	Consultant of Brilliant Silicon Limited	None	None	None

<table>
<tr><th rowspan="2">Title</th><th rowspan="2">Nationality or Registered in</th><th rowspan="2">Name</th><th rowspan="2">Gender/ Age</th><th rowspan="2">Assumed office on</th><th rowspan="2">Duration of role</th><th rowspan="2">First elected on</th><th colspan="2">Shares held when elected</th><th colspan="2">Presently hold</th><th colspan="2">Spouse, minor offspring presently hold</th><th colspan="2">Shares held under others' names</th><th rowspan="2">Primary experience/ education</th><th rowspan="2">Other offices held in the Company or other companies</th><th colspan="3">Supervisory or director roles held by spouse or other closely-relatives holding</th></tr>
<tr><th>Number of shares</th><th>Shareholding ratio</th><th>Number of shares</th><th>Shareholding ratio</th><th>Number of shares</th><th>Shareholding ratio</th><th>Number of shares</th><th>Shareholding ratio</th><th>Title</th><th>Name</th><th>Relationship</th></tr>
<tr><td>Independent Director</td><td>Taiwan, R.O.C.</td><td>Vincent Weng</td><td>Male/ 51-60</td><td>2023.05.18</td><td>3 years</td><td>2023.05.18</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>Master of Finance, Institute of Finance, Pace University
Master of Computer Engineering, Fordham University
Standard Chartered International Commercial Bank Executive Director
Standard Chartered Bank (Hong Kong) Senior Vice President
Independent director of Dynamic Electronics Co. Ltd.</td><td></td><td>None</td><td>None</td><td>None</td></tr>
<tr><td>Independent Director</td><td>Taiwan, R.O.C.</td><td>Cheryl Chien</td><td>Female/ 41-50</td><td>2023.05.18</td><td>3 years</td><td>2023.05.18</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>Bachelor of Law, National Chung Cheng University
Ownlyn Law Firm Lawyer</td><td>LST&C Legal Lawyer</td><td>None</td><td>None</td><td>None</td></tr>
</table>

Note: Independent Director Vincent Lin assumed office on May 22, 2025.

(2) The major shareholders of the legal person shareholders

Apr. 28, 2026

Corporate Shareholder Name	Controlling shareholders of Corporate Shareholders	
	Shareholders	Shareholding ratio %
Hung-Li Investment Co., Ltd.	Perfect Advance Limited	100.00%
Chien-Hung Investment Co. Ltd.	Li-Hsien Tsan	100.00%

(3) The major shareholder in the above table is a legal person

Corporate Name	Controlling shareholders of Corporate	
	Shareholders	Shareholding ratio %
Perfect Advance Limited	Top Insight Limited	100.00%

2. Information on the Directors

(1) Disclosure of professional qualifications and independence of directors:

Criteria / Name	Professional Qualifications and Experiences	Independence Situation	Number of other public-listed companies that the individual serves as independent director
Ken Huang (Chairman)	National Chengchi University Master of Business Administration (EMBA). Joined Dynamic Group in May 2000 and was promoted to Chairman in September 2012. Specialized in the business operation and practice of the technology industry, equipped with the ability and insight of strategic planning, business, marketing, operation planning, industrial development and technology application.	1. Serves as the chairman of the company's affiliated companies. 2. The majority shareholder as natural person of the company. 3. The rest have been verified in accordance with the independence elements listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and meet the relevant independence requirements.	0
Tiffany Tsan (Corporate Director Representative)	Holds a Commerce degree from the University of British Columbia and currently serves as the head of Hung Li, Chien Hung, and Chi Chin Capital. Specializes in investment strategy and asset management, with a strong focus on ESG and sustainable development. Guided by professionalism and forward-looking vision, dedicated to enhancing corporate value and promoting collective social well-being, steadily advancing in an ever-changing market.	1. Spouse of the Chairman and the largest individual shareholder of the company. 2. All other independence criteria have been verified in accordance with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission, and the individual continues to meet the relevant independence requirements.	0

Kelly Liu (Corporate Director Representative)	With an academic background in the Department of French at Wenzao Ursuline University of Languages, currently serves as the Representative Director of Chien Hung Investment, and as Manager of the Enterprise System Integration and Development Department at Dynamic Electronics. Formerly held management roles in process engineering, manufacturing and IT., gaining extensive cross-departmental management experience. Specializes in enterprise system integration and process optimization, dedicated to enhancing organizational efficiency and driving digital transformation.	1. Manager of the Enterprise System Integration and Development Department for the affiliated companies of our corporation 2. All other independence criteria have been verified in accordance with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission, and the individual continues to meet the relevant independence requirements.	0
Yi-Chia Chiu (Independence Director)	PhD in Technology Management of National Chiao Tung University Graduate Institute, specializing in technology innovation and business management. Currently a professor at the Graduate Institute of Technology Management and Intellectual Property at National Chengchi University, and an independent director at Wowprime Corporation, CTBC Insurance, and Taiwan Life Insurance highlight his rich academic background and corporate governance experience. Through dual roles in academia and business, he is able to integrate theory and practice, providing comprehensive professional knowledge and excellent leadership capabilities to promote the long-term development and success of the organization.	1. Independence Director of the Company. 2. The rest have been verified in accordance with the independence elements listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and meet the relevant independence requirements.	3
Vincent Lin (Independence Director)	PhD in Computer Science, National Chiao Tung University. He once headed the Ministry of Economic Affairs' Smart Home Robot Industry Technology Project. While serving as BU1 Associate Director of Quanta Computer, he participated in the management and development of the computer industry. He was the Vice President of Technology at Emotibot Technologies Limited, committed to promoting the company's innovation and development in the field of smart technology. Currently serves as a consultant at Brilliant Silicon Limited. His rich academic background and practical experience, as well as leadership skills and expertise in the technology industry are able to support the company in driving AI technological innovation, advancing information security and development, and promoting business growth.	1. Independence Director of the Company. (assumed office on May 22, 2025) 2. The rest have been verified in accordance with the independence elements listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and meet the relevant independence requirements.	0
Vincent Weng (Independence Director)	Master of Finance from Pace University and Master of Computer Engineering from Fordham University, with rich academic background. Once served as executive director of Standard Chartered International Commercial Bank and senior vice president of Standard Chartered Bank (Hong Kong), responsible for the strategic formulation and management of financial business. Cross-domain professional knowledge and rich experience have become important resources in the financial and technology fields, helping the Company achieve strategic goals and sustainable development.	1. Independence Director of the Company. 2. The rest have been verified in accordance with the independence elements listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and meet the relevant independence requirements.	0
Cheryl Chien (Independence Director)	Bachelor of Law of National Chung Cheng University, with legal background. As a lawyer at LST&C Legal, he has accumulated rich experience in legal practice and specializes in handling and consulting on various legal matters. Currently serving as an independent director of Dynamic Holding, capable of supervising corporate governance, provide fair and professional opinions, and ensure the Company's compliance operations and sustainable development.	1. Independence Director of the Company. 2. The rest have been verified in accordance with the independence elements listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and meet the relevant independence requirements.	0

Note: All directors and supervisors of the company have not been found to be involved in any of the provisions of Article 30 of the Company Act.

(2) Diversity and independence of the board of directors

(A) Board Diversity

According to Article 20 of the Company's Corporate Governance Best Practice Principles and Article 2 of Procedures for Election of Directors, the abilities that the overall board of directors should have include: operational judgment ability, accounting and financial analysis ability, business management ability, crisis handling ability, industry knowledge, International market vision, leadership and decision-making skills. Diversity should be considered in the composition of the board of directors, and a policy for diversification of directors should be drawn up based on the needs of the company's operations, business models, and future development trends, including basic conditions and values (gender, age, nationality, race and culture), professional knowledge, and skills, such as Law, Accounting, Industry, Finance, Marketing or Technology etc. The specific management objectives and achievement of the company's diversification policy are as follows:

On May 18, 2023, Dynamic Holding conducted a full re-election of its board of directors, electing three directors and four independent directors. The expertise of the board members spans strategy, operations, risk management, finance, technology, banking, law, and corporate governance, and includes one female independent director. On November 4, 2024, two corporate director seats were reassigned to female representatives, increasing the number of female board members to three, thereby surpassing one-third of the total board seats. Dynamic aspires to lead the group toward sustainable corporate development through a more professional, independent, and diverse board structure.

Board Goals and Achievements

2025 Board Goal:

To supplement the board with an independent director specializing in smart manufacturing and information/network security.

Achievement:

On May 22, 2025, Vincent Lin was elected as an independent director, possessing expertise in AI smart manufacturing and information/network security.

<u>**2026 Board Goal:**</u>

1. Reduce the ratio of corporate directors to enhance board independence and accountability, lowering the risk of conflicts of interest and optimizing corporate governance structures.
2. Conduct a comprehensive reelection of the board to continue strengthening diversity and balance among board members, encompassing various professional backgrounds (e.g., law,

accounting, industry expertise), gender, age, skills, and industry experience to build a complementary board composition that improves governance quality and decision-making effectiveness.

The Company's implementation of the diversity of board members in 2025 is as follows:

Director	Name	Nationality	Gender	Concurrently served as an employee of the Company	Age (Years old)	Time served as an independent director	Concurrently served as a director of other company	Operation Management	Leadership / decision making	Finance/ Accounting / Law	Strategy and risk assessment	Industrial trend analysis	Industrial technology development	Industry Experience in GICS L1
Chairman	Ken Huang	Taiwan ROC	Male		41-50	-	0	v	v			v	v	
Representative of Corporate director	Hung Li Investment Co., Ltd. Tiffany Tsan	Taiwan ROC	Female		41-50	-	0		v	v	v			
Representative of Corporate director	Chien Hung Investment Co. Ltd Kelly Liu	Taiwan ROC	Female	v	41-50	-	0	v				v	v	
Independent director	Yi-Chia Chiu	Taiwan ROC	Male		51-60	0-3	3		v	v	v		v	-
Independent director	Vincent Weng	Taiwan ROC	Male		51-60	0-3	0	v		v	v	v		Finance
Independent director	Cheryl Chien	Taiwan ROC	Female		41-50	0-3	0			v	v			-
Independent Director	Vincent Lin	Taiwan ROC	Male		51-60	0-3	0	v	v			v	v	IT

(B) Board Independence

As of the end of 2025, none of the seven directors had any of the circumstances specified in Article 30 of the Company Act. Furthermore, no member of the Board of Directors was subject to any of the situations described in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act. The independent directors have all been verified to meet the independence criteria stipulated in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission, and are in compliance with the relevant independence requirements.

(B) President, VP, AVP, and departmental and branch office supervisors

Apr. 28, 2026

Title	Nationality	Name	Gender	Assumed office on	Shares held		Shares held by spouse or minor children		Shares held under others' names		Primary experiences/education	Offices presently held in other companies	Managers who are spouses or second-relation relatives			Remark
					Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Title	Name	Relationship	
President and Head of Corporate Governance	Taiwan R.O.C.	Jean Liu (Appointed Head of Corporate Governance on July 2, 2025)	female	111.08.25	724,805	0.26%	0	0.00%	0	0.00%	Graduated from Economics Dept. of Fujen Catholic University Master of Business Administration Institute of Tatung Institute of Technology EMBA at CEIBS Overseas Div. II, Tatung Co. Sales Director, Suzhou Gold Circuit Sales Director, Tripod (Wuxi) Technology Corp.	Director of Dynamic Electronics Co., Ltd. Supervisor at Dynamic Electronics (Kunshan) Co., Ltd. Director at Dynamic Electronics Overseas Investment Holding Pte. Ltd. Director at Dynamic Electronics Holding Pte. Ltd. Director at Dynamic Technology Manufacturing (Thailand) Co., Ltd.	None	None	None	
Senior VP	Taiwan R.O.C.	Lily Chiang	female	111.08.25	74,053	0.03%	0	0.00%	0	0.00%	Graduated from National Taichung University of Science and Technology Finance Manager, Iteq Corporation AVP, Finance Dept., Uniplus Electronics Co., Ltd.	Director at Dynamic Electronics Overseas Investment Holding Pte. Ltd. Director at Dynamic Electronics Holding Pte. Ltd. Supervisor of CHIANAN TECHNOLOGY CO. LTD. Supervisor of CHENG CHONG TECHNOLGY CO.,LTD.	None	None	None	
Financial & Accounting Director	Taiwan R.O.C.	Cathy Ni	female	111.08.25	84,572	0.03%	0	0.00%	0	0.00%	Graduated from Accounting Departmen, Ming Chuan University t Assistant manager of KPMG Head of financial dept. of FirstMed Manager of Financial Dept. of (Kindom Group) Global Mall	None	None	None	None	
Auditing Director	Taiwan R.O.C.	Angel Tsai	female	111.08.25	12,830	0.00%	0	0.00%	0	0.00%	Bachelor in International Corporate Management, Ching Yun University of Science and Technology Auditor at Wang Chiu-Hui Accounting Firm Department Section Chief of Accounting, Overseas Investment and Project Manager at Albatron Technology Co., Ltd. Senior Accountant, MJ Life Enterprise, Ltd.	None	None	None	None	
Corporate Governance Officer	Taiwan R.O.C.	Cindy Hsieh (Resigned on July 2, 2025)	female	112.11.03	0	0.00%	0	0.00%	0	0.00%	Graduated from the Accounting Department of Changhua Normal University Deputy Manager of Deloitte & Touche, Certified Public Accountants AVP of Finance Department of Kaison Green Energy Technology Co., Ltd.	None	None	None	None	

C. Compensation for the Directors, Independent Directors, President, and VPs for this fiscal year

(A) Compensation for Directors and Independent Directors (A summarized disclosure of names by grade levels)

Unit: NTD thousands

Title	Name (note 1)	Directors' compensation								% of sum of A,B,C, and D in the total net income (note 10)		Related compensation for directors who also serve as employees								% of sum of A, B, C, D, E, F, and G in the total net income (note 10)		Received reinvestment remuneration from outside of subsidiaries or parent company (note 11)
		Compensation (A) (note 2)		Pension (B)		Remuneration (C) (note 3)		Business-associated expenditure (D) (note 4)				Salary, bonus, and special fees (E) (note 5)		Pension (F)		Staff Remuneration (G) (note 6)						
		The Company	All companies in the financial statement (note 7)	The Company	All companies in the financial statement (note 7)	The Company	All companies in the financial statement (note 7)	The Company	All companies in the financial statement (note 7)	The Company	All companies in the financial statement (note 7)	The Company	All companies in the financial statement (note 7)	The Company	All companies in the financial statement (note 7)	The Company		All companies in the financial statement (note 7)		The Company	All companies in the financial statement (note 7)	
																Cash amount	Share amount	Cash amount	Share amount			
Director	Ken Huang Hung-Li Investment Co., Ltd. (Rep.: Tiffany Tsan) (took office on 2024.11.4) Chien Hung Investment Co., Ltd. (Rep.: Kelly Liu) (took office on 2024.11.4)	0	0	0	0	7,891	7,891	0	0	1.05%	1.05%	19,424	19,424	108	108	0	0	0	0	27,423 3.66%	27,423 3.66%	0
Independent Director	Yi-chia Chiu Vincent Lin (assumed office on May 22, 2025) Vincent Weng Cheryl Chien	0	0	0	0	4,082	4,082	0	0	0.55%	0.55%	0	0	0	0	0	0	0	0	4,082 0.55%	4,082 0.55%	0

1. Please state the remuneration policy, system, standards and structure of independent directors, and describe the relevance with the amount of remuneration according to the responsibilities, risks, time invested and other factors:
In addition to considering the performance evaluation results obtained from the Board of Directors, the remuneration of the Company's independent directors also takes into account the Company's overall operating performance, the Company's sustainable performance, future industry risks and development trends, and the usual payment practices of peers. Furthermore, in accordance with the organizational procedures of the Remuneration Committee, the Remuneration Committee reviews the degree of participation and contribution of each director to the Company's operations, links the reasonableness and fairness of performance and risks to the remuneration, and submits it to the Board of Directors for resolution. The amount paid is reasonable. For relevant information, please refer to other chapters of this annual report.

2. In addition to the disclosures in the above table, the directors of the company in the most recent year have received remuneration for providing services to all companies in the financial report (such as serving as non-employee consultants): none

Compensation Levels

Level of remuneration paid to each Director of The Company (NTD)	Names of Director			
	The total amount of the first four remunerations (A+B+C+D)		The total amount of the first seven remunerations (A+B+C+D+E+F+G)	
	The Company	All companies included in the financial report H	The Company	All companies included in the financial report I
Below 1,000,000	Kelly Liu, Tiffany Tsan, Vincent Lin	Kelly Liu, Tiffany Tsan, Vincent Lin	Tiffany Tsan, Vincent Lin	Tiffany Tsan, Vincent Lin
1,000,000 (inclusive) - 2,000,000	Yi-chia Chiu, Vincent Weng, Cheryl Chien	Yi-chia Chiu, Vincent Weng, Cheryl Chien	Yi-chia Chiu, Vincent Weng, Cheryl Chien, Kelly Liu	Yi-chia Chiu, Vincent Weng, Cheryl Chien, Kelly Liu
2,000,000 (inclusive) - 3,500,000	Chien-Hung Investments Co., Ltd. Hung-Li Investments Co., Ltd., Ken Huang	Chien-Hung Investments Co., Ltd. Hung-Li Investments Co., Ltd., Ken Huang	Chien-Hung Investments Co., Ltd. Hung-Li Investments Co., Ltd., Ken Huang	Chien-Hung Investments Co., Ltd. Hung-Li Investments Co., Ltd.,
3,500,000 (inclusive) - 5,000,000				
5,000,000 (inclusive) - 10,000,000				
20,000,000 (inclusive) - 30,000,000	-	-		Ken Huang
30,000,000 (inclusive) - 50,000,000	-	-		
Total	9 people	9 people	9 people	9 people

Note 1: The names of directors should be listed separately (corporate shareholder should list the name of the corporate shareholder and its representative separately). General directors and independent directors should be listed separately, and the payment amount should be disclosed in a summary manner.
Note 2: This refers to directors' compensation (including director's salary, bonuses associated with paygrade, severance pay, various bonuses and incentives etc.) for the most recent fiscal year.
Note 3: This refers to the amount of remuneration for directors given, as agreed upon by the Board of Directors for the most recent fiscal year.
Note 4: This refers to the directors' business-associated expenditures for the most recent fiscal year (including material incentives such as transportation fees, special expenses, various allowances, boarding, and company cars etc.). If housing, cars and other methods of transportation, or customized individual spending are offered, the characteristics of the assets offered and costs, real or fair market value of rental expenses, gas, and other payments should be disclosed. If chauffer is offered to the directors, the associated fees paid to the chauffer by the company should be noted, but this should not be counted within the remunerations
Note 5: This refers to the material incentives including salaries, bonuses associated with paygrade, severance pay, various bonuses, incentives, transportation fees, special expenses, various allowances, boarding, and company cars etc. that have been endowed on the directors and those who also serve as employees (including serving as President, VP, other managers and staff) for the most recent fiscal year. If housing, cars, and other methods of transportation, or customized individual spending are offered, the characteristics of the assets offered and costs, real or fair market value of rental expenses, gas, and other payments should be disclosed. If chauffer is offered to the directors, the associated fees paid to the chauffer by the company should be noted, but this should not be counted within the remunerations. And the listed salary costs of IFRS2 "share-based payment", including the acquisition of employee stock option certificate, New Restricted Employee Shares and participation in subscription to an increase in capital stock, etc., should also be included in the remuneration.
Note 6: This refers to those directors who also serve as employees (including serving as President, VPs, other managers and staff) and have received employee remuneration (including shares and cash), should disclose the remuneration amount to be paid to the employees that has been agreed upon by the Board of Directors for the most recent fiscal year.
Note 7: The total amount paid to directors of The Company as various forms of incentives, from all companies (including The Company) included in this report should be disclosed in its entirety.
Note 8: The Company will disclose the names of directors according to their ranks for having paid each director the sum of various forms of incentives.
Note 9: The total amount of various forms of incentives paid by all companies in this report (including The Company) to each director of The Company should be disclosed in its entirety, and disclose the names of directors according to their ranks.
Note 10: Net income refers to the net income of the most recent fiscal year. The IFRS reporting method has been adapted, and net income means the net income of an individual or separate financial report in the most recent year.
Note 11: a. This column should clearly include the amount of remuneration given for reinvestment-related business that has been received by a director of The Company from outside of subsidiaries or parent company. (If no, please fill in “none”.)
b. If a company director has received remuneration for reinvestment-related business from outside of subsidiaries or parent company, the amount received under this category should be included in the I column of the compensation table, and revise the column to show "parent company and all reinvestment businesses".
c. Remuneration refers to the compensation, incentives, staff dividends, and business-related expenses that have been incurred by the directors of The Company, when they have served as a director, supervisor, or manager for the reinvestment businesses outside the company's subsidiaries or parent company.
Note 12: The compensation that the company paid the chairman’s driver in 2025 is NT$1,343,449 (2025/0/01-2025/12/31)
Note 13: Estimated based on the employee remuneration (cash) of NT$6,264,000 and director’s remuneration (cash) of NT$11,972,845 approved by the board of directors on Mar.6, 2026, the actual payment is based on the approval of the Remuneration Committee and the Board of Directors.
* The content of the compensation as disclosed in this report is different from the concept of income tax. Hence, this table is solely for the purpose of information disclosure, and not for tax filing purposes.

(B) Compensation for President and VP (A summarized disclosure of names by grade levels)

Unit: NTD thousands

Title	Name (note 1)	Salary (A)		Pension (B)		Bonus and special expenses etc.(C)		Staff remuneration (D)				% of sum of A, B,C, and D on the net income		Received reinvestment remuneration from outside of subsidiaries or parent company
		The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company		All companies in the financial statement		The Company	All companies in the financial statement	
								Cash amount	Share amount	Cash amount	Share amount			
President	Jean Liu	3,754	3754	216	216	640	640	2,100	0	2,100	0	6,710 0.9%	6,710 0.9%	none
Senior VP	Lily Chiang													

*All positions equivalent to President or VP (for instance, Chairman, CEO, Director…etc.), should all be disclosed, regardless of titles.

*Estimated based on employee compensation approved by the board of directors on Mar. 6, 2026.

Compensation Levels

Level of remuneration paid to President and VP of The Company (NTD)	Names of President and VP	
	The total amount of the first four remunerations (A+B+C+D)	
	The Company	All companies included in the financial report
2,000,000 (inclusive) - 3,500,000	Jean Liu, Lily Chiang	Jean Liu, Lily Chiang
Total	2 people	2 people

Names and status of managers who have been issued employee remuneration

Dec. 31, 2025; Unit: NTD thousands

	Title (note 1)	Name (note 1)	Amount of shares	Amount of cash	Total	% of total on the net income
Managers	President	Jean Liu	0	3,300	3,300	0.44%
	Senior VP	Lily Chiang				
	Accounting Supervisor	Cathy Ni				
	Audit Supervisor	Angel Tsai				
	Corporate Governance Officer	Cindy Hsieh				

Note 1: Individual names and titles should be disclosed separately, but the remuneration distribution can be disclosed holistically.

Note 2: This refers to the amount of employee remuneration (including share and cash) that will be endowed on the managers, as agreed upon by the Board of Directors for the most recent fiscal year. If unable to estimate, this year's intended amount should be calculated based on last year's actual paid amount. Net income refers to the net income of the most recent fiscal year. The IFRS reporting method has been adapted, and net income means the net income of an individual or separate financial report in the most recent year.

Note 3: The scope of a manager, according to No. 0920001301 rule and regulation of the Taiwan Finance Certificate, contains the following: a) President and the equivalent; b) VP and the equivalent; c) AVP and the equivalent; d) Financial supervisor; e) Accounting supervisor; f) others who manage company affairs and have signature right.

Note 4: Estimated based on employee compensation approved by the board of directors on Feb. 26, 2025.

(C) Remuneration policy

1. Analysis of the proportion of the total remuneration paid to the company's directors, independent directors, presidents and vice presidents to unconsolidated or individual financial reports and after-tax net income in the last two years according to the company's and consolidated company statements:

Unit: NTD thousands

Title \ Item	The Company				All the companies within the consolidated financial statement			
	2024		2025		2024		2025	
	Total amount	Ratio on net income	Total amount	Ratio on net income	Total amount	Ratio on net income	Total amount	Ratio on net income
Directors' compensation	11,519	1.1%	7,891	1.05%	46,133	4.39%	27,423	3.66%
Independent Directors' compensation	6,072	0.58%	4,082	0.55%	6,072	0.58%	4,082	0.55%
President and VPs' compensation	7,499	0.71%	6,710	0.9%	7,499	0.71%	6,710	0.9%
Net income	1,050,739	-	748,981		1,050,739		748,981	

2. The correlation between the policy, standards, content of remuneration payment, the procedures for setting remuneration and the operating performance and future risks:
   1) Remuneration of Directors

According to Article 30 of the company's articles of association, if the company makes a profit during the year, the company may allocate no more than 3% of the above-mentioned profit amount as directors' remuneration by resolution of the board of directors. The company regularly evaluates the performance of directors and functional committees in accordance with the "Rules for Performance Evaluation of Board of Directors" as an important basis for directors' remuneration.

Linkage of director performance and salary remuneration:
(1) The results of the annual performance evaluation of the board of directors, functional committees and individual director members account for 20% of the remuneration.
(2) The KPI of the company's overall operating performance (including annual operating income, net profit after tax and return on shareholders' equity) accounts for 20% of the remuneration.
(3) Sustainable ESG KPIs (including reducing greenhouse gas emission intensity by 4% per year, reducing water consumption intensity by 4% per year, promoting working environment safety, core talent nurturing, risk assessment and management, and improving the supply chain’s resilience with climate change risks) accounts for 20% of the remuneration.
(4) Future risks and development trends of the industry (including assessment of risk projects and formulation of future development strategies) account for 20% of the remuneration.
(5) The degree of participation and special contributions of all individual director account for 20% of the remuneration.
In 2025, due to a decrease in pre-tax net profit compared to the previous year, and with the allocation rate remaining unchanged, director compensation subsequently declined by 27%. This reduction primarily reflects the changes in the company's overall profitability.

2) Remuneration of Managers

To motivate senior executives, key professional talents, and all employees to value long-term, holistic performance and to achieve sustainable operations, the five key sustainability strategies and goals are linked to both short-term and long-term incentive compensation for the General Manager and managers.

1. **Annual Financial Performance Indicators 20%:** Net Revenue 10%, Net Profit After Tax 10%
2. **Annual Departmental and Relational Performance Indicators 40%:** Based on relevant indicators across five key dimensions: ESG (Environmental, Social, and Governance), customer satisfaction, quality commitment, continuous innovation, and smart manufacturing.
3. **Annual Individual Competency Evaluation 40%:** Based on self-management, team leadership, operational capabilities, and personal potential.

The annual performance evaluation = 20% financial performance + 40% departmental and relational performance + 40% competency evaluation. This formula effectively ties performance-based compensation and variable pay to management results

3) Correlation with operating performance and future risks:

(1) The review of the payment standards and systems related to the company's remuneration policy takes the company's overall operating conditions as the main consideration, and determines the payment standards based on the performance achievement rate and contribution, in order to improve the overall organizational team effectiveness of the board of directors and management departments. We also refer to industry compensation standards to ensure that the management level’s remuneration of the company is competitive in the industry in order to retain outstanding management talents.

(2) The performance targets of the company's managers are combined with "risk control" to ensure that possible risks within the scope of responsibility can be managed and prevented, and the results of the ratings are based on actual performance and linked to relevant human resources and related compensation Policy. The important decisions of the company's management are made after weighting various risk factors. The performance of relevant decisions is also reflected in the company's profitability, and the remuneration of the management is linked to the performance of risk control.

(3) The company's remuneration to managers includes long-term bonuses, which are paid in the form of cash, with part converted into stocks. They are not fully paid in the year of earnings. Their actual value is related to the future stock price, so as to share future operating risks with the company. In addition, the annual training rate and retention rate of core talents are set as one of the performance goals for directors and managers.

D. Operations of Corporate Governance

(A) Information of Operations of Board of Directors

1. In the most recent fiscal year, the Board of Directors have held 14 meetings (A), and the attendance of the Directors are as follows:

Title	Name	Number of actual attendance (B)	Number of by proxy	Ratio of attendance [B/A]	Remarks
Director	Ken Huang	14	0	100.00	The term of the 2nd board of directors is from May 18, 2023 to May 17, 2026. From January 1, 2025 to December 31, 2025, a total of 14 meetings were held, with 100% attendance for all directors. Independent director Vincent Lin took office on May 22, 2025.
Corporate Director	Hung-Li Investment Co., Ltd. Representative: Tiffany Tsan	14	0	100.00	
Corporate Director	Chien-Hung Investment Co., Ltd. Representative: Kelly Liu	14	0	100.00	
Independent Director	Yi-chia Chiu	14	0	100.00	
Independent Director	Vincent Lin	9	0	100.00	
Independent Director	Vincent Weng	14	0	100.00	
Independent Director	Cheryl Chien	14	0	100.00	

Other items to be mentioned:

1. If any of the following circumstances occurs while functioning the board of directors, the Board meeting date, the Board meeting term, the contents of the motion, the opinions of all independent directors and the follow-up to the opinions of the independent directors should be elaborated:
   (1) The matters listed in Article 14-3 of the Securities Exchange Act: The Company has established an audit committee, and the provisions of Article 14-3 of the Securities and Exchange Act do not apply. For relevant information, please refer to "Operations of the Audit Committee" in this annual report.
   (2) Besides the above-mentioned matters, the resolutions by the board of directors that have been objected to or reserved with record or written statement by other independent director: none.
2. The recusal of directors from the cases that pose a conflict of interest, should elaborate on the director's name, the content of the case, cause of the conflict of interest, and the status of the vote:
   1. April 28, 2025 – 5th Board Meeting of 2025, Case 2: Distribution of Directors' Remuneration from the 2024 Profit Distribution in accordance with the "Directors' Remuneration Management Regulations" based on weighted calculations, submitted for review. Resolution: As this case involves the distribution of remuneration for each director, each director has a conflict of interest regarding their own remuneration. First, Chairman Ken Huang recused himself from the discussion and voting on his remuneration and appointed Independent Director Yi-Chia Chiu to act as Chairman. After consulting with the other attending directors, the motion was passed without objection. Next, the remuneration distribution for Directors Tiffany Tsan, Kelly Liu, Independent Directors Yi-Chia Chiu, Vincent Wen, and Cheryl Chien was discussed and voted on individually. Each director recused themselves from the discussion and voting on their own remuneration, and the motion was passed unanimously after consulting with the other attending directors.
   2. July 2, 2025 – 7th Board Meeting of 2025, case 1 for discussion: The proposed appointment of Independent Director Mr. Vincent Lin as a member of the Company's Second Remuneration Committee was submitted for discussion. Resolution: During the discussion and resolution on the appointment of Independent Director Mr. Vincent Lin as a member of the Company's Second Remuneration Committee, Mr. Lin abstained from the meeting. The motion was passed without objection after the Chairman consulted the remaining directors present.
   3. July 2, 2025 – 7th Board Meeting, 2025: Case 2: Proposed appointment of independent director Mr. Vincent

Lin as a member of the Company's first Nomination, Risk Management and Sustainability Committee. Resolution: During the discussion and resolution to appoint independent director Mr. Vincent Lin as a member of the Company's first Nomination, Risk Management and Sustainability Committee, Mr. Lin recused himself from the meeting. After consultation with the Chairman, the remaining directors present had no objection and the proposal was passed. Subsequently, Committee Member Vincent Wen proposed that Committee Member Vincent Lin take over as convener and chairman of the current Risk Management Committee, which was approved by the remaining committee members. 4. November 13, 2025 – 12th Board Meeting, 2025: Case 3: Review of salary and benefits for senior management personnel changes. Resolution: Due to personal conflicts of interest, Chairman Ken Huang recused himself from the discussion and voting on the salary and benefits change. After consulting with the other directors present, Acting Chairman Yi-Chia Chiu (an independent director), received no objection, the motion was passed as is. 3. For information on the evaluation cycle, period, scope, method and content of the self-evaluation of the board of directors, please refer to the attached table "Implementation of Board Evaluation". 4. Goals (e.g. establishing audit committee, enhancing information transparency) primed to enhance the board of directors' professionalism and assessment on their effectiveness for that year and the most recent year: 1. Develop the company's "Procedures for the Prevention of Insider Trading," "Risk Management Policies and Procedures," "Sustainable Development Best Practice Principles," "Sustainable Development Committee Organizational Regulations," "2026 Corporate Value Enhancement Plan," and "Anti-Bribery and Anti-Corruption Policies," etc.; revise "Ethical Corporate Management Best Practice Principles," "Director Remuneration Management Regulations," "Corporate Governance Practice Code," "Audit Committee Organizational Regulations," "Board Meeting Procedures," "Regulations Governing the Performance Evaluation of Managers," the scope of entry-level employees, and the vision and organizational structure of the Sustainability Committee, etc. 2. Elect one independent director with expertise in smart manufacturing and information/cybersecurity on May 22, 2025.

2. Implementation of Board Evaluation

1) 2025 Internal Performance Assessment of the Board of Directors

Evaluation cycle	Evaluated period	Evaluation scope	Evaluation method	Evaluation Content	Evaluation results and action plans
Conduct an internal board performance evaluation at least once a year.	Evaluate the performance of the board of directors from Jan. 1, 2025 to Dec. 31, 2025.	Including overall board of directors, individual directors, and functional committees like audit committee, remuneration committee, nomination committee, and risk management committee and Sustainability Development Committee	Including internal self-evaluation of the board of directors, self-evaluation of board members, self-evaluation of functional committees.	(1) Board performance evaluation (2) Performance evaluation of individual board members (3) Functional committees' performance evaluation.	Comprehensive comments: 1.The board places significant emphasis on the implementation of corporate governance. 2.The management team is dedicated to running the company, and the board actively participates in governance. 3.All directors adhere to the board's regulations and procedures. 4.The board, various committees, and members achieve the assigned goals across all aspects. 5.The board convenes regularly as required by law and holds ad hoc meetings based on the company's actual needs, facilitating timely decision-making and understanding of operational trends. Action plan: 1.Starting in 2026, operational reports from each plant will be provided via email monthly, along with relevant industry analysis and trend reports. Each quarterly board meeting will include project reports from the management team on upstream and downstream supply chains, industry environments, and significant changes to enhance the board's grasp of company and industry developments. 2.From 2026 onward, the comprehensive operational reports for each quarterly board meeting will include the management team's performance evaluation results and related disciplinary actions, serving as a crucial basis for board oversight and decision-making. 3.The management team will conduct quarterly risk identification and assessments regarding changes in internal and external environments, proposing corresponding measures and reporting to the Risk Management Committee. Regular reporting and discussion mechanisms will strengthen communication between the management team and Risk Management Committee members, facilitating thorough discussion and supervision by the board regarding the effectiveness and tracking of internal control systems. 4.By providing complete and relevant compensation policies, performance evaluations, and market comparisons in advance, the Compensation Committee members will have ample time to gather

					information and engage in thorough discussions, allowing for timely, professional, and objective recommendations for board review. 5.In advance, relevant performance data, major issue analyses, and progress on sustainable development will be compiled and provided to the members of the Sustainability Committee, enabling them to fully grasp the topics. After careful discussion, they will offer professional and objective recommendations for board decision-making. 6.Starting in 2026, the appropriateness and execution of director training programs and succession planning for directors and senior executives will be reviewed twice a year to enhance corporate governance and organizational sustainability.

(B) Information of Operations of the Audit Committee:

The term of the first Audit Committee members came into effect from May 18, 2023 to May 17, 2026, which is the same as the term of the current Board of Directors. All members elected Mr. Yi-chia Chiu as the convener and chairman of the meeting. The resignation of Committee Member Vincent Lin became effective on May 15, 2024. On May 22, 2025, Vincent Lin was reappointed as an independent director to the audit committee.

The members are as follows:

Responsibilities	Members	Current Position	Educational Qualifications	Experience
Chairman	Yi-chia Chiu	Vice President of Business School, Chengchi University Professor, Graduate Institute of Technology Management and Intellectual Property, Chengchi University	Ph.D. of Technology Management, National Chiao Tung University	CEO of EMBA, Chengchi University
Member	Vincent Lin	Consultant of Brilliant Silicon Limited	PhD in Computer Science, National Chiao Tung University	Technical VP of Emotibot Technologies Limited Quanta Computer BU1 Associate Director
Member	Vincent Weng	Chairman of Remuneration Committee of Dynamic Holding Co., Ltd.	Master of Finance, Institute of Finance, Pace University Master of Computer Engineering, Fordham University	Standard Chartered International Commercial Bank Executive Director Standard Chartered Bank (Hong Kong) Senior Vice President
Member	Cheryl Chien	LST&C Legal Lawyer	Bachelor of Law, National Chung Cheng University	Ownlyn Law Firm Lawyer

The main purpose of the operation of this committee is to supervise the following matters:

1. Proper interpretation of the Company’s financial statements.
2. The choice of CPA (dismissal), independence and performance.
3. Effective implementation of the company’s internal controls.
4. The Company complies with relevant laws and regulations.
5. Management and control of existing or potential risks of the Company.

The committee’s duties and authorities are as follows:

1. Establish or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. Assessment of the effectiveness of the internal control system.

3. Establish or amend the procedures for handling major financial business activities such as acquiring or disposing of assets, engaging in derivatives transactions, lending funds to others, endorsing or providing guarantees for others, in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters involving the directors' own interests.
5. Material asset or derivatives transactions.
6. Material capital loans, endorsements or guarantees.
7. The offering, issuance or private placement of equity-nature securities.
8. Appointment, dismissal or remuneration of CPA.
9. Appointment and discharge of finance, accounting or internal audit supervisors.
10. The annual financial report signed or sealed by the chairman, manager and accounting supervisor and the second quarter financial report reviewed and audited by an accountant.
11. Other major matters stipulated by the Company or the competent authority.

The company's audit committee was established after the full re-election of directors at the shareholders' meeting on May 18, 2023, and consists of 4 independent directors.

The Audit Committee held a total of 10 meetings in 2025, and the matters reviewed mainly included:
1. Financial statement audit and accounting policies and procedures
2. Internal control system and related policies and procedures
3. Material Loaning of Funds and Making of Endorsements/Guarantees
4. Compliance
5. Risk management
6. CPA's independence and performance evaluation
7. Self-evaluation of audit committee performance
8. Reaffirm the company's general policy on pre-approved non-assurance services.
9. The subsidiary of the Company, Dynamic Electronics Co., Ltd., intends to issue new undertakings in connection with its proposed listing on a securities exchange in Mainland China."
10. Annual Budget
11. Annual Business Plan
12. Corporate Value Enhancement Plan
13. The Company intends to apply for the first buyback of treasury shares.
14.The Company's shareholding in the Group's important subsidiary, Dynamic Electronics Co., Ltd., has cumulatively decreased by more than 10%.
15. The Company intends to proceed with the 2025 cash capital increase and issuance of new shares.
16.The Company intends to issue the first and second domestic unsecured convertible corporate bonds.

Review Financial Report

It is agreed to and resolved by the Audit Committee and the Board of Directors that the company's 2025 Financial Statement was audited and certified by Ernest & Young, who is designated by the Board of Directors; and an audit report which refers to the Financial Statement was issued. In addition, the Company's business report of 2025 and Earnings distribution table, which were submitted by The Board of Directors have been considered to be compliant with the relevant regulations of Company Law after having them reviewed by the Audit Committee of Dynamic Electronics Co., Ltd.

Assess the effectiveness of internal control systems

The audit committee evaluates the effectiveness of the company's internal control system policies and procedures (including financial, operational, risk management, information security, compliance with laws and other control measures), and reviews the periodic reports of the company's audit department, CPA and management. The committee believes that the company's risk management and internal control systems are effective. The company has adopted the necessary control mechanisms to monitor and correct violations.

Appointment of Certified Public Accountants

The company's audit committee evaluates the independence and competency of its certified accountants every year. In addition to requiring the certified accountants to provide a "Declaration of Detached Independence", the audit quality is also based on the "Audit Quality Index (AQI) Disclosure Template" issued by the Financial Supervisory Commission. Indicator (AQI) information, including 5 major aspects and 13 indicators including professionalism, independence, quality control, supervision, and innovation ability, effectively and objectively evaluates the ability and commitment of accounting firms and audit teams to improve audit quality. .

The evaluation results of the most recent year have been discussed and approved by the Audit Committee on December 15, 2025, and reported to the Board of Directors on December 15, 2025 to pass the assessment of the independence and competency of the accountants.

Assessment mechanisms include:

1. Confirm that the company's certified accountant is not a related party to the company or its directors.
2. Comply with the provisions of the Corporate Governance Code of Practice to handle the rotation of certified accountants.
3. Before appointing the annual audit service of the Certified Public Accountants, it is necessary to obtain the approval of the Audit Committee in advance. Before the appointment of non-audit service items, the Certified Public Accountants will review the compliance with independence standards. The Certified Public Accountants will make relevant reports when communicating with the Audit Committee every quarter.
4. The certified accountant reports to the Audit Committee on the implementation review/inspection content and independence and other compliance status every quarter.
5. Obtain a declaration of independence from a certified accountant on a regular basis.

6. Incorporate audit quality indicators (AQIs) into the evaluation basis for audit service appointment, and the certified accounting firm will make relevant reports with the audit committee before the annual audit service appointment.

For the most recent year, the audit committee has held 10 meetings (A), below demonstrates the attendance of independent directors:

Title	Name	Number of actual attendance (B)	Number of by proxy	Ratio of attendance [B/A]	Remarks
Convener	Yi-chia Chiu	10	0	100.00	
Member	Vincent Lin	7	0	100.00	Assumed office on May 22, 2025.
Member	Cheryl Chien	10	0	100.00	
Member	Vincent Weng	10	0	100.00	

Other items to be mentioned:

1. If the operation of the audit committee falls under any of the following circumstances, the meeting date, period, content of proposals, objections, qualified opinions or major recommendations of the audit committee, the results of the resolutions of the audit committee, and the company's solution to the opinions on the audit committee shall be stated.

(1) The matters listed in Article 14-5 of the Securities Exchange Act:

Audit Committee	Proposal content
First meeting in year 2025 2025/02/26	1. 2024 Business Report, individual financial statements, and consolidated financial statements 2. 2024 Earnings distribution proposal 3. Proposal for the Company’s 2025 budget 4. Proposal for the Company to provide endorsement/guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. in connection with a syndicated loan arranged by SinoPac Commercial Bank Co., Ltd. 5. Proposal to reconfirm the Company’s “General Policy for Pre-Approval of Non-Assurance Services” 6. Proposal regarding new undertakings to be issued by the Company’s subsidiary, Dynamic Electronics Co., Ltd., for its intended listing on a securities exchange in Mainland China 7. Proposal to issue the “Internal Control System Statement” 8. Proposal to amend the Company’s internal control system
Second meeting(Special) in year 2025 2025/04/09	Proposal for the Company to apply for execution of its first share repurchase program (treasury stock buyback)
Third meeting in year 2025 2025/04/28	Proposal for the Company’s consolidated financial statements for Q1 2025.
Fourth meeting in year 2025 2025/06/09	Proposal to adjust the endorsement/guarantee amount previously approved on 2025/02/26 for Dynamic Technology Manufacturing (Thailand) Co., Ltd. in connection with a syndicated loan arranged by SinoPac Commercial Bank
Fifth meeting in year 2025 2025/07/28	Proposal for the Company’s consolidated financial statements for Q2 2025.

Sixth meeting in year 2025 2025/08/26	1. Proposal for the Company to provide endorsement/guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. in connection with short-term credit facilities from DBS Bank (Taiwan) Ltd. 2. The subsidiary, Dynamic Electronics Co., Ltd., provides a guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd.'s application for a short-term credit line from DBS (Taiwan) Commercial Bank Co., Ltd.
Seventh meeting in year 2025 2025/10/15	Proposal noting that the Company's shareholding ratio in its key subsidiary, Dynamic Electronics Co., Ltd., has cumulatively decreased by more than 10%.
Eighth meeting in year 2025 2025/10/27	1. Proposal for the Company to conduct a cash capital increase and issue new shares in 2025 2. Proposal for the Company to issue its first domestic unsecured convertible corporate bonds and its second domestic unsecured convertible corporate bonds
Ninth meeting in year 2025 2025/11/13	Proposal for the Company's consolidated financial statements for Q3 2025.
Tenth meeting in year 2025 2025/12/15	1. Proposal to amend the Company's internal control system 2. Proposal for the Company's 2026 audit plan 3. Proposal to revise the Company's 2025 budget 4. Proposal for the Company's 2026 business plan 5. Proposal regarding appointments of the Company's certified public accountants and evaluation of their independence 6. Proposal for the Company to provide endorsement/guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. in connection with short-term credit facilities from KGI Bank 7. Proposal for the Company to provide endorsement/guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. in connection with short-term credit facilities from Cathay United Bank 8. Proposal for the Company to provide endorsement/guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. in connection with medium-term credit facilities from Bangkok Bank Public Company Limited
Adverse opinions, qualified opinions or major suggestions of independent directors: None	
The resolution results of the Audit Committee and the company's handling of the opinions of the Audit Committee: The members of the Audit Committee unanimously approved all resolutions, and the Board of Directors passed all proposals in accordance with the recommendations of the Audit Committee.	

(2) Besides the above-mentioned matters, the resolutions of Audit Committee are not passed but agreed by two-thirds of the Board: No such case.2. The way that independent directors have abstained from motions that pose a conflict of interest, should elaborate on the independent director's name, the content of the motion, cause of the conflict of interest, and the status of the vote: none.

3. Communications between the independent directors and the internal audit supervisors and accountants (should include communications over the significant matters of company financials, business operations, and ways to approach these topics and their results)

(1) The communication between independent directors and internal audit executives:

(a) The Auditing Office exercises internal audit cycles and management practices, and prepares the documents of "Internal Audit Report", "Summarized Monthly Report on internal audit" and "Contact form of advices on irregularities" every month. All the audit related documents would be delivered to each audit committee for review after the chairman's approval before the end of the second month upon the completion of the audit. If any doubts or instructions occur, the audit committee will inquire or instruct the auditing executives to deal with the relevant matters via phone call or e-mail.

(b) The internal audit executives would attend every audit committee (at least once per quarter) to report the audit progress, and communicate with the independent directors face to face.
(c) When the internal auditors found significant violations or any major potential damages to the Company, a report would be made and submitted immediately. Each Audit Committee member would be notified at the same time.
(d) The communication between the independent directors and the internal auditing executives of the Company is good with smooth communication channel.

(2) The communication between independent directors and the accountants:
(a) Accountants report the results of financial statement verification and audit in the Audit Committee quarterly, as well as other communication subjects that required by the relevant laws and regulations. Any suggestions or advices that occur to the independent directors would be addressed for discussion, followed by further explanation by the accountants.
(b) In case of significant special situation, accountants would report to the Audit Committee instantly.
(c) The accountants would be invited to participate in providing professional advices to any important issues related to the board so as to increase the opportunity of interaction among the accountants, directors and independent directors.
(d) The communication between the independent directors and the accountants of the Company is good with smooth communication channel.

(3) Independent directors' communication with internal audit executives and accountants:

The Audit Committee Date/Term	Important matters to communicate with internal auditors	Important matters to communicate with CPA
First meeting in year 2025 2025/02/26	• Internal audit report • Issuance of "Internal Control System Statement" • Amendment of the Company's internal control system	• Communication matters with corporate governance unit and management • Updates on securities regulatory laws • Updates on tax laws • Introduction to revisions of the 12th Corporate Governance Evaluation System
Third meeting in year 2025 2025/04/28	• Internal audit report	• Communication matters with corporate governance unit and management • Updates on securities regulatory laws • Updates on tax laws • IFRS updates • Latest developments in sustainability disclosure standards
Fifth meeting in year 2025 2025/07/28	• Internal audit report (including Q2 ESG project)	• Communication matters with corporate governance unit and management • Updates on securities regulatory laws • Updates on tax laws • Latest developments in sustainability disclosure standards
Ninth meeting in year 2025 2025/11/3	• Internal audit report	• Communication matters with corporate governance unit and management • Updates on securities regulatory laws • Updates on tax laws
Tenth meeting in year 2025 2025/12/15	• Internal audit report • Amendment of the Company's internal control system • Company's 2026 audit plan	• Appointment of the Company's CPA and evaluation of their independence
Result: The above matters have been reviewed or approved by the Audit Committee, and the independent directors have no adverse opinions.		

(4) Individual communication between independent directors and accountants and audit supervisors

Principles of the communication:

1. The Auditor Officer and CPA may directly contact Independent Directors as necessary, and the communication went well.
2. In addition to receiving monthly audit reports by the Independent Directors of the company, the Auditor Officer also separately reported to the Independent Directors on the important affairs of the company and its subsidiaries in the annual convention, and has fully communicated the implementation and results of the audit business.
3. The CPA reported to the Independent Directors on the audit results and findings of the financial statements in the annual discussion.

Summary of the 2025 communication discussion between Independent Directors, CPA and Internal Auditor Officer

Date	Attendees	Topics of discussion	Result
2025/ 12/15	Independent Director Yi-chia Chiu Independent Director Cheryl Chien Independent Director Vincent Weng Independent Director Vincent Lin CPA Hsiao-Chin Lo CPA Chi-Ming Chang Internal Auditor Officer Angel Tsai	1.Report and communicate the 2025 annual Financial Statement Review Planning. 2. Reporting and communicating internal audit organization and operations.	No comments at this meeting

(C) Information on the operations of the Remuneration Committee

1. Information on the members of the remuneration committee

On May 18, 2023, there was a comprehensive re-election of the Board of Directors. The new directors held an interim board of directors and appointed four new independent directors of the Company, Mr. Vincent Weng, Mr. Yi-Chia Chiu, Mr. Vincent Lin and Ms. Cheryl Chien, to serve as the members of company's second Remuneration Committee. The term of committee members is from May 18, 2023 to May 17, 2026, which is the same as the term of the current board of directors. All members recommended Mr. Vincent Weng to serve as the convener and chairman of the meeting. On May 15, 2024, Mr. Vincent Lin resignation as a member became effective. On July 2, 2025, Vincent Lin, an independent director, was reappointed as a member of the Remuneration and Compensation Committee.

Status	Criteria / Name	Qualification and Experiences	Independence	Number of other listed companies the person is also serving on the remuneration committee
Convener Independent Director	Vincent Weng	Master of Finance, Institute of Finance, Pace University; Master of Computer Engineering, Fordham University. Standard Chartered International Commercial Bank Executive Director; Standard Chartered Bank (Hong Kong) Senior Vice President. Possessing expertise in finance and technology industry management, capable of providing opinion and decision for industry analysis and integration, capital utilization, investment decision-making, risk management etc.. When performing the functions and powers of the Remuneration Committee, the expertise can be used to formulate the performance evaluation standards for directors and managers, long-term performance goals and policies, systems, standards and structures for remuneration	The four members listed on the left have met the qualifications stipulated in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission and Article 14-2 of the Securities Exchange Act during the two years before the election and during their tenure. All of them have been given the rights to fully participate in decision-making and express opinions in accordance with Article 14-3 of the Securities and Exchange Act, so as to independently perform relevant functions and powers.	0
Member	Yi-chia Chiu	Ph.D. of Technology Management, National Chiao Tung University. Currently as a professor of Graduate Institute of Technology Management and Intellectual Property, Chengchi University. Possessing professional qualifications and experience in financial accounting, strategy, technology management, intellectual property, etc.		3
Member	Vincent Lin	Ph.D. in Computer Science, National Chiao Tung University. Currently as the consultant of Brilliant Silicon Limited. Possessing professional qualifications and experience in industrial technology development knowledge, artificial intelligence, information technology, etc.		0
Member	Cheryl Chien	Bachelor of Law, National Chung Cheng University. Currently as a lawyer of LST&C Legal. Possessing legal, corporate governance and other professional qualifications and experience.		0

2. Responsibilities of Remuneration Committee

This committee should faithfully perform the following functions and duties with the care of a good administrator, and submit its proposals to the board of directors for discussion:

(1) Review this regulation regularly and propose amendments.

(2) Establish and regularly review the annual performance evaluation standards for the company's directors and managers, as well as long-term performance goals and remuneration policies, systems, standards and structures, and disclose the content of the performance evaluation standards in the annual report.

(3) Regularly evaluate the achievement of performance goals and remuneration of the company's directors and managers, and determine the content and amount of individual remuneration based on the evaluation results obtained from the performance evaluation standards. The annual report should disclose the individual performance evaluation results of directors, supervisors and managers, as well as the correlation and rationality of the content and amount of individual remuneration with the performance evaluation results, and report it to the shareholders' meeting.

3. Information on the operations of the remuneration committee

(1) The Company has four members in the remuneration committee.

(2) Term of office: 2023/05/18 – 2026/05/17. The remuneration committee has held 8 meetings (A) for the most recent fiscal year (2025). The attendance records of committee members are as followings:

Title	Name	Number of actual attendance (B)	Number of by proxy	Ratio of attendance [B/A]	Remarks
Convener	Vincent Weng	8	0	100.00	Vincent Lin was appointed as a member on July 2, 2025
Member	Yi-chia Chiu	8	0	100.00	
Member	Vincent Lin	4	0	100.00	
Member	Cheryl Chien	8	0	100.00	

Other items to be mentioned:

1. In case the board of directors did not take in or make necessary rectifications according to the remuneration committee's suggestion, the date, number, content of the motion, the results passed by the board of directions and the ways the company handled the remuneration committee's opinions should be elaborated (for instance, if the compensation package passed by the board of directors is higher than the suggestion of the remuneration committee, the difference and its causes should be explained): none.

2. For the decisions made by the remuneration committee, if there are members who vetoed or withheld from the decision and there are documented records, the date, number, content of the motion, all members' opinions, and ways in handling these opinions should be elaborated: none.

Remuneration Committee	Contents
1st of year 2025(2025.02.26)	1. 2024 Employee compensation and director remuneration distribution plan 2. Review of 2024 Performance Evaluation of Managers indicators 3. Actual distribution of 2024 director and managerial compensation
2nd of year 2025 (2025.04.01)	Proposal to amend the Compensation Committee organizational charter

3rd of year 2025(2025.04.28)	1. Distribution of directors' remuneration from 2024 earnings based on weighted calculation under the "Director Compensation Management Guidelines" 2. Review of 2025 Q1 Performance Evaluation of Managers indicators
4th of year 2025 (2025.07.02)	Review of salary and benefits for senior executive personnel changes
5th of year 2025 (2025.07.28)	Review of 2025 Q2 Performance Evaluation of Managers indicators
6th of year 2025 (2025.11.13)	1. Review of 2025 Q3 Performance Evaluation of Managers indicators 2. Review of salary and benefits for senior executive personnel changes
7th of year 2025 (2025.11.28)	1. Proposal for the Company to establish the "Cash Capital Increase Employee Stock Subscription Regulations" in 2025 2. Proposal for employee subscription recommendations for managers and directors with employee status in connection with the 2025 cash capital increase
8th of year 2025 (2025.12.15)	1. 2025 Employee compensation and director remuneration distribution plan 2. Review of compensation items to be implemented by the Company in 2026 3. Proposal for the Compensation Committee's 2026 work plan
The resolution results of the Remuneration Committee and the company's handling of the opinions of the Remuneration Committee: The members of the Remuneration Committee unanimously approved all resolutions, and the Board of Directors approved all resolutions based on the recommendations of the Remuneration Committee.	

(D) Information on the operations of the Nomination Committee

1. Information on the members of the Nomination Committee

On May 29, 2023, the Company's Board of Directors appointed four independent directors as members of the first Nomination Committee and established a Nomination Committee, which was implemented in accordance with the "Organizational Rules of the Nomination Committee" approved by the board of directors on March 15, 2023. The term of the members of the first Nomination Committee came into effect from May 29, 2023 to May 17, 2026, which is the same as the term of the current Board of Directors. All members recommended Ms. Cheryl Chien to serve as the convener and chairperson of the meeting. On May 15, 2024, Mr. Vincent Lin resignation as a member became effective. On July 2, 2025, Vincent Lin, an independent director, was reappointed as a member of the nomination committee.

The members are as follows:

Responsibilities	Members	Current Position	Educational Qualifications	Experience
Chairman	Cheryl Chien	LST&C Legal Lawyer	Bachelor of Law, National Chung Cheng University	Ownlyn Law Firm Lawyer
Member	Vincent Lin	Consultant of Brilliant Silicon Limited.	PhD in Computer Science, National Chiao Tung University	Technical VP of Emotibot Technologies Limited Quanta Computer BU1 Associate Director
Member	Vincent Weng	Chairman of Remuneration Committee of Dynamic Holding Co., Ltd.	Master of Finance, Institute of Finance, Pace University Master of Computer Engineering, Fordham University	Standard Chartered International Commercial Bank Executive Director Standard Chartered Bank (Hong Kong) Senior Vice President
Member	Yi-chia Chiu	Vice President of Business School, Chengchi University Professor, Graduate Institute of Technology Management and Intellectual Property, Chengchi University	Ph.D. of Technology Management, National Chiao Tung University	CEO of EMBA, Chengchi University

2. Responsibilities of Nomination Committee

The Committee shall, in accordance with the authorization of the Board of Directors, faithfully perform the following duties and powers with the due care of a good administrator, and submit its suggestions to the Board of Directors for discussion:

1) Establish standards for diversity of backgrounds and independence in terms of professional knowledge, skills, experience, gender, etc. required by board

members and executive managers, and use this to identify, review and nominate candidates for directors and executive managers.

2) Construct and develop the organizational structure of the board of directors and committees, conduct performance evaluations of the board of directors, committees, directors and senior managers, and evaluate the independence of independent directors.

3) Formulate and regularly review director training plans and succession plans for directors and executive managers.

4) Formulate the Company's Corporate Governance Code of Practice.

3. Information on the operations of the nomination committee

(1) The Company has four members in the nomination committee.

(2) Term of office: 2023/05/29 – 2026/05/17. The Nomination committee has held 2 meetings (A) for the most recent fiscal year (2025). The attendance records of committee members are as followings:

Title	Name	Number of actual attendance (B)	Number of by proxy	Ratio of attendance [B/A]	Remarks
Convener	Cheryl Chien	2	0	100.00	Vincent Lin takes office as a member on July 2, 2025.
Member	Yi-chia Chiu	2	0	100.00	
Member	Vincent Lin	0	0	100.00	
Member	Vincent Weng	2	0	100.00	

Other items to be mentioned:

1. In case the board of directors did not take in or make necessary rectifications according to the nomination committee's suggestion, the date, number, content of the motion, the results passed by the board of directions and the ways the company handled the nomination committee's opinions should be elaborated: none.

2. For the decisions made by the nomination committee, if there are members who vetoed or withheld from the decision and there are documented records, the date, number, content of the motion, all members' opinions, and ways in handling these opinions should be elaborated: none.

Nomination Committee	Contents
1st of year 2025 (2025.02.26)	Nomination and Qualification Review of Independent Director Candidates
2nd of year 2025 (2025.07.02)	Proposed Personnel Change of Group's "Corporate Governance Chief Officer"

The resolution results of the Nomination Committee and the company's handling of the opinions of the Nomination Committee: The members of the Nomination Committee unanimously approved all resolutions, and the Board of Directors approved all resolutions based on the recommendations of the Nomination Committee.

(E) Information on the operations of the Risk Management Committee

1. Information on the members of the Risk Management Committee

On May 29, 2023, the Company's Board of Directors appointed four independent directors as members of the first Risk Management Committee and established a Risk Management Committee, which was implemented in accordance with the "Organizational Rules of the Risk Management Committee" approved by the Board of Directors on August 4, 2023. The term of the members of the first Risk Management Committee came into effect from May 29, 2023 to May 17, 2026, which is the same as the term of the current Board of Directors. All members recommended Mr. Vincent Lin to serve as the convener and chairman of the meeting. On May 15, 2024, Vincent Lin's resignation took effect. On July 2, 2024, Vincent Lin, an independent director, was reappointed as a member of the Risk Management Committee and was elected as the convener and chairman of the meeting.

The members are as follows:

Responsibilities	Members	Current Position	Educational Qualifications	Experience
Chairman	Vincent Lin	Consultant of Brilliant Silicon Limited.	PhD in Computer Science, National Chiao Tung University	Technical VP of Emotibot Technologies Limited Quanta Computer BU1 Associate Director
Member	Vincent Weng	Chairman of Remuneration Committee of Dynamic Holding Co., Ltd.	Master of Finance, Institute of Finance, Pace University Master of Computer Engineering, Fordham University	Standard Chartered International Commercial Bank Executive Director Standard Chartered Bank (Hong Kong) Senior Vice President
Member	Yi-chia Chiu	Vice President of Business School, Chengchi University Professor, Graduate Institute of Technology Management and Intellectual Property, Chengchi University	Ph.D. of Technology Management, National Chiao Tung University	CEO of EMBA, Chengchi University
Member	Cheryl Chien	LST&C Legal Lawyer	Bachelor of Law, National Chung Cheng University	Ownlyn Law Firm Lawyer

2. Responsibilities of Risk Management Committee

1) To be in overall charge to oversee the Company's overall risk management, formulating risk management policies, structures, organizations and mechanisms, and establishing qualitative and quantitative management standards.

2) Implement the risk management decisions of the Board of Directors and regularly review the development, establishment and implementation effectiveness of the Company's overall risk management mechanism.

3) Coordinate and promote cross-organizational risk management and control plans.

4) Supervise and manage the overall risk management and control improvement mechanism of the Company and its subsidiaries.
5) Review and integrate various risk management and control reports, submit reports to the Board of Directors regularly every year, update on the implementation of risk management, and make necessary improvement suggestions.

3. Information on the operations of the risk management committee
(1) The Company has four members in the risk management committee.
(2) Term of office: 2023/05/29 – 2026/05/17. The Risk Management committee has held 3 meetings (A) for the most recent fiscal year (2025). The attendance records of committee members are as followings:

<table>
<tr><th>Title</th><th>Name</th><th>Number of actual attendance (B)</th><th>Number of by proxy</th><th>Ratio of attendance [B/A]</th><th>Remarks</th></tr>
<tr><td>Convener</td><td>Vincent Lin</td><td>1</td><td>0</td><td>100.00</td><td rowspan="4">On July 2, 2025, Vincent Lin assumed the position of member and convener of the Risk Management Committee.</td></tr>
<tr><td>Member</td><td>Yi-chia Chiu</td><td>3</td><td>0</td><td>100.00</td></tr>
<tr><td>Member</td><td>Vincent Weng</td><td>3</td><td>0</td><td>100.00</td></tr>
<tr><td>Member</td><td>Cheryl Chien</td><td>3</td><td>0</td><td>100.00</td></tr>
<tr><td colspan="6">Other items to be mentioned:
1. In case the board of directors did not take in or make necessary rectifications according to the risk management committee's suggestion, the date, number, content of the motion, the results passed by the board of directions and the ways the company handled the risk management committee's opinions should be elaborated: none.

2. For the decisions made by the risk management committee, if there are members who vetoed or withheld from the decision and there are documented records, the date, number, content of the motion, all members' opinions, and ways in handling these opinions should be elaborated: none.</td></tr>
</table>

Risk Management Committee	Contents
1st of year 2025 (2025.02.26)	Only report items, no discussion item.
2nd of year 2025 (2025.04.28)	Only report items, no discussion item.
3rd of year 2025 (2025.12.15)	Only report items, no discussion item.
The resolution results of the Risk Management Committee and the company's handling of the opinions of the Risk Management Committee: The Risk Management Committee members had no further questions regarding the reported matters.	

(F) Information on the operations of the Sustainable Development Committee

1. The Company established the "ESG Sustainability Committee" on February 23, 2022. To further implement sustainable development and strengthen sustainability governance, on October 27, 2024, the Board of Directors approved the elevation of this committee to the "Sustainable Development Committee" under the Board, in accordance with Article 27, Section 3 of the Company’s "Corporate Governance Best Practice Principles" and Article 9, Section 1 of the "Sustainable Development Best Practice Principles." The committee also established its organizational rules for compliance. The term of the first Sustainable Development Committee members took effect on October 27, 2024, and will end on May 17, 2026, aligning with the term of the current Board of Directors. The members unanimously selected Mr. Chiu Yi-Jia as the convener and chairman of the meetings.

The members are as follows:

Responsibilities	Members	Current Position	Educational Qualifications	Experience
Chairman	Yi-chia Chiu	Chengchi University Professor, Graduate Institute of Technology Management and Intellectual Property, Chengchi University	Ph.D. of Technology Management, National Chiao Tung University	Vice President of Business School, CEO of EMBA, Chengchi University
Member	Vincent Weng	Chairman of Remuneration Committee of Dynamic Holding Co., Ltd.	Master of Finance, Institute of Finance, Pace University Master of Computer Engineering, Fordham University	Standard Chartered International Commercial Bank Executive Director Standard Chartered Bank (Hong Kong) Senior Vice President
Member	Cheryl Chien	LST&C Legal Lawyer	Bachelor of Law, National Chung Cheng University	Ownlyn Law Firm Lawyer
Member	Vincent Lin	Consultant of Brilliant Silicon Limited.	PhD in Computer Science, National Chiao Tung University	Technical VP of Emotibot Technologies Limited Quanta Computer BU1 Associate Director

2. Dynamic’s Sustainability Vision

Centered on advanced PCB technology innovation and intelligent manufacturing. Leading AI high-speed applications and automotive electronics toward low-carbon transformation. Contributing to the global supply chain's net-zero goals; deepening social inclusion values and comprehensive risk governance. Joining hands with global partners to co-create a sustainable and excellent future shared across generations.

3. Sustainable Development Organization and Responsibilities

Sustainability Committee

Under the Board of Directors, responsible for supervising the Company's sustainability strategy, major issues, and execution effectiveness. Reports at least once a year to the Board on sustainability achievements and key issues, serving as an important basis for strategic adjustments and resource allocation.

Sustainability Promotion Office

Responsible for coordinating and integrating the operations of functional teams, consolidating sustainability performance and key issues, and reporting quarterly to the Sustainable Development Committee and the Board.

Functional Teams and Responsibilities:

Corporate Governance Team: Ensures compliance with corporate governance laws, supports the Board and functional committees, designs competitive compensation and performance management systems, and builds stakeholder communication mechanisms.

Environmental Sustainability Team: Establishes and operates environmental management systems, complies with environmental laws and international standards, promotes energy conservation, carbon reduction, resource management, and climate change strategies to enhance operational resilience.

Social Inclusion Team: Plans and implements human rights policies and procedures, builds communication mechanisms across internal/external stakeholders and the value chain, assesses and manages related risks, and promotes community and cultural development.

Supply Chain Management Team: Develops and promotes sustainable supply chain management policies, enforces supplier management, evaluation, and guidance mechanisms, and drives ESG improvements among supply chain partners.

Information Security Team: Establishes and executes information security management systems, strengthens risk identification, protection, and response mechanisms, ensuring information asset security and operational stability.

Integrity and Compliance Team: Builds and enforces integrity management and compliance systems, strengthens internal controls, risk management, and anti-fraud mechanisms.

3. Information on the operations of the Sustainability Development Committee
   (1) The Company has four members in the Sustainability Development Committee.
   (2) Term of office: 2024/10/27 – 2026/05/17. The Sustainability Development Committee has held 3 meetings (A) for the most recent fiscal year (2025). The attendance records of committee members are as followings:

<table>
<tr><th>Title</th><th>Name</th><th>Number of actual attendance (B)</th><th>Number of by proxy</th><th>Ratio of attendance [B/A]</th><th>Remarks</th></tr>
<tr><td>Convener</td><td>Yi-chia Chiu</td><td>3</td><td>0</td><td>100.00</td><td rowspan="4">Vincent Lin assumed the position of member of the Sustainability Committee on July 2, 2025.</td></tr>
<tr><td>Member</td><td>Vincent Weng</td><td>3</td><td>0</td><td>100.00</td></tr>
<tr><td>Member</td><td>Cheryl Chien</td><td>3</td><td>0</td><td>100.00</td></tr>
<tr><td>Member</td><td>Vincent Lin</td><td>2</td><td>0</td><td>100.00</td></tr>
</table>

Other items to be mentioned:
1. In case the board of directors did not take in or make necessary rectifications according to the sustainability development committee's suggestion, the date, number, content of the motion, the results passed by the board of directions and the ways the company handled the sustainability development committee's opinions should be elaborated: none.

2. For the decisions made by the sustainability development committee, if there are members who vetoed or withheld from the decision and there are documented records, the date, number, content of the motion, all members' opinions, and ways in handling these opinions should be elaborated: none.

Sustainability Development Committee	Contents
1st of year 2025 2025/02/26	Only report items, no discussion item.
2nd of year 2025 2025/04/28	Only report items, no discussion item.
3rd of year 2025 2025/12/15	Only report items, no discussion item.

	The resolution results of the Sustainability Development Committee and the company's handling of the opinions of the Sustainability Development Committee: The members of the Sustainability Committee had no further questions about the matters reported.	

(E) The differences between the operation of corporate governance and the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
1. Has the company established a corporate governance code of practice according to the corporate governance code of practice required by all listed companies?	V		The company's board of directors approved the company's "Corporate Governance Best Practice Principles" on Oct. 27, 2024 and disclosed them on the Company's website and Market Observation Post System (MOPS).	None
2. Company share structure and shareholders' interest a. Has the company established internal procedures to handle shareholder's opinions, questions, problems, and litigation issue, and implemented these measures accordingly? b. Is the company aware of the controlling shareholders and maintain the list of the final controllers of the main shareholders? c. Has the company established and carried out risk control and firewall measures to affiliated corporations?	V		a. According to article 13 of Code of Corporate Governance Practice, the Company has instructed the 【Legal Office】(under direct supervision of the Board) and the 【Chairman Office】(under direct supervision of the Chairman) to handle phone calls, emails and letters regarding opinions, questions, problems, and litigation issues from the shareholders. They directly handle these issues and report to the Chairman and the Board. b. The 【Chairman office】, under immediate supervision of the Chairman, is in charge of maintaining the lists of the controlling shareholders and the final controllers of the main shareholders. c. The Company has established systems to manage over these problems according to the law pertaining to "operational procedures in dealing	None

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
d. Has the company established internal regulations to ban company personnel from selling and buying securities with undisclosed information?			with affiliated corporations, group enterprises, specific company, and affiliated individuals "as well as our internal control system. The "Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises" was approved by the board of directors on May 5, 2023. d. Regulated in the Company's " Material Insider Information Non-Disclosure Procedure". The board of directors approved the formulation of the "Management Procedures for Preventing Insider Trading" on March 26, 2024.	
3. Organization and responsibility of the Board of Directors a. Has the board of directors formulated diversity policies, specific management objectives and implement them?	V		a. The Company's Code of Corporate Governance Practices article 20 indicates that the composition of the board of directors shall be diversified. Besides not exceeding one-third of the board of directors for the director who is a company manager at the same time, one should also formulate an appropriate diversification policy for his/her own function, operational style and development needs, including but not limited to the following two standards:	None

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			1. Basic conditions and values: gender, age, race, nationality and culture. 2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, technology or cybersecurity), professional skills and industry experience. The board members should generally possess the necessary knowledge, skills and literacy to perform their duties. In order to achieve the ideal goal of corporate governance, the overall ability of the board of directors should be as follows: 1. Good judgment in operations. 2. Accounting and financial analysis capabilities. 3. Business management capabilities. 4. Crisis handling abilities. 5. Industrial knowledge. 6. Vision to international market. 7. Leadership. 8. Decision-making ability. The management targets and achievement status of Dynamic's diversification policy: 1. Dynamic Holding was established on August 25, 2022. On May 18, 2023, a full board re-election	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			was conducted, resulting in the selection of three directors and four independent directors. The directors' expertise spans areas such as strategy, operations, risk management, finance, technology, banking, law, and corporate governance. The board also included one female independent director. 2. On November 4, 2024, two corporate directors were replaced with female representatives, increasing the number of female directors to three, representing over one-third of the board seats. Dynamic aims to lead the group toward sustainable corporate development with a more professional, independent, and diversified board structure. 3. The Board's objective for 2025 was to elect one independent director with expertise in smart manufacturing and information/cybersecurity. Achievement: On May 22, 2025, Vincent Lin, an independent director with expertise in smart manufacturing and information/cybersecurity, was elected. The objectives for 2026 are: 1) Reduce the proportion of corporate directors, enhance the independence and accountability of the	

<table>
<tr><th rowspan="2">Item to be assessed</th><th colspan="3">Operational status (note 1)</th><th rowspan="2">Deviations from the corporate governance code of practice of listed companies and causes</th></tr>
<tr><th>Y</th><th>N</th><th>Abstract</th></tr>
<tr><td></td><td></td><td></td><td>Board, reduce the risk of conflicts of interest, and optimize the company's governance structure.
2) Conduct a comprehensive re-election of the Board, continuously strengthening the diversity and balance of Board members, covering different professional backgrounds (such as legal, accounting, and industry expertise), gender, age, professional skills, and industry experience, to build a complementary Board composition and improve the quality of Board governance and decision-making efficiency.
4. The objective for 2025 is to elect an independent director with expertise in smart manufacturing and information/ cybersecurity.
<table>
<tr><th>Director/ Supervisor</th><th>Name</th><th>Nationality</th><th>Gender</th><th>Employee of the company</th><th>Age</th><th>Time served</th></tr>
<tr><td>Director</td><td>Ken Huang</td><td>ROC</td><td>Male</td><td>v</td><td>41-50</td><td>-</td></tr>
<tr><td>Director</td><td>Tiffany Tsan</td><td>ROC</td><td>Female</td><td></td><td>41-50</td><td>-</td></tr>
<tr><td>Director</td><td>Kelly Liu</td><td>ROC</td><td>Female</td><td>v</td><td>41-50</td><td>-</td></tr>
<tr><td>Independent Director</td><td>Yi-chia Chiu</td><td>ROC</td><td>Male</td><td></td><td>51-60</td><td>0-3</td></tr>
<tr><td>Independent Director</td><td>Vincent Weng</td><td>ROC</td><td>Male</td><td></td><td>51-60</td><td>0-3</td></tr>
<tr><td>Independent Director</td><td>Cheryl Chien</td><td>ROC</td><td>Female</td><td></td><td>41-50</td><td>0-3</td></tr>
</table>
</td><td></td></tr>
</table>

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
b. In addition to setting up a remuneration committee and audit committee in accordance with the law, has the company voluntarily established other functional committees?			(see tables and text below)	

Independent Director	Vincent Lin	ROC	Male		51-60	0-3

Diversification / Name	Operation Management	Leadership & Decision-making	Finance/ Accounting /Law	Strategy & Risk Planning	Trend analysis of the industry	Industry Technology Development	Industry Experience GICS L1
Ken Huang	v	v			v	v	
Tiffany Tsan		v	v	v			
Kelly Liu	v				v	v	
Yi-chia Chiu		v	v	v		v	
Vincent Weng	v		v	v	v		Finance
Cheryl Chien			v	v			
Vincent Lin	v	v			v	v	Information and technology

b.

1. Nomination Committee

   The term of the members of the first Nomination Committee came into effect from May 29, 2023 to May 17, 2026. The members are as follows:

<table>
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<tr><td></td><td></td><td></td><td>The members are as follows:
<table><tr><th>Responsibilities</th><th>Members</th><th>Current Position</th><th>Educational Qualifications</th><th>Experience</th></tr><tr><td>Chairman</td><td>Cheryl Chien</td><td>LST&C Legal Lawyer</td><td>Bachelor of Law, National Chung Cheng University</td><td>Ownlyn Law Firm Lawyer</td></tr><tr><td>Member</td><td>Vincent Weng</td><td>Chairman of Remuneration Committee of Dynamic Holding Co., Ltd.</td><td>Master of Finance, Institute of Finance, Pace University
Master of Computer Engineering, Fordham University</td><td>Standard Chartered International Commercial Bank Executive Director
Standard Chartered Bank (Hong Kong) Senior Vice President</td></tr><tr><td>Member</td><td>Yi-chia Chiu</td><td>Professor, Graduate Institute of Technology Management and Intellectual Property, Chengchi University</td><td>Ph.D. of Technology Management, National Chiao Tung University</td><td>Vice President of Business School, Chengchi University</td></tr><tr><td>Member</td><td>Vincent Lin</td><td>Consultant of Brilliant Silicon Limited.</td><td>PhD in Computer Science, National Chiao Tung University</td><td>Technical VP of Emotibot Technologies Limited
Quanta Computer BU1 Associate Director</td></tr></table>The Nomination Committee met two times in 2025, and all members were 100% present.

2. Risk Management Committee</td><td></td></tr>
</table>

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			The term of the members of the first Risk Management Committee came into effect from May 29, 2023 to May 17, 2026. The members are as follows:	

The members are as follows:

Responsibilities	Members	Current Position	Educational Qualifications	Experience
Chairman	Vincent Lin	Consultant of Brilliant Silicon Limited.	PhD in Computer Science, National Chiao Tung University	Technical VP of Emotibot Technologies Limited Quanta Computer BU1 Associate Director
Member	Vincent Weng	Chairman of Remuneration Committee of Dynamic Holding Co., Ltd.	Master of Finance, Institute of Finance, Pace University Master of Computer Engineering, Fordham University	Standard Chartered International Commercial Bank Executive Director Standard Chartered Bank (Hong Kong) Senior Vice President
Member	Yi-chia Chiu	Professor, Graduate Institute of Technology Management and Intellectual Property, Chengchi UniversityChengchi University	Ph.D. of Technology Management, National Chiao Tung University	Vice President of Business School, Chengchi University CEO of EMBA, Chengchi University
Member	Cheryl Chien	LST&C Legal Lawyer	Bachelor of Law, National	Ownlyn Law Firm Lawyer

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<tr><td>c. Has the company established a performance rating method for the board of directors, and report the results of performance evaluation to the board of directors, and use it for each directors' remuneration and the nomination of renewal?</td><td></td><td></td><td>

			Chung Cheng University	

The Risk Management Committee met three times in 2025, and all members were 100% present.

1. Sustainability Development Committee
   The term of the members of the first Sustainability Development Committee came into effect from Oct. 27, 2024 to May 17, 2026. The members are as follows:

Responsibilities	Members	Current Position	Educational Qualifications	Experience
Member	Yi-chia Chiu	Professor, Graduate Institute of Technology Management and Intellectual Property, Chengchi University	Ph.D. of Technology Management, National Chiao Tung University	Vice President of Business School, Chengchi University CEO of EMBA, Chengchi University
Member	Vincent Weng	Chairman of Remuneration Committee of Dynamic Holding Co., Ltd.	Master of Finance, Institute of Finance, Pace University Master of Computer Engineering, Fordham University	Standard Chartered International Commercial Bank Executive Director Standard Chartered Bank (Hong Kong) Senior Vice President
Member	Cheryl Chien	LST&C Legal Lawyer	Bachelor of Law, National Chung Cheng University	Ownlyn Law Firm Lawyer
Member	Vincent Lin	Consultant of Brilliant Silicon Limited.	PhD in Computer Science,	Technical VP of Emotibot

</td><td></td></tr>
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<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td></td><td></td><td>National Chiao Tung University</td><td>Technologies Limited
Quanta Computer BU1 Associate Director</td></tr>
</table>
The Sustainability Development Committee three times in 2025, and all members were 100% present.

c. The company passed the board of directors on October 20, 2022 to formulate the "Measures for Performance Evaluation of the Board of Directors" by the Board of Directors. Considering the company's situation and needs, the performance evaluation measurements of the board of directors are established, and at least include the following five aspects:
1. The degree of participation in the Company’s operation.
2. To enhance decision-making quality of the Board.
3. The composition and structure of the board.
4. Selection and further education of directors.
5. Internal control.
</td><td></td></tr>
</table>

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			The assessment of the performance evaluation of the directors' members shall at least include the following six aspects: 1. The mastery of the Company's goal and mission. 2. The recognition of directors' responsibilities. 3. The degree of participation in the Company's operation. 4. The effort and communication of internal relationship. 5. Directors' profession and further education. 6. Internal control. The measurement of the performance evaluation of the functional committee should include at least the following five aspects: 1. The degree of participation in the company's operations. 2. The recognition of the functional committee's duties. 3. Improve the decision-making quality of the functional committee. 4. the composition of the functional committee and the selection of members. 5. Internal control.	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			The Procedure also states that the Board of Directors should perform an internal performance evaluation at least once a year and should perform an external performance evaluation by an independent institute or expert team at least every three years and expose the results of the evaluation on the company's website. In 2025, Dynamic implemented internal performance assessment of the Board of Directors. 1. Internal Performance Assessment of the Board of Directors 1) Evaluation scope: Including overall board of directors, individual directors, and functional committees like audit committee, remuneration committee, nomination committee, and risk management committee 2) Evaluated period: from Jan. 1, 2025 to Dec. 31, 2025 3) Assessment execution unit: Board of Directors meeting unit	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			4) Evaluation method: internal self-evaluation of the board of directors, self-evaluation of board members, self-evaluation of functional committees. 5) Date of submission to the board of directors: Jan. 12, 2026 6) Action plan: (1) Starting in 2024, ensure that the Board of Directors provides relevant industry analysis and trend reports along with monthly operational reports for each factory via email; and arrange for the management team to conduct project reports on upstream and downstream supply chains, the industry environment, and significant changes during each quarterly Board meeting to strengthen the Board's understanding of the company and industry development. (2) Starting in 2026, include the management team's performance evaluation results and related reward and punishment implementation status in the quarterly Board's comprehensive operational report as an important basis for Board supervision and decision-making.	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			(3) The management team conducts risk identification and assessment of changes in the internal and external environment each quarter, propose corresponding countermeasures, and report to the Risk Management Committee; at the same time, strengthen communication and interaction between the management team and members of the Risk Management Committee through regular reporting and meeting discussion mechanisms, and promote the Board's full discussion and supervision of the implementation effectiveness and tracking status of the internal control system. (4) By providing complete and relevant information such as remuneration policies, performance evaluations, and market comparisons in advance, ensure that members of the Remuneration Committee have sufficient time to obtain information and conduct thorough discussions to formulate timely, professional, and objective recommendations for submission to the Board for review. (5) By compiling and providing information on sustainability-related performance, analysis of major issues, and progress in advance, the	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
d. Has the company assessed the independence of its certified public accountant routinely?			Sustainability Committee members can fully grasp the content of the issues, and after careful discussion, provide timely, professional, and objective suggestions to the Board of Directors for decision-making reference. (6) Starting in 2026, the review of the suitability and implementation of the Directors' Professional Development Program and the succession planning for directors and senior managers will be upgraded to twice a year to strengthen corporate governance and organizational sustainability. Linkage of director performance and salary remuneration: (1) The results of the annual performance evaluation of the board of directors, functional committees and individual director members account for 20% of the remuneration. (2) The KPI of the company's overall operating performance (including annual operating income, net profit after tax and return on shareholders' equity) accounts for 20% of the remuneration.	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			(3) Sustainable ESG KPIs (including reducing greenhouse gas emission intensity by 4% per year, reducing water consumption intensity by 4% per year, promoting working environment safety, core talent nurturing, risk assessment and management, and improving the supply chain's resilience with climate change risks) accounts for 20% of the remuneration. (4) Future risks and development trends of the industry (including assessment of risk projects and formulation of future development strategies) account for 20% of the remuneration. (5) The degree of participation and special contributions of all individual director account for 20% of the remuneration. Relevant performance appraisals and remuneration rationality are reviewed by the Remuneration Committee and the Board of Directors. d. The company's audit committee evaluates the independence and competency of its certified accountants every year. In addition to requiring the certified accountants to provide a "Declaration of Detached Independence", the audit quality is also	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			based on the "Audit Quality Index (AQI) Disclosure Template" issued by the Financial Supervisory Commission. Indicator (AQI) information, including 5 major aspects and 13 indicators including professionalism, independence, quality control, supervision, and innovation ability, effectively and objectively evaluates the ability and commitment of accounting firms and audit teams to improve audit quality. The evaluation results of the most recent year have been discussed and approved by the Audit Committee on December 15, 2025, and reported to the Board of Directors on December 15, 2025 to pass the assessment of the independence and competency of the accountants. Assessment mechanisms include: 1. Confirm that the company's certified accountant is not a related party to the company or its directors. 2. Comply with the provisions of the Corporate Governance Code of Practice to handle the rotation of certified accountants.	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			3. Before appointing the annual audit service of the Certified Public Accountants, it is necessary to obtain the approval of the Audit Committee in advance. Before the appointment of non-audit service items, the Certified Public Accountants will review the compliance with independence standards. The Certified Public Accountants will make relevant reports when communicating with the Audit Committee every quarter. 4. The certified accountant reports to the Audit Committee on the implementation review/inspection content and independence and other compliance status every quarter. 5. Obtain a declaration of independence from a certified accountant on a regular basis. 6. Incorporate audit quality indicators (AQIs) into the evaluation basis for audit service appointment, and the certified accounting firm will make relevant reports with the audit committee before the annual audit service appointment.	
4. Whether the listed / OTC company is equipped with qualified and appropriate number of corporate governance personnel, and designated corporate governance	V		On July 2, 2025, the Board of Directors of the Company approved the appointment of the Group's "Chief Corporate Governance Officer" and appointed President Jean Liu as the Chief Corporate	None

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
directors to take charge of certain corporate governance related matters (including but not limited to providing directors and supervisors with the necessary information to perform business, assisting directors and supervisors to comply with laws, handling matters related to the meetings of the board of directors and the shareholders 'meeting according to law, and making the minutes of the board of directors and shareholders' meetings, etc.)?			Governance Officer. President Jean Liu previously served as the Company's Chief Corporate Governance Officer for more than four years. The main duties of the Corporate Governance Executive include at least: 1. Handling matters relating to the Board of Directors and the shareholders' meeting in accordance with the law. 2. Making reports of the board of directors and shareholders' meetings. 3. Assisting the directors in taking up their posts and further education. 4. Providing the information required for the directors to perform their business. 5. Assisting the directors in complying with the laws and regulations. 6. Report to the board of directors the review results of whether the qualifications of independent directors at the time of nomination, election and their term of office comply with relevant laws and regulations. 7. Handle matters related to the changes of director. 8. Other matters formulated in accordance with the articles of association or agreements	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			The business implementation of year 2025 was as follows: 1. Provide directors with information that required by their duty performances. 2. In 2025, all directors and independent directors of Dynamic have completed the training hours in accordance with the standards. 3. To draw up the agenda for the board of directors, inform the directors seven days in advance, convene the meeting and provide information for the meeting. Any issue concerns director's interests that required a particular director to avoid should be reminded beforehand and complete the meeting minutes of the board of directors within 20 days after the meeting. 4. Assist the board of directors and shareholders in the proceedings and compliance matters. 5. Responsible for reviewing material information announcement of important resolutions of the board of directors after the meeting, ensuring law conformity and correctness of the content of the material information. 6. The date of the shareholders' meeting shall be registered beforehand according to the law, the	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			meeting notice, the proceedings handbook, and the journal shall be made during the statutory period, and the change of registration of the company shall be carried out along with the amendment to the articles or the re-election of the directors. 7. Handle the annual performance evaluation of the board of directors and its members. 8. Responsible for corporate information disclosure. 9. Continuous training. (Completed 9 hours of training in 2025.)	
5. Has the company established a communication channel with its stakeholders, and setup a stakeholder section on the company website, in addition to properly addressing key corporate social responsibility issues that are important to the stakeholders?	V		1. Currently, all stakeholders have appropriate communication channels. For instance, Shareholders vs shareholders' manager and spokesperson; Employees vs HR; Customers vs sales, quality assurance, R&D; Suppliers vs purchasing, QA, R&D; Mortgagors vs finance personnel; Government vs departments of management, Community and NGO vs management dept. and Sustainability Development Committee etc. 2. The Company website is set with a specific zone for the stakeholders and the contact person's phone and email. It is also available to leave a message at "Contact Us" page, the message will	None

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	
			be sent to the responsible unit automatically. Furthermore, contact information of each exterior unit, phone number, email, can also be found on the website. 3. The ESG sustainability report published by the company every year is one of the channels for communicating with stakeholders. The communication with stakeholders was reported to the board of directors on Dec. 15, 2025.	
6. Has the company assigned professional common shares agency to take care of affairs related to the shareholders meetings?	V		Stock Affairs Agency Department of Taishin Securities Co., Ltd.	None
7. Information disclosure a. Has the company setup a website to disclose information pertaining finance and corporate governance? b. Has the company utilized other methods of information disclosure (such as setting up a website in English, assigning someone to be responsible for the collection and disclosure of company information, implementing spokesperson system, demonstrating	V		a. The Company website is www.dynaholding.com. The website has been equipped with pages designated to financial information and corporate governance for information disclosure on these aspects. b. The company has an English website, and has designated Chairman Office to be responsible for the collection and disclosure of company information. The company has assigned a spokesperson and a deputy spokesperson, and the contact information is on the company website, which serves as channels of communication for	None

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<tr><th>Y</th><th>N</th><th>Abstract</th></tr>
<tr><td>company website during corporate seminar)?

c. Does the company announce and declare the annual financial report within two months after the end of the fiscal year? And announce and declare the financial reports of first, second, and third quarter and the monthly operating situation before the prescribed time limit?</td><td></td><td></td><td>investors and shareholders and caters to their inquiries and needs. The company was invited to participate in 8 institutional investor meetings in 2025, 4 of which provided audio and video files, and relevant information was disclosed on MOPS and the company's website.
c. The company announced and declared the annual financial report on Mar. 13, 2026, and announced and declared the first, second and third quarter financial statements on May. 14, 2025, Aug. 5, 2025, Nov. 14, 2025 respectively; also announce the operating conditions of each month before the prescribed time limit.</td><td></td></tr>
<tr><td colspan="5">8. Does the company have other important information pertaining to understanding the operations of the company's corporate governance (including but not limited to employee benefits, employee welfare, investor relations, supplier relations, stakeholders' interests, advanced studies of the director and supervisors, risk management policy and levels of implementation of risk assessment standards, levels of implementation of customer policies, and whether the company has purchased liability insurance for its directors and supervisors)?

a. Employee benefits: In year 2025, besides keeping all the employees' rights and benefits, also particularly strengthening production safety, paying attention to employees' physical and mental health, and implementing labor rights, environmental responsibility, and make sure the management systems and ethics are in compliance with the code of conduct of Responsible Business Alliance (RBA).

b. Employee welfare:
Our company's diverse welfare system enhances employee loyalty and retention, and we offer the following countermeasures:</td></tr>
</table>

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	

1. Through rigorous recruitment and selection processes, we reduce the hiring of ineffective personnel and improve the quality of our workforce.
2. By caring for employees, improving the work environment, and perfecting company welfare measures, we increase employee loyalty.
3. By strengthening employee training programs and rewarding suggestions for improvement, we enhance the company's competitiveness.
4. By making policies and management transparent, we ensure employees understand the company's operational direction and cultivate a sense of belonging.

Category	Description
Living Care Measures	Free meals, refined pantry with free coffee; free uniforms; free employee car/motorcycle parking
Health Care Measures	Employee group insurance (cancer insurance, accident insurance); regular health check-ups and health education activities; medical-grade blood pressure monitor and AED (automated external defibrillator)
Recreation Measures	Subsidies for various club activities; travel, employee gatherings, team-building activities
Incentive Bonus Measures	Year-end bonus, holiday bonuses, performance bonuses, and profit-sharing system; promotion announcements and recognition of outstanding employees
Education Assistance Measures	On-the-job training; subsidies for further education, dedicated company foreign language instructors; library with free book borrowing
Welfare Subsidy Measures	Birthday cash gifts, wedding/funeral subsidies, holiday gift boxes, childbirth subsidies, hospitalization subsidies

<table>
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<tr><th>Y</th><th>N</th><th>Abstract</th></tr>
<tr><td colspan="5">c. Social Care of Dynamic group in 2025
1. Education Contributions
・Donations in the field of education focus on supporting academics and talent cultivation. In 2025, approximately NT$1.5 million was invested, aiming to promote knowledge growth and achieve a win–win for both the company and society.
・Taoyuan Plant donated NT$200,000 to National Chengchi University’s academic research fund.
・Huangshi Plant donated RMB 50,000 annually (2024–2026) to the Hubei University of Technology Education Fund, supporting the College of Chemical Engineering awards.
・In 2025, RMB 200,000 was donated to the Hubei University of Technology – School of Environmental Science and Engineering for laboratory construction.
・Thailand Plant donated THB 200,000 to the Prachinburi Red Cross, jointly supporting international humanitarian education and providing humanitarian aid.
d. Investor relations: assigned spokesperson, deputy spokesperson, Investor relations to assist investors to understand the company's status and to communicate with them. Set up investor relations section on the company website to offer important information and contact information.
2. Charitable Actions
• Instead of direct donations, we support disadvantaged employment by purchasing products from sheltered workshops, creating a positive cycle. In 2025, procurement reached NT$1.86 million.
• Employees are also encouraged to personally engage in public welfare, visiting disadvantaged groups and responding to social needs through concrete actions.
• Mid-Autumn Festival gifts supported local employment for people with disabilities, choosing products from Taoyuan Roomy Sheltered Workshop (healthy bagels and steamed buns) and handmade additive-free cookies by single mother (NT$190,000).
• Shareholders’ meeting souvenirs were sourced from Eden Social Welfare’s Sheltered Workshop and Taoyuan Autism Association (handmade soaps, NT$1.665 million).
• Huangshi employees visited the Taiwan Compatriots Association (Huangshi), providing cooling supplies for frontline workers and daily necessities for elderly and children’s welfare institutions.
• Thai employees visited 2 child development centers and 5 schools in the Si Maha Phot district, bringing joy, warmth, and donated supplies to children.</td></tr>
</table>

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	

e. Supplier relations: In the process of improving the sustainable operation and competitiveness of the corporate, establish a mutually beneficial strategic partnership with suppliers, jointly develop new products and break through issues such as process technology and quality control. The two parties can be aware of the accuracy of market information at any time by regularly exchanging and sharing information on upstream and downstream market supply and demand conditions, fluctuations in raw material costs, capacity expansion, and quality control so as to timely adjust suppliers' production plan and meet customers' requirements, also facilitates the two parties to control the inventory cost and water level of all materials, thereby establishing a win-win supplier relationship.

f. Stakeholders' interest: identify stakeholders and major issues, establish communication channels, include topics that various stakeholders care about, such as economics, environment, and social issues, into the company's operations strategy and management, and to sufficiently disclose information.

g. Advanced studies for the directors and managers

Identity	Name	Date	Organizer	Course Title	Training hours
Director	Ken Huang	2025/03/14	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3
Director	Ken Huang	2025/04/11	Taiwan Corporate Governance Association	Latest AI Development Trends and Practical Exploration of Risk Management Framework	3
Corporate Director Representativ e	Tiffany Tsan	2025/03/14	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3
Corporate Director	Tiffany Tsan	2025/04/11	Taiwan Corporate Governance Association	Latest AI Development Trends and Practical Exploration of Risk Management Framework	3

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	

Representative					
Corporate Director Representative	Kelly Liu	2025/05/08	Accounting Research and Development Foundation	Practical Internal Audit and Internal Control of Employee Compensation Systems	6
Independent Director	Vincent Wen	2025/02/21	Taiwan Investor Relations Institute	Corporate Sustainability – From Anxiety to Strategy	3
Independent Director	Vincent Wen	2025/03/28	Taiwan Investor Relations Institute	ESG and Brand Communication	3
Independent Director	Cheryl Chien	2025/05/16	Taiwan Corporate Governance Association	Cybersecurity Governance and Management under Geopolitics	3
Independent Director	Cheryl Chien	2025/10/28	Taiwan Corporate Governance Association	Board of Directors and Corporate Governance Practices	3
Independent Director	Vincent Lin	2025/10/29	Taiwan Project Management Association	Building Successor Teams and Talent Development	3
Independent Director	Vincent Lin	2025/11/06	Taiwan Project Management Association	Board of Directors vs. Management Team	3
Independent Director	Yi-Chia Chiu	2025/01/06	Taipei Foundation of Finance	Corporate Governance – Sustainable Governance – Trends in Sustainable Development and Governance	3
Independent Director	Yi-Chia Chiu	2025/06/04	Taiwan Corporate Governance Association	Latest ESG Regulations, Trends, Impacts, and Responses	3

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	

Chief Accounting Manager	Cathy Ni	2025/12/18-19	Accounting Research and Development Foundation	Continuing Education Program for Accounting Officers of Issuers, Securities Firms, and Stock Exchanges	12
Deputy Chief Accounting Manager	Lily Chiang	2025/12/01-02	Accounting Research and Development Foundation	Continuing Education Program for Accounting Officers of Issuers, Securities Firms, and Stock Exchanges	12
Chief Internal Auditor	Hsin-Yi Tsai	2025/12/09	The Institute of Internal Auditors	"Sustainable Information Management" and Key Points of Internal Control and Internal Audit Practices	6
Chief Internal Auditor	Hsin-Yi Tsai	2025/12/12	The Institute of Internal Auditors	Key Considerations and Impacts of IFRS S1/S2 on Internal Control and Internal Audit	6
Chief Internal Auditor	Hsin-Yi Tsai	2025/12/16	The Institute of Internal Auditors	Analysis of Sustainability Reports and Practical Audit of Sustainability Information	6

h. Risk management policy and levels of implementation of risk assessment standards:

1. Risk management policies and procedures

The company formulated the "Risk Management Policy" on October 30, 2015, and established the "Risk Management Committee", which was approved by the board of directors as the highest guiding principle and execution unit of the company's risk management. The risk management committee of the company regularly evaluates the frequency of internal and external risks and the severity of the impact on operations through the risk matrix (Risk Map) on a quarterly basis, and defines risk levels and priorities, hoping to respond in a cost-effective manner. At the same time, according to the latest internal audit development and standard requirements, monitor the potential risks of internal operations and implement preventive measures to strengthen risk management. And report in the Board of Directors every quarter.

2. Risk management scope

The Risk Management Committee evaluates, controls, and supervises risks in the following areas: strategic risk, operational risk, financial risk, hazard and climate change risk, business ethics and human rights risk, as well as other potential risk factors — including

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	

material issues identified through internal and external stakeholder perspectives and disclosed in the ESG report. This enables us to effectively allocate resources, uncover potential opportunities, and mitigate major crises.

3. Organizational Development

The Company's board of directors held on May 5, 2023 formulated the Company's "Risk Management Practice Code", which disclosed important company internal regulations on the company's official website.

At the Company's board of directors meeting held on May 29, 2023, the "Risk Management Committee" was upgraded to a functional committee of the board of directors, and four independent directors were appointed as members of the first risk management committee. Independent director Vincent Lin was elected as convener and meeting chairperson of the Risk Management Committee. This committee meets at least once a year and reports to the Board of Directors.

The Company held the first Risk Management Committee of 2023 on August 4, 2023, and formulated the company's "Rules of Organization for Risk Management Committee", which is disclosed as the important internal company rules on the Company's official website.

On July 29, 2024, the Company held the second Risk Management Committee meeting of the year and established the "Risk Management Policies and Procedures," which have been disclosed as an important internal regulation on the Company's official website.

4. Responsibilities and Operation

The Risk Management Committee under the Board of Directors is responsible for monitoring and making recommendations to the Board of Directors. The executives in the management team who are responsible for strategy, operations, finance, hazards, climate change, business ethics, human rights, Stakeholders' engagement etc., continuously evaluate the impact of external economic, environmental, and social changes on the organization, thereby looking for opportunities, and formulating countermeasures and action plans. The report is summarized and submitted to the General Manager for approval, and then supervised by the Risk Management Committee.

Person in charge	Operation status
Risk Management Committee	Responsible for supervision and making recommendations to the Board of Directors

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	

President	1) Identify and approve the priority of various risks 2) Supervise the improvement of risk control
General Director	1) Convene cross-departmental risk communication meetings 2) Risk assessment and hazard identification of recovery processes 3) Assessment and analysis of the company's available recovery resources 4) Participate in the progress planning of the recovery plan 5) Continuous monitoring of crisis risks 6) Integrate risk management reports and report to the Audit Committee and the Board of Directors
Executive members	1) Identify and assess risks 2) Formulate and implement risk response plans 3) Confirm implementation results and propose improvement measures

5. Operational Situation in 2025
The Risk Management Committee assessed six risk issues in its 2025 report, including: risk management of US tariffs on Mexico, Canada, and China; impact assessment of Trump's reciprocal tariffs; geopolitical risk tracking; business risk assessment and action plan; talent shortage risk assessment and action plan at the Thai plant; and technological change risk assessment and action plan. The responsible units have developed response plans for all of these and reported them to the Board of Directors.

j. The Company has already purchased liability insurance for its directors. The most recent insured period is from 12:00 March 1, 2026 to 12:00 March 1, 2027. The insured amount is US$2,000,000. The coverage covers the duties of directors and managers, company compensation liability, company securities compensation liability, and company compensation liability for employment. The liability insurance is planned to reported in the board of directors in Aug. 24, 2026.

9. Give explanation of the improvement results according to the corporate governance assessment that issued by the Corporate Governance Center of the Taiwan Stock Exchange Co., Ltd in the most recent year. Put forward the priority issues and measures for those who have not yet improved. (Companies who are not included in the assessment do not need to fill up)

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	Y	N	Abstract	

The Company scored 106.36 in the 11th Corporate Governance Assessment in 2024, ranking in the top 5% of listed companies.
The results of the 12th Corporate Governance Assessment in 2025 have not yet been announced. The following areas have been improved in 2025:

Item	Indicator
4.29	Has the company implemented internal carbon pricing to estimate the impact of climate change on its financial and business operations?
4.31	Does the company regularly conduct employee satisfaction surveys and disclose their implementation status and improvement plans?

Priority improvement projects in the future include the following:

Item	Indicator	Improvement Items and Measures
G10	Does the company avoid having a single corporate entity and its subsidiaries occupy one-third or more of the board seats? 【If the company does not have directors appointed by a corporate entity or its representatives, an additional point is awarded.】	The Board plans a full re-election of directors at the 2026 Shareholders' Meeting, with no nominations from corporate entities.

(F) Differences between the implementation of sustainable development and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
1. Does the company establish a governance system to promote sustainable development and set up a dedicated (part-time) unit to promote sustainable development, and the board of directors authorizes senior management to handle and the board's supervision situation?	V		The Company established the "ESG Sustainability Committee" on February 23, 2022. To further implement sustainable development and strengthen sustainability governance, on October 27, 2024, the Board of Directors approved the elevation of this committee to the "Sustainable Development Committee" under the Board, in accordance with Article 27, Section 3 of the Company's "Corporate Governance Best Practice Principles" and Article 9, Section 1 of the "Sustainable Development Best Practice Principles." The committee also established its organizational rules for compliance. The term of the first Sustainable Development Committee members took effect on October 27, 2024, and will end on May 17, 2026, aligning with the term of the current Board of Directors. The members unanimously selected Mr. Chiu Yi-Jia as the convener and chairman of the meetings. On March 6, 2026, the Board of Directors adopted the Dynamic Sustainability Vision: With advanced PCB technology innovation and intelligent manufacturing at its core, we will lead the high-speed application of AI and the low-carbon transformation of	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			automotive electronics, contributing to the global supply chain's net-zero target; we will deepen social inclusion value and comprehensive risk governance, working with global partners to create a sustainable and excellent future shared by generations. The Sustainability Committee is responsible for overseeing sustainability strategies and major issues, reviewing implementation effectiveness, and reporting to the Board of Directors at least once a year. It has a Sustainability Promotion Office, composed of the President and the top executives of Environmental Safety, Health and Human Resources, which coordinates and integrates various functional working groups, compiles sustainability performance and key issues, and reports to the Committee and the Board of Directors quarterly. Six working groups, including the Corporate Governance Group, Environmental Sustainability Group, Social Inclusion Group, Supply Chain Management Group, Information Security Group, and Integrity and Regulatory Group, are convened by the top executives of their respective departments. Each group integrates resources from its subordinate departments, sets and implements its work plan, which is regularly monitored by the Sustainability	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			Office, which reports to the Board of Directors quarterly. The agenda items to be reported to the Board in 2025 include: (1) Sustainable development strategy and short-, medium- and long-term goals (updated); (2) ESG awards and recognition; (3) Linkage between sustainability performance and compensation; (4) Internal carbon pricing project; and (5) ESG KPI achievement status for directors and senior executives in 2025. The board of directors regularly listens to reports from the management team, reviews the progress of the strategy, evaluates the possibility of success of the strategy, and urges the management team to strengthen or adjust when necessary.	

<table>
<tr><th rowspan="2">Item to be assessed</th><th colspan="3">Operational status (note 1)</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for listed companies</th></tr>
<tr><th>Y</th><th>N</th><th>Abstract (note 2)</th></tr>
<tr><td>2. Does the company conduct risk assessments on environmental, social and corporate governance issues related to the company's operations based on materiality principle and formulate relevant risk management policies or strategies accordingly?</td><td>V</td><td></td><td>This disclosure covers the Company’s sustainability performance at its major sites from January 1, 2025 to December 31, 2025. The risk assessment covers the Company, three important production locations in Kunshan,Huangshi, and Thailand factory. Except for the Company, the latter's main business is PCB manufacturing services.

Based on the materiality principle of ESG report, the relevant risk management policies or strategies for the risks after the company conducting risk assessments on important issues as follows. Please refer to the company's sustainability report for specific implementation.
<table>
<tr><th>Major issues</th><th>Risk assessment projects</th><th>Risk management policies and strategies</th></tr>
<tr><td>Environment</td><td>Water resource management</td><td>Maximize water use efficiency; promote process water conservation and water reuse; set up rainwater and air conditioning condensate collection systems, saving 3,600 tons of tap water each year, Reduce raw water intake per unit of production capacity; The primary measures include continuous water and energy-saving inspections for production and other utility equipment, regular overflow audits on production line water equipment, and enhanced maintenance and management of production line water leaks. The Company is also exploring the feasibility of reclaimed water (graywater) reuse, such as recycling the filtered water from copper powder filter presses in the plating and scrubbing lines back into the production lines.

Notably, the Huangshi plant has successfully obtained the (AWS) International Water Stewardship Standard. Through</td></tr>
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Item to be assessed	Operational status (note 1)					Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)			
					robust water resource risk management, the Company actively materializes sustainable water recycling initiatives.	
				Waste and harmful substances management	Continue to maintain UL2799 waste zero landfill certification, conduct compliance management, inspection and audit of waste flow, confirm that waste has undergone transformation processes such as reduction, recycling and energy use, and avoid waste of heat energy after landfill treatment and incineration; Reduce waste generation and emissions, reducing waste by 61,437 tons in 2025; increase waste recycling rates, make full use of raw materials, and use 1,064 tons of recycled copper balls in 2025. improve product yield and reduce waste of resources; prohibit harmful substances from being illegally handled; regularly check suppliers' products for harmful substances.	
				Air pollution management	Regularly maintain waste gas treatment equipment to make sure that air quality monitoring meets the standards; improve the satisfaction of neighboring residents of the plant.	
				Energy and Climate Change Strategy	In addition to observing the opportunities brought about by various climate change risks, Dynamic also formulates strategies and goals that comply with the relevant requirements of environmental and energy regulations and effectively improve corporate efficiency: In terms of manufacturing process, optimize the efficiency of energy resource use, manage waste emissions, increase the proportion of renewable energy use, etc.; in terms of business, increase the proportion of revenue from green energy industries and low-carbon products to respond to the increasing demands of the public and consumers for sustainable products. Through strategic promotion in various aspects, assist each plant to achieve energy conservation and carbon reduction goals, as well as sustainable transformation and adjustment, and establish Dynamic's sustainable resilience.	
			Society	Talent recruitment and retainment	Strengthen two-way communication between employees and enterprises, enhance corporate recognition, reinforce employees' cohesion and willingness to stay in the post ; build good labor relations; provide comprehensive training plans, experience and technical inheritance; establish career planning, process engineers adopt dual-channel promotion; Optimize the salary and welfare system and working environment.	

<table>
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<tr><th>Y</th><th>N</th><th>Abstract (note 2)</th></tr>
<tr><td></td><td></td><td></td><td><table><tr><td>Corporate governance</td><td>Regulation compliance</td><td>Establish three lines of regulation compliance procedure for the following regulatory areas: corporate governance, insider trading, securities regulations, subsidiary supervision, document management and preservation, environmental regulations, occupational safety, labor regulations, intellectual property, confidential data protection, personal data protection, export control, etc. Thereby each responsible unit of the company can regularly identify, amend, promote and exercise the regulations on a systematic basis, to ensure the regulations are fully followed.</td></tr></table></td><td></td></tr>
<tr><td>3. Environmental Issue
a. Has the company established a suitable environmental management system by referencing its industry's characteristics?</td><td>V</td><td></td><td>a. All plants of the Company have established ISO 14001 Environmental Management Systems, ISO 14064 Greenhouse Gas Inventories, and IECQ QC080000 Hazardous Substance Process Management Systems tailored to their respective</td><td>None</td></tr>
</table>

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			industry characteristics. They continue to pass relevant environmental management system verifications. Some plants have also obtained ISO 50001 Energy Management System certification and AWS (Alliance for Water Stewardship) International Water Stewardship Standard certification. In 2025, the Huangshi Plant consecutively achieved the UL 2799 Zero Waste to Landfill Platinum Level Certification and completed both the ISO 14067 certification and the establishment of a product carbon footprint trial calculation platform.	
b. Does the company strive to enhance the utility rate of every resource, and use renewable materials that pose less impact on the environment?			b. At the Huangshi Plant, the energy online monitoring system was put into operation in 2025. This system enables real-time monitoring of factory energy consumption to achieve energy efficiency optimization and equipment energy-saving design, alongside expanding the utilization of renewable energy. Within the year, on-site generated solar power reached 2.15 million kWh. Combined with approximately 135.39 million kWh of purchased green electricity and 2.15 million kWh of rooftop solar self-generation, renewable electricity accounted for approximately 47.92% of the plant's total annual power consumption.	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			Additionally, the roadways and living areas of the Huangshi Plant II were fully transitioned to solar streetlights, which is projected to save 50,000 kWh of electricity annually. In terms of circular economy practices, 1,035 tons of recycled copper balls were utilized in 2025. Furthermore, the P1 air conditioning condensate water recovery system saved approximately 14,400 tons of water annually, while simultaneously reducing chiller power consumption by 32,000 kWh. At the Kunshan Plant, purchased green electricity and RECs (Renewable Energy Certificates) amounted to approximately 5.986 million kWh in 2025, representing a 6% renewable electricity utilization rate. The plant also initiated an equipment retirement and upgrade program (where the energy efficiency standards of the new machines significantly outperform the old ones). Based on power consumption comparisons from the already replaced drilling machines, the new equipment achieves an energy saving of approximately 53% compared to the original setup. This is estimated to save 9,064 kWh of electricity per 10,000 square feet of capacity, and	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			this initiative remains ongoing. For manufacturing equipment still in operation, certain horizontal line scroll blowers were upgraded to permanent magnet variable-frequency centrifugal blowers, which are 51% more energy-efficient than the original equipment, yielding an annual electricity savings of approximately 1.24 million kWh. Regarding utility facilities, conventional dust collectors are being progressively replaced with high-efficiency, energy-saving negative pressure blowers; this initiative is expected to save 50% of electricity compared to the original equipment, resulting in an estimated annual power savings of 2.73 million kWh. At the Thailand Plant, hybrid wind-solar power systems were adopted for outdoor streetlights, which is anticipated to achieve an annual electricity savings of 7,500 kWh.	
c. Does the company assess the potential risks or opportunities brought by climate change to enterprises now and in the future, and take measures to deal with climate-related issues?			c. The Company's sustainable development committee is the highest organization for climate change management, chaired by the chairman. It deliberates the Company's climate change strategy and goals, manages climate change risks and opportunities, and reviews the	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			implementation status and discusses future plans every year, then report to the Board of Directors. Based on the Task Force on Climate-Related Financial Disclosures (TCFD), the company carries out identification of climate-related risks and opportunities, formulates management policies and countermeasures, and incorporates scenario analysis of climate change risks to reduce and transfer the impact of risks when they occur. The nine major climate change risk issues identified by the company are: raw material supply, general environmental regulations, cap control and carbon rights/energy trading, renewable energy, changes in customer demand, instable energy supply, changes in market demand/innovative Industrial technologies, increased extreme weather events, and the climate issues stakeholders concerned about. Elaboration on the above potential financial impacts, related opportunities, management policies and response measures, goal setting and implementation have been disclosed in the company's sustainability report. (https://www.dynaholding.com/csr/report.html)	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
d. Does the company measure the amount of greenhouse gas emissions, water consumption and total weight of waste in the past two years; and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water use reduction or other waste management?			d. The greenhouse gas emissions, water consumption and total waste weight of the company's three production bases - Kunshan Plant , Huangshi Plant and Thailand Plant in the past two years are explained as follows: Kunshan plant	

Item	2024	2025	Changes in comparison with the previous year %
Direct emissions of Greenhouse gas (tons CO_2e/year) Scope 1	3,000.01	2,848.17	-5.06%
Indirect emissions of Greenhouse gas (tons CO_2e/year) Scope 2	58,730.10	54,022.56	-8.02%
Emissions of Greenhouse gas in total (tons CO2e/year)	61,730.10	56,870.73	-7.87%
Annual water consumption (10,000 tons)	128.16	128.95	0.62%
General industrial waste (tons)	391.78	415.36	6.02%
Hazardous industrial waste (tons)	7,184.16	9,773.65	36.04%
Weight of waste (tons)	7,575.94	10,189.01	34.49%

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			In 2025, the Kunshan Plant purchased approximately 5.986 million kWh of green electricity/green certificates, accounting for about 6% of the factory's total annual electricity consumption, which can offset greenhouse gas emissions by approximately 3,212 tons. The newly replaced drilling machines save about 53% of power compared to the original equipment, and it is estimated that 9,064 kWh of electricity can be saved per 10,000 square feet of production capacity, reducing CO2 emissions by 4.86 tons. Some horizontal line scroll fans were upgraded to permanent magnet variable frequency centrifugal fans; the new machines save 51% of electricity compared to the original equipment, saving approximately 1.24 million kWh annually, equivalent to a reduction of 665 tons of carbon emissions. Dust collectors are being gradually equipped with high-efficiency energy-saving negative pressure fans to replace ordinary fans, which is expected to save 50% of power compared to the original equipment, saving about 2.73 million kWh annually, equivalent to a reduction of 1,461 tons of carbon emissions. Huangshi plant	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	

Item	2024	2025	Changes in comparison with the previous year %
Direct emissions of Greenhouse gas (tons CO_2e/year) Scope 1	24,644	28,556.12	15.87%
Indirect emissions of Greenhouse gas (tons CO_2e/year) Scope 2	94,874.86	79,314.00	-14.6%
Emissions of Greenhouse gas in total (tons CO2e/year)	119,518.86	107,870.12	-9.75%
Annual water consumption (10,000 tons)	400.2	444.64	11.11%
General industrial waste (tons)	9,070.6	8,503.29	-6.25%
Hazardous industrial waste (tons)	27,103.43	32,472.01	19.81%
Weight of waste (tons)	36,174.03	40,975.30	13.27%

As the Huangshi Plant continued its expansion phase in 2025, various absolute consumption metrics naturally showed an upward trend. To mitigate this impact, the plant proactively purchased 135.39 million kWh of green electricity alongside generating 2.15 million kWh of on-site rooftop solar power. Combined, renewable electricity accounted for approximately 47.92% of the plant's total annual power consumption, effectively offsetting approximately 71,838 tons of greenhouse gas (GHG) emissions. In addition, the plant sustained the expansion of its solar photovoltaic (PV) capacity. In 2025, a total of 96 hybrid wind-solar streetlights and 41 solar-powered floodlights were installed, yielding an annual electricity

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			savings of 50,005 kWh and reducing GHG emissions by 26.5 tons. On the circular economy front, the plant introduced a new carbon-copper recovery project from etching solution in 2025. This initiative successfully reclaimed copper carbonate equivalent to 2.5 tons of copper balls, translating into a cost savings of RMB 240,000. <u>Thailand plant</u>	

Item	2024	2025	Changes in comparison with the previous year %
Direct emissions of Greenhouse gas (tons CO_2e/year) Scope 1	-	4,443.19	-
Indirect emissions of Greenhouse gas (tons CO_2e/year) Scope 2	-	41,522.84	-
Emissions of Greenhouse gas in total (tons CO2e/year)	-	45,966.03	-
Annual water consumption (10,000 tons)	-	140.45	-
General industrial waste (tons)	-	6,675.00	-
Hazardous industrial waste (tons)	-	8,896.23	-
Weight of waste (tons)	-	15,571.23	-

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			In 2025, the waste etching solution recycling equipment was completed, which can reduce hazardous waste emissions by 2,800 tons per year and recover 266.45 tons of copper. The Company's management targets for greenhouse gas emission reduction, water consumption reduction, and waste recycling are as follows: GHG reduction uses 2023 as the baseline, aiming for a 42% reduction by 2030; water consumption reduction uses 2020 as the baseline, aiming to reduce water intensity by 4% annually; the waste recycling rate aims to reach 95% to 98%. The three plants have not only established the ISO 14001 Environmental Management System, the QC080000 Hazardous Substance Process Management System for Electronic and Electrical Components and Products, and the ISO 14064 Organizational Greenhouse Gas Inventory, but are also actively pursuing international environmental verification standards such as the ISO 50001 Energy Management System, AWS Water Stewardship System, and UL 2799 Zero Waste to Landfill.	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
4. Society Issue a. Has the company set up management policy and procedures according to related laws and regulation and the International Human Rights Treaty?	V		a. In order to fulfill corporate social responsibility and protect the basic human rights of all colleagues and all stakeholders, Dynamic follows the international human rights principles of UN Universal Declaration of Human Rights, the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN International Labor Organization and The UN Human Rights Norms For Business. Formulates policies to protect human rights, and abides by the labor-related laws and regulations of the territory where the company is located. Based on the Regulatory Compliance Management Procedures and the RBA Code of Conduct - Version 7.0, the company has established policies and procedures to protect human rights, committed to safeguarding the human rights of workers, and respecting them. The content includes: free choice of occupation, young labor, working hours, wages and benefits, humanitarian treatment, non-discrimination, freedom of association. Details are posted on the company website. Man-times and man-hour of internal education and training related to "human rights" in 2025: • Taoyuan, 3 man-times, 1.5 man-hour.	None

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
b. Does the company formulate and implement reasonable employee welfare measures (including compensation, vacations and other benefits), and appropriately reflect operating performance or results in employee compensation?			• Kunshan, 1,499 man-times, 749.5 man-hours • Huangshi, 4,702 man-times, 2,351 man-hours b. The company sets and implements reasonable employee welfare measures (including salary, vacation and other benefits, etc.). Please refer to the employee manual and company website for details. Article 30 of Corporate Charter specifies that if there is profit made in the year, not less than one-thousandth of the profit shall be allocated as employees' compensation, and the board of directors shall decide to grant it by shares or cash, and the objects to be paid must be an employee of the company or its subsidiary who meets certain conditions. The company's remuneration policy also states that employees' remuneration includes the company's operating performance bonuses and the bonus is calculated according to the company's operating performance achievement and the individual's performance during the year.	
c. Has the company offered a safe and healthy work environment for its staff, and routinely implement safety and health education for its staff?			c. For labor safety, the company insists on abiding by laws and regulations, fulfilling its duties, and providing employees with a healthy, safe and tidy working environment as the sole goal of implementing occupational safety policies. The company's Kunshan plant and Huangshi plant established in mainland China have established	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			and completed labor safety and health systems in accordance with the requirements of Labor Law Article 52 and Work Safefy Law Article 21 of the People's Republic of China, and are staffed with full-time or part-time occupational health management personnel, and has completed the ISO45001 system verification. Each plant has a dedicated occupational safety and health management unit. The members are full-time and hold national certificates. Each unit of the production line is staffed with safety and health inspectors, and with the Industrial safety division supervising its operations. In order to encourage colleagues to further study, the Kunshan plant requires all supervisors above the team leader level to obtain the certificate qualification of safety production management personnel, and the Huangshi plant requires the supervisors of the production unit to obtain the certificate qualification. The Thailand plant has implemented the ISO 45001 system and requires section chiefs to obtain supervisor-level safety officer certificates, and managers to obtain management-level safety officer certificates. All plants have passed ISO 45001 occupational health and safety management system verification.	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
d. Has the company established an effective career developmental plan for its employees?			d. Current employees are able to achieve enhancement in professional knowledge and skills through internal or external training. For new employees and those that have just transferred to different roles, The Company offers expertise training or internship according to the nature of their work and needs. Through career-oriented learning development structure, all employees in each rank at The Company are able to attain appropriate development training. The Company provides aids for extended studies to assist employees to accumulate professional knowledge and enhance their managerial capacity. The average hours of education and training in Taoyuan, Kunshan, and Huangshi in 2025 are 20.04 hours, 36.64 hours, and 22.04 hours, respectively.	
e. Does the company follow relevant regulations and international guidelines on issues such as customer health and safety, customer privacy, marketing and labeling of products and services, and formulate relevant consumer or customer rights protection policies and grievance procedures?			e. Throughout the product life cycle, customer health and safety and consumer rights and interests are our top priorities. We follow customer requirements, relevant regulations and international standards to protect customer privacy, marketing and labeling,. In addition, the company has relevant policies to protect consumer rights, and has a dedicated customer service department to formulate customer problem handling	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
f. Does the company formulate supplier management policies that require suppliers to comply with relevant regulations on environmental protection, occupational safety and health or labor human rights, and follow up the implementation?			procedures, provide a transparent and effective customer complaint mechanism, and give customers satisfactory service. f. Our company stipulated the "Supplier Code of Conduct" and disclosed it on the company's website. It also has a supplier management policy that requires major raw material suppliers to promise and guarantee: 1. Follow Dynamic's integrity policy and conflict minerals policy. 2. Conform to the requirements of the Code of Conduct Responsible Business Alliance (RBA) of electronic industry. 3. Passed ISO 9001 quality management system verification. 4. Build and maintain the operation of related systems in accordance with the spirit of ISO14001 environmental management system and ISO45001 occupational safety and health management system. 5. Comply with the international standards and regulations of no hazardous substances, such as RoHS, REACH, and Dynamic's Green Product Management Regulations. 6. Formulate Corporate Social Responsibility policies, integrity policies, and energy & environmental safety and health policies,	

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
			meanwhile promote corresponding management systems. 7.Jointly promote a net-zero carbon emissions plan. The supplier signing rate is 100%.	
5. Does the company prepare sustainability reports and other reports that disclose the company's non-financial information by making reference to the internationally-used report governing preparation standards or guidelines? Has the disclosed information in the report been assured, verified or certified by a third party?	V		5. The company prepared the "2024 Sustainability Report" in accordance with the internationally accepted report preparation guidelines (GRI Standards), and was published by Ernst & Young in accordance with the TWSAE3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation. (Set with reference to the international assurance standard ISAE3000) Independent limited assurance is conducted and published on the company website. (https://www.dynaholding.com/csr/report.html)	None
6. If the company has its own sustainable development code based on "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", please describe the difference between its operation and the set code: On February 23, 2022, the Company established the "ESG Sustainability Committee." To further implement sustainable development and strengthen sustainable governance, the Company formulated the "Code of Practice for Sustainable Development" on July 29, 2024. On October 27, 2024, in accordance with Article 27, Paragraph 3 of the Company's "Corporate Governance Best Practice Principles" and Article 9, Paragraph 1 of the "Sustainable Development Best Practice Principles," the Board of Directors approved the elevation of this Committee to the "Sustainability Development Committee" under the Board of Directors, and established the Committee's organizational procedures for compliance. The Company regularly reviews the implementation of the Code of Practice and makes improvements accordingly; up to now, there have been no discrepancies.				

Item to be assessed	Operational status (note 1)			Deviations from the Sustainable Development Best Practice Principles for listed companies
	Y	N	Abstract (note 2)	
7. Other important information to understand the implementation of promoting sustainable development: none				

Note 1: If "Yes" is checked for the implementation status, please specify the important policies, strategies, measures and implementation status adopted; if you check "No" is checked for the implementation status, please go to "The Difference Situation and Reason to Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" column explains the difference situation and reasons, and explains plans for adopting relevant policies, strategies and measures in the future.

However, regarding promoted items 1 and 2, listed companies should describe the governance and supervision structure for sustainable development, including but not limited to management policies, strategy and goal setting, review measures, etc. Also describe the company's risk management policies or strategies for environmental, social and corporate governance issues related to its operations, and its assessment status.

Note 2: The principle of materiality refers to environmental, social and corporate governance issues that have a significant impact on company investors and other stakeholders.

(G) Climate related information

1. Implementation of climate-related information

Item	Execution situation
1. Describe board and management's supervision and governance of climate-related risks and opportunities.	1.Dynamic's "Sustainability Committee" reports to the Board of Directors quarterly on greenhouse gas emissions intensity and water use intensity reduction performance. It also reports to the Board of Directors on the nature-related risks that may arise from the Company's activities and accepts the supervision and guidance of the Board of Directors.
2. Describe how the identified climate risks and opportunities will affect the company's business, strategy and finances (short, medium and long term).	2. Note: Please refer to the attached schedule.
3. Describe the impact of extreme climate events and transformational actions on finance. 4. Describe how the identification, assessment and management of climate risks are integrated into the overall risk management system.	3.Traffic interruptions, flooding, power outages, and production line-down caused by factory facility damage resulted from extreme weather, at the same time cause supply difficulties of supply chain, resulting in deferred raw material procurement cycles and price increases, affecting factory shutdowns or production delays, and even causing the loss of tangible and intangible assets within the enterprise. Dynamic strives for stable supply by increasing diversified sources of raw materials and increasing its own choice, so as to reduce the risk of material outages caused by extreme weather; improve the company's preparations for resisting risks in advance, lay high foundations at the initial stage of factory planning, place expensive equipment on higher floors, open up rain and sewage drainage systems, etc., and improve various emergency response plans to increase tolerance to extreme weather impacts. In terms of the impact of transformation actions on finances, including the increased operating costs of pollutants to stricter requirements such as the

tightening of environmental regulations, the strengthening of pollution prevention facilities; excess carbon emissions may have to be purchased from the carbon market, thereby increasing energy costs and the cost of purchasing carbon rights; additional costs that may be increased due to the use of green electricity; increased costs due to green product development and green raw material purchases, etc.

4. Dynamic follows the TCFD guidelines and divides the risk management process into four stages: identification, assessment, management, and supervision and establishes a comprehensive climate change-related risk and opportunity management mechanism through the participation of the executive committee, the risk management committee, and the board of directors. Among them, the risk management committee collects all the company's major risk-related information to achieve the integration of the company's overall risk management system. The detailed process is as follows:

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 explained	5. (1) Dynamic Electronics takes an inventory check of the exposure to the climate risk among its Top 3 suppliers and evaluates the disasters brought about by rainfall in the locations of primary suppliers. With the difference equivalent between 2100 and 1750 of radiative forcing as the benchmark according to “Representative Concentration Pathways” (RCPs) in the Fifth Evaluation Report of the United Nations Intergovernmental Panel on Climate Change (IPCC), Dynamic Electronics adopts RCP 2.6 and RCP 8.5 as two scenarios and cites data of these two scenarios from Climate Analytics. Results of the evaluation show that the risk exposure percentage of revenue from the analysis of the simulated RCP 2.6 scenario was 0.0160 % and that of RCP8.5 was 0.0169 %. Primary suppliers of Dynamic Electronics are not exposed to significant physical risks and hence there will be no significant financial impacts. (2) The overall greenhouse gas emissions of Dynamic Electronics throughout 2020 came to 217,322.5717 tones (only Scopes 1 and 2). With 2020 as the baseline, the annual carbon reduction ratio is forecast according to Dynamic Electronics’ carbon reduction goal of 4 % linear reduction a year and the five criteria of carbon prices, namely “EPA-recommended rate”, “EU-estimated carbon tax rate”, “IEA-estimated rate”, Greenpeace-recommended rate”, and “carbon price trend survey of the China Carbon Forum” and is calculated according to the current actual carbon credit trade ratio while Dynamic Electronics is evaluated for its extent of risk exposure under different scenarios in the future and up to 2050. Results of the evaluation show that under each of the five estimated rates by 2050, financial impacts are the most significant applying the EU carbon tax and the Greenpeace-estimated rate and the minimal with the EPA-recommended rate. Although analysis findings do not impact the operations of Dynamic Electronics to a hazardous extent, Dynamic Electronics is highly concerned about related issues. Besides proactively introducing renewable energy equipment, it communicates with upstream suppliers on getting approvals for carbon emissions and prioritizing 100 % the purchase of raw materials and regular

materials with fewer carbon emissions per unit product to reduce emissions at each segment of the product’s life cycle and to hopefully provide customers with environmentally-friendly and low-carbon-emission products.

6. If there is a transformation plan to manage climate-related risks, explain the content of the plan, and the indicators and goals used to identify and manage physical risks and transformation risks.

6. (1) Develop low-carbon raw materials, (2) Accelerate clean production and carry out low-carbon transformation, (3) Increase the percentage of green energy products.

7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.

7. Currently starting to utilize internal carbon pricing as a strategic planning tool, which is being guided by professional consultants.

8. If there are climate-related goals set, the covered activities, scope of greenhouse gas emissions, scheduled timeline, annual progress and other information should be stated; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, the information of the source and quantity of carbon reduction credits to be exchanged or the quantity of RECs should be stated.

8. (1) GHG Emission Intensity Reduction Target: Taking the year 2020 as the baseline, greenhouse gas emissions are to be reduced by 42% by 2025.
(2) Activities Covered and GHG Emission Scopes in 2025:

Covered Activity	Scope	Description	Plant	Annual Emission Reduction (T)
Energy efficiency through site and facility integration	1	Improve site utilization efficiency to reduce dispersed energy waste in public facilities	Kunshan	
Consolidation of official vehicles	1	Reduce the number of trips	Kunshan	
Energy transition using renewable electricity	2	Green electricity procurement	Kunshan	3,212
Process energy saving and carbon reduction	2	Adjust secondary pump optimal operating power of the chiller to avoid unnecessary energy waste; properly consolidate cooling towers	Kunshan	

9. The greenhouse gas inspection and confirmation status are shown in the table 1-1 and 1-2 below.

		2	Upgrade part of the horizontal line vortex fans on the production line to permanent magnet variable frequency centrifugal fans	Kunshan	665
		2	Gradually introduce high-efficiency energy-saving negative pressure fans to replace ordinary fans in dust collectors	Kunshan	1,461
		2	Replace old energy-consuming machines	Kunshan	2,443
	Cleaner energy and improved heating methods	1	Optimize boiler operation in Plant 2 during winter through energy use allocation to reduce natural gas consumption	Huangshi	
	Consolidation of official vehicles	1	Reduce the number of trips	Huangshi	0.3
	Energy transition using renewable electricity		Green electricity procurement,Rooftop Solar PV Power Generation	Huangshi	71.838
	Exhaust hood installation for high-heat equipment		Directly discharge drying section heat to reduce air-conditioning load	Thailand Plant	
	Adjustment of official car trips to airport		Reduce the number of trips (changed to Wednesday and Sunday)	Thailand Plant	

Note : Describe how the identified climate risks and opportunities will affect the company's business, strategy and finances (short, medium and long term), please see table below: Short term:3years, Mid-Long term:3-10years)

1. Material Climate Risks

Impact period*	Risk Profiles	Financial and Operational Impacts	Mitigation and Management Strategies

Short term	Intensification of Extreme Weather Events	Operational Impact: Extreme weather events may result in significant asset losses, prolonged operational disruptions, and severe bottlenecking across global supply chains. Furthermore, these scenarios elevate the risk of raw material shortages, alongside instabilities in critical energy and water resource utilities. Financial Impact: Climate-driven disruptions will drive escalating capital allocation toward preemptive disaster-prevention measures, while elevating post-disaster recovery expenses. Additionally, the Company faces increased cost exposure across logistical transportation, supply chain insurance premiums, and operational contingency management.	1. Establishing Business Continuity Plans (BCP) and conducting regular simulation drills to ensure operational preparedness 2. Formulating flexible production dispatch and dynamic capacity-allocation mechanisms across multi-site manufacturing facilities. 3. Enhancing the Company's preemptive risk-mitigation readiness through resilient infrastructural design, such as elevating facility foundations, deploying high-value capital equipment on upper floors, and maintaining unobstructed storm and wastewater drainage systems.
Short term	Raw Material Supply Shortages	Operational Impact: Material shortages may result in production delays or localized manufacturing halts, potentially leading to immediate revenue losses and impacting the fulfillment of client delivery schedules. Financial Impact:	1. Implementing a dual-sourcing or multi-vendor mechanism to diversify supply sources and mitigate single-point-of-failure risks. 2. Increasing the safety stock thresholds for standard and critical raw materials to ensure continuous manufacturing operations. 3. Continuously reviewing supply chain delivery risks and proactively evaluating alternative materials and vendor

		Supply chain disruptions and raw material scarcity drive inflationary pressure on procurement prices, resulting in escalating manufacturing costs (OpEx) and potential margin compression.	substitute solutions.
Short term	General Environmental Regulatory Compliance	Operational Impact: In response to evolving environmental statutory amendments, the Company must continuously fortify its pollution prevention and control infrastructure, alongside upgrading internal compliance management protocols across all manufacturing zones. Financial Impact: The proactive fortification and technical retrofitting of pollution prevention facilities may result in escalating initial construction capital expenditures (CapEx) and increased long-term operational and maintenance overheads (OpEx)	1. Arranging professional training for relevant personnel and executing comprehensive regulatory compliance audits to proactively address and mitigate potential environmental risk areas. 2. Continuously monitoring evolving statutory amendment trends to execute preemptive planning, while enforcing a "right-the-first-time" framework for all greenfield facilities to eliminate retroactive retrofitting costs.
Short term	Renewable Energy Mandates	Operational Impact: Failure to fulfill downstream client requirements for renewable energy deployment may result in immediate disqualification from next-generation product bids, leading to severe supply chain exclusion and the critical loss of customer orders. Financial Impact:	1. Formulating comprehensive renewable energy procurement roadmaps and on-site solar photovoltaic (PV) power plant deployment blueprints, highly aligned with international sustainability trends and stringent downstream client mandates. 2. Enforcing a rolling review and optimization mechanism to dynamically refine and progressively execute these energy transition initiatives in a phased manner.

		Transitioning to renewable energy frameworks elevates the Company's cost exposure through green electricity premiums, increasing ongoing utility operating expenses (OpEx). Concurrently, constructing on-site solar photovoltaic (PV) power plants demands substantial initial capital expenditures (CapEx). Ultimately, any loss of core customer orders due to unmet sustainability targets will trigger a significant contraction in aggregate revenue and profit compression.	
Short term Mid-long term	Implementation of Total Carbon Emission Controls and Carbon Credit Trading	Operational Impact: To achieve substantial emission reductions, the Company must execute systematic technological upgrades, asset replacements, and continuous process optimizations. Concurrently, intensifying market pressure from downstream clients driving toward full supply chain carbon neutrality necessitates the strategic procurement of verified carbon credits. Financial Impact: Executing technological upgrades and manufacturing equipment replacements demands continuous green capital expenditures (CapEx). Furthermore, the official enforcement of statutory carbon fees, alongside trading liabilities within carbon exchange markets,	1. Maintaining the robust operation of our ISO 50001 Energy Management Systems to drive continuous improvement in energy performance, while establishing an advanced Monitoring, Reporting, and Verification (MRV) framework to ensure the absolute accuracy and auditability of carbon data and potential assets. 2. Implementing Internal Carbon Pricing (ICP) mechanisms as a proactive financial tool to institutionalize carbon risk management and accelerate absolute emission-reduction strategies.

		will structurally elevate operational expenses (OpEx) and compound aggregate manufacturing costs.	
Short term Mid-long term	Energy Supply Instabilities	Operational Impact: Renewable energy sources, particularly solar and wind power, are highly susceptible to seasonal climatic variations and exhibit inherent generation intermittency. Over-reliance on these intermittent utilities without robust grid stabilization risks unexpected production line disruptions and manufacturing halts. Financial Impact: Unanticipated manufacturing disruptions driven by power supply volatility lead to direct contract delivery bottlenecks, resulting in revenue contraction and escalating operational expenses (OpEx) tied to material scrap and emergency power restoration.	1. Deploying industrial-scale battery energy storage systems (BESS) to capture and buffer surplus electricity, enabling dynamic power dispatch during supply shortfalls to effectively mitigate grid supply-demand imbalances.

2. Material Climate-Related Opportunities

Period	Opportunity type	Operational and Financial Dimensions of Climate-Related Opportunities	Mitigation and Management Strategies
Short term	Optimizing the Raw Material Supply Chain System	Operational Realization: Cultivating a highly diversified raw material supplier ecosystem enables the Company to command greater volume allocation	1. Streamlining raw material selection criteria while actively qualifying alternative suppliers and next-generation materials, thereby maximizing corporate procurement optionality and eliminating material depletion risks.

		agility and unlock dominant bargaining leverage across broader global sourcing channels. Financial Realization: Maximizing material utilization rates and aggressively compressing manufacturing scrap rates structurally drives down direct unit production costs. Concurrently, leveraging expanded commercial bargaining power effectively dilutes aggregate procurement expenditures, securing optimal margins and cost-efficiency.	2. Designing optimal panel utilization layouts to compress raw material wastage, while continuously enhancing process capabilities and reinforcing in-line quality inspections to systematically minimize end-of-line scrap.
Short term	Proactively Scaling Renewable Energy Transition	Operational Realization: Sharpening our structural competitive moat within the global high-density hardware market, while significantly amplifying corporate attractiveness to institutional ESG investors and global sustainability-focused asset managers. Financial Realization: Deploying on-site rooftop solar photovoltaic (PV) facilities yields immediate grid tariff relief, thereby structurally lowering utility operational expenses (OpEx). Concurrently, capitalizing on strong capital market preferences drives substantial downstream order expansion, accelerating top-line revenue growth and long-term asset returns.	1. Deploying on-site rooftop solar photovoltaic (PV) power plants across our manufacturing facilities to maximize self-generated clean electricity. Orchestrating a collective green power procurement mechanism across our supply chain network to leverage economies of scale and optimize purchasing tariffs.

Short term Mid-long term	R&D of Eco-Friendly and Low-Carbon Processes and Products	Operational Realization: Integrating low-energy consumption materials and pioneering low-carbon manufacturing methodologies to proactively fulfill next-generation product design pipelines. Concurrently, driving eco-efficient manufacturing practices ensures absolute alignment with stringent international sustainability standards, thereby sharpening our structural market position and solidifying premium brand equity. Elevating the closed-loop recycling and reuse ratio of core operational materials further secures unmatched supply-chain agility. Financial Realization: Institutionalizing systematic material recycling and closed-loop reclamation workflows drives direct deflation of unit manufacturing costs, structurally scaling corporate gross margins and optimizing asset utilization efficiency.	1. Transitioning toward low-carbon and circularly reused materials while aggressively accelerating zero-waste closed-loop reclamation and scrap recycling programs. 2. Pioneering low-carbon and energy-lean manufacturing processes to compress operational carbon intensity. 3. Establishing an independent, digitalized corporate carbon accounting e-platform to institutionalize automated Greenhouse Gas (GHG) tracking. 4. Implementing a comprehensive product carbon footprint (PCF) inventory system to enable end-to-end Life Cycle Assessment (LCA).
Mid-long term	Monetizing Carbon Assets via Low-Carbon Manufacturing	Operational Realization: Committing to and executing rigorous, science-based carbon reduction targets significantly sharpens our structural competitive moat within the global electronics ecosystem, while systematically elevating corporate valuation and magnetism for premier institutional ESG investors.	1. Implementing campus greening initiatives and championing clean production methodologies to systematically minimize aggregate energy consumption 2. Optimizing the rigorous operation of ISO 50001 Energy Management Systems to successfully execute and exceed corporate energy-saving targets

		Financial Realization: Capitalizing on low-carbon manufacturing transitions unlocks direct financial asset monetization, enabling the Group to either liquidate surplus certified carbon credits for incremental bottom-line profitability, or strategically retain them as a regulatory buffer to secure seamless operational scaling and capacity expansion.	3. Institutionalizing an Internal Carbon Pricing (ICP) mechanism to dynamically guide corporate capital allocation and financial stress-testing. 4. Elevating the utilization rate of renewable energy through the aggressive deployment of self-owned on-site solar photovoltaic (PV) power infrastructure.
Mid-long term	Creating an Energy-Stable Manufacturing Environment	Operational Realization: Cultivating a highly stable power infrastructure and top-tier energy-efficient manufacturing environment significantly sharpens our structural competitive moat within the global high-density electronics sector, while systematically maximizing corporate valuation and magnetism for premier institutional ESG asset managers. Financial Realization: Optimizing corporate energy-utilization efficiency drives direct, permanent deflation of direct unit manufacturing costs. Concurrently, maintaining uncompromised, zero-disruption production continuity cements unshakeable market preference, accelerating substantial downstream order velocity and driving robust top-line revenue growth.	1. Tailoring production equipment to utilize alternative, electricity-decoupled energy sources—such as captured thermal steam—to structurally optimize our operational utility matrix. 2. Dynamically recalibrating manufacturing schedules to balance peak-load distribution and systematically mitigate process bottlenecks.

1-1 Company GHG Inventory and Assurance in the last two years

Scope1	2025 total emission (tons CO2e)	2025 intensity (tons CO2e/million NTD)	2024 total emission (tons CO2e)	2024 intensity (tons CO2e/million NTD)	Verifying Institute	Description of the verifying situation
The Company	10.330	NA	14.10	NA	DQS	In 2025, the Company commissioned DQS to complete an independent external greenhouse gas (GHG) inventory verification, with the official certificate issued under No. 50600533 GHG-4.
Kunshan Plant	2,848.170	0.818	3,000.01	0.81	WIT	In 2025, the Company commissioned WIT to complete an independent external greenhouse gas (GHG) inventory verification, with the official certificate issued under No. 15/WITGHG2026175.
Huangshi Plant	28,556.120	1.962	24,644.00	1.77	BSI	In 2025, the Company commissioned BSI to complete an independent external greenhouse gas (GHG) inventory verification, with the official certificate issued under CFV 806551 09052024
Thailand Plant	4,443.190	3.292			BSI	In 2025, the Company commissioned BSI to complete an independent external greenhouse gas (GHG) inventory verification, with the official certificate issued under CFV 843298
Total	35,857.810	1.85	27,658.11	1.57		

Scope 2	2025 total emission (tons CO2e)	2025 intensity (tons CO2e/million NTD)	2024 total emission (tons CO2e)	2024 intensity (tons CO2e/million NTD)	Verifying Institute	Description of the verifying situation
The Company	52.923	NA (Revenue is 0.)	54.06	NA (Revenue is 0.)	DQS	Same as above.
Kunshan Plant	54,022.558	15.524	58,730.10	17.95	WIT	
Huangshi Plant	79,314.000	5.449	94,874.86	6.8	BSI	
Thailand Plant	41,522.840	30.77			BSI	
Total	174,912.321	9.022	153,659.02	8.7		

1-2 Greenhouse gas reduction goals, strategies and specific action plans

Greenhouse gas reduction goals	**Activities Covered**	**GHG Emission Scope**	**Implementation Plan**	**Reduction Progress**
Reduction of GHG emission intensity per unit of revenue, taking the year 2020 as the baseline, reducing intensity by 4% annually, to achieve a 20% reduction by 2025. **Near-Term Emissions Reduction Targets** In March 2025, Dynamic received official approval from the Science Based Targets initiative (SBTi) for its science-based near-term emissions reduction targets. With	1. Improve energy efficiency through consolidation of venues and public utility facilities 2. Utilize clean energy to reduce carbon emissions, and optimize corporate vehicle dispatch frequency to minimize transit-related footprints.	Scope 1	Short-Term : Introducing municipal biomass-generated steam to replace on-site natural gas boilers for production processes. Consolidating and optimizing corporate vehicle dispatch schedules to maximize transportation efficiency. Medium-Term : Enhancing space utilization efficiency across facilities to eliminate fragmented energy waste in common public utilities. Long-Term : Phasing out internal combustion engine (ICE) corporate vehicles and transitioning to a 100% new energy vehicle (NEV) fleet.	Excluding the newly established Thailand plant, the Company achieved a 24.17% emissions reduction in 2025 compared to the baseline year, successfully meeting its interim target.

2023 established as the base year, the Company commits to achieving a 42% absolute reduction in Scope 1 and Scope 2 greenhouse gas emissions, and a 25% absolute reduction in Scope 3 emissions by 2030. **Long-Term Net-Zero Target** The Company commits to achieving net-zero greenhouse gas emissions across its entire value chain by 2050.	1. Process energy conservation and carbon reduction, production environment adjustment, introduce high-efficiency power equipment； 2. Optimization of heating and cooling methodologies within the HVAC (Heating, Ventilation, and Air Conditioning) systems. 3. Replace old, energy-consuming machinery 4. Promoting the construction of rooftop solar photovoltaic (PV) systems to accelerate	Scope 2	Short-Term： Optimizing boiler operational configurations during winter at the Huangshi P1 and P2 plants based on energy utilization profiles; adjusting the secondary pumps of chillers to optimal operating power and consolidating cooling towers to eliminate redundant energy waste. Upgrading vortex blowers on partial horizontal production lines to permanent magnet variable-frequency centrifugal blowers. The new equipment achieves a 51% energy saving compared to legacy systems, resulting in an annual reduction of 1.24 million kWh in electricity consumption, equivalent to mitigating 665 tons of carbon emissions Phase-in of highly efficient, energy-saving negative pressure blowers to replace conventional blowers in dust collection systems. This initiative is projected to deliver a 50% energy saving, conserving approximately 2.73 million kWh of electricity annually, equivalent to an emission reduction of 1,461 tons of CO2. Upgraded drilling machines achieve an approximate **53% energy saving** over legacy equipment. It is estimated that every 10,000 square feet of production capacity saves **9,064 kWh** of electricity and reduces **4.86 tons of**	

	green energy transition. 5. Switch to solar and wind self-powered streetlights 6. Conduct energy transition, utilize renewable electricity		**CO_2**, culminating in an annual localized emission reduction of **2,443 tons.** In 2025, replacing 96 solar-wind hybrid streetlights and 41 solar-powered floodlights, yielding a total annual electricity saving of 50,005 kWh and reducing greenhouse gas (GHG) emissions by 26.5 tons. Medium-Term : Utilizing an online energy monitoring system to identify high-energy-consuming nodes across production lines. Continuously expanding rooftop solar photovoltaic (PV) infrastructure. In 2025, actual on-site generation reached 2.15 million kWh, effectively mitigating approximately 1,142 tons of GHG emissions. Long-Term : Mandating the procurement of high-efficiency machinery to systematically phase out legacy, energy-intensive equipment. Executing structured year-on-year green power procurement roadmaps. In 2025, the Company procured 135.39 million kWh of renewable electricity, representing 47.92% of total annual power consumption and offsetting approximately 71,838 tons of GHG emissions.	

(H) Implementation of performing Ethical management and differences from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
1. Establish ethical operational policy and program a. Does the company formulate the integrity management policy approved by the board of directors, and have the policy and practice of the integrity management explicitly stated in the regulations and external documents as well as the board and senior management's commitment to implement the operation policy proactively?	V		a. The Company's corporate culture: integrity, enthusiasm, customer's trust and innovation after passed by board meeting are well shown in the primary documents that the company issues internally and externally. The company referred to the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and formulated the company's "Ethical Corporate Management Best Practice Principles" on August 25, 2022, which has been implemented after being approved by the board of directors. It was also revised on February 27, 2024, to include environmental, health and safety provisions for anti-discrimination and employee protection. This code is disclosed on the company's website, and the board of directors and senior management actively implement their commitment to the business policy.	None
b. Does the company establish an assessment mechanism for the risk of dishonesty, regularly analyze and evaluate business activities with a high			b. The company's risk assessment mechanism includes an dishonest/unethical behavior item for a periodic analysis and evaluation on	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
risk of dishonesty in the business scope, and accordingly formulate a plan to prevent dishonesty, and at least covers the measures to prevent the behaviors stated in the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” Article 7 - second paragraph?			business activities with a high risk of dishonesty in the business scope, and devise a measure accordingly to prevent dishonesty. Prior to conducting business, the Company always takes the licensors, suppliers, clients, or other business partners' legality and whether they have committed any unethical conducts into consideration, to avoid trading with unethical individuals. Moreover, The Company signs contracts with trading partners, in which compliance to ethical business policy is included. Should a trading partner exhibit unethical behavior, The Company can terminate the contract immediately.	
c. Does the company clearly specify the operating procedures, behavior guidelines, disciplinary and punishment and appeal system in unethical conduct prevention plan, and implement it, and regularly review and revise the pre-disclosed plan?			c. To encourage employees and vendors and suppliers to voluntarily provide information pertaining to corruption, The company has set a “Reward Operating Measures of Reporting”, and set up CEO email (ceo@dynamicpcb.com) which is devoted to handling reporting on The Company's staff or vendors/suppliers' illegal activities from all sources. Every email will be personally read by the Chairman, and if the suspected crime is significant, it will be verified by the Legal Office. If proven to be	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
			true, the suspect will be handed over to police and prosecutors. The whistleblower will receive definite rewards. To increase reporting access in year 2016, new exclusive mobile lines were added in both Taoyuan Operational Center and Kunshan plant, and all the suppliers were informed; meanwhile, adding the integrity provisions that are added to all external documents, and send an e-mail to notify the corresponding company employees. Manager of Legal Office is responsible to receive calls and messages. All reported information will be reported to the chairman for further investigation. The investigation results will be handled according to the above measures. The Huangshi plant is implementing the above measures simultaneously. It is planned to be rolled out to the Thailand plant in 2025.	
2. Implementation of ethical business operations a. Has the company assessed the integrity records of its business partners, and specified ethical business policy in contracts with its trading partners?	V		a. The Company always assesses the integrity records of its trading partners and clearly specifies ethical business policy in contracts signed. The Company always signs quality assurance contract, purchasing commitment, honesty commitment, and warranty for	None

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
b. Does the company establish a special unit under the board of directors to promote corporate integrity management, and regularly (at least once a year) report to the board on its integrity management policies, unethical conduct prevention plan and implementation of supervision?			prohibiting the usage of toxic matters etc. with its trading partners. b. To strengthen the management of ethical business operations, the 【Legal Office】, directly under the Board of Directors, is responsible for setting up and supervising the execution of the ethical business policy and preventative measures. Report to the board of directors at least once a year. The 2025 report date is July 28. Its responsibilities include: 1. Assisting in incorporating ethics and moral values in the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2. Adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business. 3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
c. Has the company set up policies to prevent conflict of interest, offer and implement appropriate reporting channels?			mechanisms for mutual supervision of the business activities within the business scope which are possibly at higher risk for unethical conduct. 4. Promoting and coordinating awareness and educational activities with respect to ethics policy. 5. Developing a whistle-blowing system and ensuring its operating effectiveness. 6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures. Implementation in year 2025 1. Education and training: Conducting education on integrity promotion, with a total of 3,161 person-times and 1,580.5 hours. 2. CEO mailbox received reports of cases: No complaint letter was received from the CEO mailbox in 2025. c.	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
			1. Any director, manager and other interested parties present and in attendance as observer without voting rights in the board of directors or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter. Directors should also exercise self-discipline and refrain from inappropriate mutual support. In 2025, there were four proposals before the Board of Directors in which the Chairperson or certain directors had a conflict of interest; therefore, they recused themselves from discussion and voting. After consultation with the acting chairman Chia-Yi Chiu and independent directors, the remaining directors present had no objections and the proposal was approved.	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
			2. When engaging in commercial activities, directors, managers, employees, and mandataries of the company or persons having substantial control over such companies shall not directly or indirectly offer, promise to offer, request or accept any improper benefits. No such matter happened in 2025. 3. The seller of the company agrees that the shareholders, managers and employees of the seller and its affiliated companies and their relatives shall not offer treats, gifts, private kickbacks, commissions, securities, physical things or any other form of benefits etc. to employees or their relatives of Dynamic and its affiliated companies for business, settlement, and other matters, etc. Regardless of the amount, once discovered, the seller shall compensate NT$2.5 million, or 30% of the total business amount incurred as liquidated damages (whichever is higher), and the seller shall be deemed to have breached the contract. Dynamic may terminate this contract and handle based on the liability for breach of contract. If the seller discovers that a Dynamic employee has made the above request, he or she must	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
d. Have the company established an effective accounting system and internal control system for the implementation of integrity management and have the internal audit unit formulate the relevant audit plan based on the assessment results of the risk of dishonesty, and monitor the compliance with the plan to prevent dishonesty, or appoint accountant to perform the audit? e. Does the company host routine internal and external ethical business operations training?			take the initiative to report it to Dynamic, or report it to Dynamic's whistleblower hotline 0980-051-059 or email ceo@dynamicpcb.com.tw. No such matter happened in 2025. d. The Company attaches great importance to ensuring the accuracy and completeness of the financial reporting process and its controls, and has set up relevant internal control systems for operating procedures with potentially higher risks of dishonest conduct. The internal audit unit also conducts various audits based on the annual audit plan drawn up based on the risk assessment results, and reports the audit results and subsequent improvement plans to the management, audit committee and board of directors to implement the audit results. In addition, through annual corporate internal control self-assessment, all units and subsidiaries within the company are required to self-examine the effectiveness of the design and implementation of the internal control system. e. All new employees of the company are required to receive internal integrity education training. The relevant personnel	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
			are also scheduled to participate in Internal and external training related to integrity-related courses.	
3. Operations of the company's reporting system a. Has the company established a material reporting and rewarding system, set up a convenient reporting channel, and designates appropriate personnel to be in charge of investigating the case, depending on the identity of the person being reported?	V		a. The Company amended the "Rewards Operation of Violation Reporting" on March 13th 2023 and disclosed on the Company's website. The detailed information of specific reporting and reward system is as follows: 1. Reporting channels: Chairman's independent reporting mailbox (ceo@dynamicpcb.com); dedicated telephone line (+886-980-051-059); or write to the company's unreasonable mailbox, email to the company's supervisor's mailbox, etc. 2. Information to be provided by the informant: The content of the report should include the name of the reported person or other information sufficient to identify the identity of the reported person, specific evidence to be investigated, and relevant evidence and proof of dishonesty or misconduct ; The matter of reporting should be objective and true, and the whistleblower is responsible for the authenticity of the content of the report, and must not fabricate or distort facts, and	None

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
			must not make false accusations or frames. Reporters who have only heard rumors will not be accepted for investigation. 3. Acceptance level of different reporting objects: The chairman's mailbox is received by the chairman himself, and the case is submitted to the legal office for investigation after the acceptance is confirmed; the remaining reporting sent to other mailboxes are passed to the chairman by the recipient and then handed over to the legal office for acceptance and investigation according to instructions. If the report involves ordinary employees, it should be reported to the head of the department; if it involves a director or senior executive, it should be reported to the independent directors. 4. Reward system (1) Reward will be given out after the case has been closed and the amount has been quantified. (2) Real-name whistleblower reports with evidence will be rewarded 50% of the restored amount, but no more than NT$ 10 million. (3) Real-name whistleblower reports without evidence will be rewarded 25% of the	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
b. Does the company establish the standard operating procedures for the investigation of the complaint report, the follow-up measures after the investigation is completed and the relevant confidentiality mechanism?			restored amount, but no more than NT$ 5 million. (4) With permission from the Chairman, the monetary reward for reporting personnel who offer extra significant service can exceed the above limit. b. Operating procedures and relevant confidentiality mechanism The chairman receives and reads the case, instructs the legal affairs to investigate, contact/protect the whistleblower, and then the legal affairs report the investigation results to the chairman and advise on the handling of the case (bonus adjustment, disciplinary action, improvement direction of the unit) and the results of the investigation shall be stored in written or electronic form for a period of at least five years. During the processing process, the case and the informant are kept strictly confidential.	
c. Has the company set up protection for the reporting individual to prevent the person being subjected to inappropriate measures from reporting on the case?			c. The Company set the “Whistleblower Channel and Protection Regulation Operating Procedure”, passed by the board of directors on August 25, 2022, setting the whistleblower channel, encourage the whistleblower to report on crimes, and protect the whistleblower from being treated	

Item to be assessed	Operational status (note 1)			Deviations from the corporate governance code of practice of listed companies and causes
	(Y)	(N)	Abstract	
			inimically by reporting on violations. The procedure book is disclosed on the Company's website.	
4. Enhance information disclosure Has the Company disclosed the contents and effectiveness of implementing its ethical corporate policy on its website and MOPS?	V		Both the Company's website and the MOPS contain information disclosure pertaining to the content of The Company's "Integrity Management Code". The promotion results are detailed in the sustainability report and the company website.	None
5. If the company has set Code of Ethical Business Conduct according to the Code of Practice for Listed Companies, please elaborate on the deviations of its operations from the policy: none.				
6. Other important information to understanding the operations of the company's ethical business operations (for instance, if the company has made revisions to its previously established ethical business policy etc.): In March 2025, the Company expanded its whistleblower reward program and dedicated hotline number to its Thailand plant. Furthermore, on July 28, 2025, the Legal Department reported to the Board on the integrity management and directors' liability insurance projects.				

(H) For details on The Company's Corporate Governance Code of Practice and other relevant policies, please see:
   1. MOPS/corporate governance/corporate governance structure/formulation of relevant regulations and rules for corporate governance (https://mops.twse.com.tw/mops/#/web/t05st03)
   2. Dynamic Company Website/Corporate Sustainability/Corporate Governance/Important Company Internal Regulations (https://www.dynaholding.com/csr/rule.html#s6)

(I) Other important information that can strengthen the understanding of the operations of the company's corporate governance: none

(J) The follows should be disclosed concerning the conditions of carrying out the internal control system:
   1. Please refer to the Internal control statement of this handbook.
   2. Those who entrust accountants to verify internal control system, should disclose the accountants' evaluation report: none.

(K) From the most recent year up until the date stated on this report, explain the conditions in which the company and its personnel have been punished by law, the company has punished its personnel for breaching internal control system, and primary failures and revisions: none.

(L) Important decisions from the shareholder's meeting and the Board of Directors, from the most recent year to the date on the Annual Report

Board/Shareholders	**Meeting Session / Extraordinary Meeting**	**Important discussion matters**
Board of Directors	1st Meeting (2025.01.13)	1. Results of the 2024 Board internal performance evaluation. 2. No advance allocation of social welfare funds for each plant in each month of 2025.
Board of Directors	2nd Meeting (2025.02.26)	1. 2024 Annual Business Report, Individual Financial Statements, and Consolidated Financial Statements. 2. 2024 Annual Earnings Distribution and Cash Dividend Proposal. 3. Proposed “2025 Annual Budget.” 4. Proposed endorsement and guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. syndicated credit facility through SinoPac Commercial Bank. 5. Reconfirmation of the company’s “General Policy for Pre-Approval of Non-Assurance Services.” 6. New commitments issued by subsidiary Dynamic Electronics Co., Ltd. for listing on a securities exchange in Mainland China. 7. Amendment to the “Articles of Incorporation.” 8. By-election of one Independent Director. 9. Nomination and Qualification Review of Independent Director Candidates. 10. Convening of the 2025 Annual Shareholders’ Meeting: date, location, method, and handling of shareholder proposals and nominations. 11. Definition of scope for grassroots employees. 12. Issuance of “Internal Control System Statement.” 13. Proposed amendments to the company’s internal control system. 14.

Board/Shareholders	Meeting Session / Extraordinary Meeting	Important discussion matters
		2024 Annual Employee and Director Compensation Distribution Plan. 15. Review of 2024 Annual Manager Performance Evaluation Indicators. 16. Actual distribution of 2024 Annual Director and Manager Compensation.
Board of Directors	3rd Meeting (2025.04.01)	1. Proposed amendment to the “Compensation Committee Charter.” 2. Amendment to the report items of the 2025 Annual Shareholders’ Meeting agenda.
Board of Directors	4th Meeting (Extraordinary) (2025.04.09)	1. Proposed application for execution of the first share buyback program. 2. Amendment to the report items of the 2025 Annual Shareholders’ Meeting agenda.

Board/Shareholders	Meeting Session / Extraordinary Meeting	Important discussion matters
Board of Directors	5th Meeting (2025.04.28)	1. 2025 Q1 Consolidated Financial Statements. 2. Distribution of directors’ remuneration for FY2024 surplus according to the “Directors’ Compensation Management Guidelines,” calculated by weighting. 3. Review of Q1 2025 managerial performance evaluation indicators.
Board of Directors	6th Meeting (2025.06.09)	1. Adjustment of the endorsement guarantee amount originally approved on 114/2/26 by the Audit Committee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. with SinoPac Commercial Bank syndicated credit facility. 2. Proposal for the company’s bank financing credit line application.
Board of Directors	7th Meeting (2025.07.02)	1. Appointment of Independent Director Mr. Vincent Lin as a member of the 2nd Compensation Committee. 2. Appointment of Independent Director Mr. Vincent Lin as a member of the 1st Nomination, Risk Management, and Sustainability Development Committees. 3. Proposal for personnel changes and compensation/benefits of the Group’s “Corporate Governance Officer.”
Board of Directors	8th Meeting (2025.07.28)	1. 2025 Q2 Consolidated Financial Statements. 2. Establishment of the company’s “Treasury Stock Repurchase Procedures.” 3. Review of Q2 2025 managerial performance evaluation indicators.
Board of Directors	9th Meeting (2025.08.26)	1. Endorsement guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. applying for short-term credit with DBS Bank (Taiwan). 2. Endorsement guarantee by subsidiary Dynamic Electronic Co., Ltd. for Dynamic Technology Manufacturing (Thailand) Co., Ltd. applying for short-term credit with DBS Bank (Taiwan). 3. Dynamic 2024 Sustainability Report.
Board of Directors	10th Meeting (2025.10.15)	Reduction of the company’s shareholding ratio in key subsidiary Dynamic Electronics Co., Ltd. by more than 10%.
Board of Directors	11th Meeting (2025.10.27)	1. Proposal for 2025 cash capital increase issuance of new shares. 2. Proposal for issuance of the company’s first and second domestic unsecured convertible bonds.
Board of Directors	12th Meeting (2025.11.13)	1. 2025 Q3 Consolidated Financial Statements. 2. Review of Q3 2025 managerial performance evaluation indicators. 3. Review of personnel changes and compensation/benefits for senior executives.

Board/Shareholders	Meeting Session / Extraordinary Meeting	Important discussion matters
Board of Directors	13th Meeting (2025.11.28)	1. Proposal for the company's bank financing credit line application. 2. Establishment of the "Cash Capital Increase Employee Stock Subscription Guidelines." 3. Proposal for cash capital increase subscription by managers and directors with employee status.
Board of Directors	14th Meeting (2025.12.15)	1. Proposal to amend the company's internal control system. 2. Company's 2026 Audit Plan. 3. Revision of FY2025 budget. 4. Proposal for the company's "2026 Business Plan." 5. Appointment of auditors and evaluation of their independence. 6. Proposal for bank financing credit line application. 7. Endorsement guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. applying for short-term credit with KGI Bank. 8. Endorsement guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. applying for short-term credit with Cathay United Bank. 9. Endorsement guarantee for Dynamic Technology Manufacturing (Thailand) Co., Ltd. applying for mid-term credit with Bangkok Bank Public Co., Ltd. 10. Definition of scope for entry-level employees. 11. FY2025 directors' and employees' remuneration distribution plan. 12. Review of FY2026 compensation items. 13. FY2026 Compensation Committee work plan.
Board of Directors	1st Meeting (2026.01.12)	1. Proposal for the company's "2026 Corporate Value Enhancement Plan." 2. Adjustment of endorsement guarantee amount originally approved on 2024/4/29 for Dynamic Technology Manufacturing (Thailand) Co., Ltd. with SinoPac Bank's 3-year credit facility. 3. Proposal to lend company funds to subsidiary Dynamic Technology Manufacturing (Thailand) Co., Ltd. for flexible use of long-term group capital. 4. Results of FY2025 internal board performance evaluation. 5. No pre-allocation of social welfare funds by plants in 2026. 6. Appointment of the 13th Chairman of Dynamic Electronics Co., Ltd.
Board of Directors	2nd (Special) Meeting (2026.01.13)	1. Amendment of the company's "Endorsement Guarantee Management Guidelines." 2. Convening of the 1st Extraordinary Shareholders' Meeting of 2026.
Board of Directors	3rd (Special) Meeting (2026.01.22)	1. Amendment of the "Articles of Incorporation." 2. Addition of discussion items for the 1st Extraordinary Shareholders' Meeting of 2026.
Board of Directors	4th Meeting (2026.03.06)	1. FY2025 Business Report, individual financial statements, and consolidated financial statements. 2. FY2025 surplus distribution and cash dividend issuance. 3. Proposal for FY2026 budget. 4. Proposal for bank financing credit line application. 5. Reconfirmation of the company's "General Policy for Pre-Approval of Non-Assurance Services." 6. Issuance of "Internal Control System Statement." 7. Update of Sustainability Development Committee vision and organizational structure. 8. Update of Group succession plan. 9. FY2025 employees' and directors' remuneration distribution plan. 10. Review of FY2025 managerial performance evaluation indicators. 11. Actual distribution of FY2025 directors' and managers' compensation.
Board of Directors	5th Meeting (2026.04.01)	1. Proposal for issuance of 2026 employee stock options and subscription guidelines. 2. Amendment of the company's "Procedures for Lending Funds to Others." 3. Update of Group succession plan. 4. Full re-election of directors and nomination of candidates. 5. Removal of non-compete restrictions for new directors and their representatives. 6. Convening of the 2026 Annual Shareholders' Meeting, including date, venue, method, and handling of shareholder proposals and nominations.
Shareholders' Meeting	Year 2025 (2025.05.22)	1. Approval of FY2024 Business Report, individual financial statements, and consolidated financial statements. Execution Review: Announced and filed as required.

Board/Shareholders	Meeting Session / Extraordinary Meeting	Important discussion matters
		2. Approval of FY2024 surplus distribution table. Execution Review: Cash dividends distributed on 2025/06/23. 3. Discussion Item: Amendment of “Articles of Incorporation.” Execution Review: Implemented according to revised content. 4. Election Item: By-election of one Independent Director. Execution Review: Independent Director elected according to law, change registered with MOEA within 15 days, approved on 2025/06/16.

(M) From the most recent year to the date on the annual report, the director that holds different opinions from the Board's decision and has documented this opinion, the main content of this opinion is: From year 2025 to the date on the annual report, there was no different opinion held by the directors from the Board's decision.

(N) From the most recent year to the date on the annual report, a summary of the resignation and dismissal of company personnel:
The Chief Governance Officer, Ms. Yi-Chen Hsieh, resigned on July 2, 2025.

E. Accountant Public Expense Information

Accounting Firm	Name of CPA		Period Covered by CPA's Audit	Remarks
Ernst & Young Taiwan	Hsiao-Chin Lo	Chi-Ming Chang	2025/1/1~2025/12/31	-

Unit: NTD thousands

Fee range \ Fee items		Audit Fee	Non-audit Fee	Total
1	Less than 2,000 thousand NTD		v	570
2	2,000 thousands (inclusive) ~ 4,000 thousand			
3	4,000 thousand (inclusive) ~ 6,000 thousand			
4	6,000 thousand (inclusive) ~ 8,000 thousand	v		6,355
5	8,000 thousand (inclusive) ~ 10,000 thousand			
6	Over 10,000 thousand (inclusive)			

Accounting firm	Name of CPA	Audit Fee	Non-audit Fee					Period Covered by CPA's Audit	Remarks
			System design	Industrial/commercial registration	Human resources	Others	Sum		
Ernst & Young Taiwan	Hsiao-Chin Lo Chi-Ming Chang	6,355	0	80	0	490	570	2025/1/1~ 2025/12/31	

(A) For companies whose non-audit shared expenses account for 1/4 or more of the audit shared expenses paid to CPA, audit firms of the CPA, or its affiliated firms, should disclose the amount of audit and non-audit shared expenses, and the service details of non-audit expenses: none

(B) Companies that have switched accounting firms and whose annual audit shared expenses are less than that of the previous year prior to the switch: none.

(C) For companies whose audit shared expenses have decreased by 15% or more, the ratio of the decrease in audit shared expense and the reason should be disclosed: none.

F. Replacement of CPA

If the company has changed accountants in the most recent two years and subsequent period, the explanation is as follows: None

G. Have any of the company's Chairman, President, or manager responsible for finance or accounting duties served in a CPA accounting firm or its affiliated company in the last year: None

H. Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders

(A) Changes in Shareholding of Directors, Managers and Major Shareholders

Unit: Shares

Title	Name	2025		As of Apr.28 2026	
		Increase/decrease in shares held	Increase/decrease in equity pledges	Increase/decrease in shares held	Increase/decrease in equity pledges
Chairman	Ken Huang	285,736	2,620,000	0	0
Corporate Director	Hung-Li Investments Co., Ltd.	0	0	0	0
Representative of Corporate Director	Tiffany Tsan	0	0	0	0
Corporate Director	Chien-Hung Investments Co., Ltd.	486,000	0	0	0
Representative of Corporate Director	Kelly Liu	3,740	0	2,037	0
General manager	Jean Liu	57,566	0	5,725	0
VP	Lily Chiang	(48,123)	0	(4,727)	0
Independent Director	Yi-chia Chiu	0	0	0	0
Independent Director	Vincent Lin	0	0	0	0
Independent Director	Cheryl Chien	0	0	0	0
Independent Director	Vincent Weng	0	0	0	0
Financial Director	Cathy Ni	620	0	3,459	0
Accounting Director	Cathy Ni	620	0	3,459	0
Corporate Governance Director	Jean Liu	35,617	0	5,725	0
Auditing Director	Hsin-Yi Tsai	805	0	1,735	0
Corporate Governance Director	Cindy Hsieh (Dismissal Date:2025/07/02)	2,322	0	NA	NA

(B) Shares Trading with Related Parties: none.

(C) Shares Pledge with Related Parties: none

I. Information of the Relationship among the Top Ten Shareholders

As of Apr. 28, 2026

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Ken Huang	11,447,807	4.04%	187,736	0.07%	0	0.00%	Hung-Li Investment Co., Ltd. Chien-Hung Investment Co., Lt Chi-Chin Investment Co., Ltd.	Company Chairperson is the spouse of this individual.	
Hung-Li Investment Co., Ltd. Representative: Tiffany Tsan	9,497,735	3.35%	0	0.00%	0	0.00%	Ken Huang	Spouse is the company Chairperson.	
	185,736	0.07%	11,449,807	4.04%	0	0.00%	Chien-Hung Investment Co., Lt Chi-Chin Investment Co., Ltd.	Chairperson and the company Chairperson is the same person.	
Hsiu-Ching Chen	4,562,148	1.61%	0	0.00%	0	0.00%	None	None	
Chien-Hung Investment Co., Ltd. Representative: Tiffany Tsan	3,555,023	1.25%	0	0.00%	0	0.00%	Ken Huang	Spouse is the company Chairperson.	
	185,736	0.07%	11,449,807	4.04%	0	0.00%	Hung-Li Investment Co., Ltd. Chi-Chin Investment Co., Ltd.	Chairperson and the company Chairperson is the same person.	
Labor Pension Fund (New System)	3,254,029	1.15%	0	0.00%	0	0.00%	None	None	
Advanced Total International Stock Index Fund, A Series Of Advanced Starlight Fund, Under The Custody Of Standard Chartered Bank (Taiwan) Limited, Business Department	1,829,909	0.65%	0	0.00%	0	0.00%	None	None	
Vanguard Emerging Markets Stock Index Fund, Managed by The Vanguard Group, Inc., Under the Custody of Standard Chartered Bank (Taiwan) Limited, Business Department	1,726,813	0.61%	0	0.00%	0	0.00%	None	None	
Chao-Zheng Wang	1,541,000	0.54%	0	0.00%	0	0.00%	None	None	
Chi-Chin Investment Co., Ltd. Representative: Tiffany Tsan	1,539,000	0.54%	0	0.00%	0	0.00%	Ken Huang	Spouse is the company Chairperson.	
	185,736	0.07%	11,449,807	4.04%	0	0.00%	Hung-Li Investment Co., Ltd. Chien-Hung Investment Co., Lt	Chairperson and the company Chairperson is the same person.	
Public Service Pension Fund (PSPF)	1,512,227	0.53%	0	0.00%	0	0.00%	None	None	

J. The number of shares held by the Company, the Company's directors, managers and the companies directly or indirectly controlled by the Company in the same investment business, and combined to calculate the comprehensive shareholding ratio

Unit: share; %

Affiliated Enterprises (Note 1)	Ownership by the Company		the Company's directors, managers and the companies directly or indirectly controlled by the Company		Total Ownership	
	Shares	%	Shares	%	Shares	%
Dynamic Electronics Co., Ltd.	467,074,889	100.00%	-	-	467,074,889	100.00%
Chianan Technology Co., Ltd.	7	70%	-	-	7	70%
Cheng Chong Technology Co., Ltd.	7	70%	-	-	7	70%
WINTEK (MAURITIUS) CO., LTD.	-	-	8,596,000	100.00%	8,596,000	100.00%
Dynamic Electronics Holding Pte. Ltd.	-	-	142,067,000	100.00%	142,067,000	100.00%
Dynamic Electronics Co.,Ltd.	-	-	376,277,619	86.1%	376,277,619	86.1%
Dynamic Electronics Co.,Ltd. (Seychelles)	-	-	43,049	86.1%	43,049	86.1%
Dynamic Electronics Overseas Investment Holding Pte. Ltd.	-	-	154,160,080	86.1%	154,160,080	86.1%
Dynamic Electronics (Kunshan) Co.,Ltd.	-	-	(Note 2)	86.1%	(Note 2)	86.1%
Dynamic Technology Manufacturing (Thailand) Co., Ltd.	-	-	52,520,329	86.1%	52,520,329	86.1%

Note 1: The above refers to long-term investment made by the Company through utilizing the equity method.

Note 2: As it is a limited company, there is no number of shares.

IV. Capital Overview

A. Capital and Shares

(A) Source of equity

1. Issued Shares

Unit: NTD thousands; 1,000 shares

Month/ Year	Par Value (NT$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Other
1988/08	1,000	12	12,000	12	12,000	Setup capital	-	
1996/11	1,000	28	28,000	28	28,000	Cash capital increase 16,000 thousand NTD	-	Note 1
1998/04	10	9,800	98,000	9,800	98,000	Cash capital increase 70,000 thousand NTD	-	Note 2
1998/12	10	13,800	138,000	13,800	138,000	Reinvested profit 40,000 thousand NTD	-	Note 3
2001/12	10	25,100	251,000	25,100	251,000	Reinvested profit 113,000 thousand NTD	-	Note 4
2002/04	10	42,000	420,000	42,000	420,000	Cash capital increase 40,000 thousand; reinvested profit 129,000 thousand NTD	-	Note 5
2003/09	10	80,000	800,000	56,000	560,000	Reinvested profit 126,000 thousand; reinvested employee dividend 14,000 thousand NTD	-	Note 6
2004/11	10	80,000	800,000	62,000	620,000	Reinvested profit 56,000 thousand; reinvested employee dividend 4,000 thousand NTD	-	Note 7
2004/12	10	80,000	800,000	65,000	650,000	Reinvested capital reserve 30,000 thousand NTD	-	Note 8
2005/02	25	80,000	800,000	80,000	800,000	Cash capital increase 150,000 thousand NTD	-	Note 9
2005/08	10	170,000	1,700,000	103,563	1,035,632	Reinvested profit 235,632 thousand NTD	-	Note 10
2005/11	28	170,000	1,700,000	121,163	1,211,632	Cash capital increase 176,000 thousand NTD	-	Note 11
2006/09	10	300,000	3,000,000	160,550	1,605,499	Reinvested profit 363,490 thousand; reinvested employee dividend 30,377 thousand NTD	-	Note 12
2006/10	36	300,000	3,000,000	177,425	1,774,249	Cash capital increase 168,750 thousand NTD	-	Note 13
2007/09	10	300,000	3,000,000	215,194	2,151,940	Reinvested profit 354,850 thousand; reinvested employee dividend 22,841 thousand NTD	-	Note 14
2008/10	10	300,000	3,000,000	238,468	2,384,678	Reinvested profit 215,194 thousand; reinvested employee dividend 17,543 thousand NTD	-	Note15
2009/03	10	300,000	3,000,000	261,468	2,614,678	Cash capital increase 230,000 thousand NTD	-	Note 16
2010/02	10	300,000	3,000,000	262,402	2,624,023	Employee stock option certificate 9,345 thousand NTD	-	Note 17
2010/05	10	300,000	3,000,000	262,760	2,627,603	Employee stock option certificate 3,580 thousand NTD	-	Note 18

2010/08	10	300,000	3,000,000	262,775	2,627,753	Employee stock option certificate 150 thousand NTD	-	Note 19
2010/11	10	400,000	4,000,000	262,785	2,627,853	Employee stock option certificate 100 thousand NTD	-	Note 20
2011/8	10	400,000	4,000,000	286,436	2,864,360	Reinvested profit 236,507 thousand NTD	-	Note 21
2012/10	10	400,000	4,000,000	293,559	2,935,594	Reinvested profit 71,234 thousand NTD	-	Note 22
2013/07	10	400,000	4,000,000	287,559	2,875,594	Treasury shares decrease by 60,000 thousand NTD	-	Note 23
2013/12	10	400,000	4,000,000	286,059	2,860,594	Treasury shares decrease by 15,000 thousand NTD	-	Note 24
2015/11	10	400,000	4,000,000	281,059	2,810,594	Treasury shares decrease by 50,000 thousand NTD	-	Note 25
2020/06	16	400,000	4,000,000	311,059	3,110,594	Cash capital increase 300,000 thousand NTD	-	Note 26
2020/11	10	400,000	4,000,000	277,514	2,775,140	Capital reduction to make up for losses 335,453 thousand NTD	-	Note 27
2022/01	10	400,000	4,000,000	277,518	2,775,183	Issuing new shares by Convertible Bond	-	Note 28
2022/05	10	400,000	4,000,000	277,540	2,775,400	Issuing new shares by Convertible Bond	-	Note 29
2022/08	10	400,000	4,000,000	277,548	2,775,490	Issuing new shares by Convertible Bond	-	Note 29、30
2023/08	10	400,000	4,000,000	277,617	2,776,170	Issuing new shares by Convertible Bond	-	Note 31
2023/11	10	400,000	4,000,000	277,675	2,776,746	Issuing new shares by Convertible Bond	-	Note 32
2025/12	10	400,000	4,000,000	283,575	2,835,746	Cash capital increase and issuance of new shares	-	Note 33

Note 1: 1996/11/13; approval document no. 85 Chien San Keng Tzu 710053.
Note 2: 1998/04/04; approval document no. 87 Chien San Yi Tzu 143958.
Note 3: 2001/12/02; approval document no. Ching 87 Shang 142895.
Note 4: 2001/12/14; approval document no. Ching (090) Shang 09001487720.
Note 5: 2002/04/29; approval document no. Ching Shou Shang Tzu 09101147450.
Note 6: 2003/09/04; approval document no. Ching Shou Shang Tzu 09201259500;
2003/07/09; approval document no. Tai Tsai Cheng Yi Tzu 0920130533.
Note 7: 2004/11/02; approval document no. Ching Shou Shang Tzu 09301206230；
2004/10/20; approval document no. Chin Kuan Cheng Yi Tzu 0930147189.
Note 8: 2004/12/08; approval document no. Ching Shou Shang Tzu 09301232510；
2004/10/20; approval document no. Chin Kuan Cheng Yi Tzu 0930147189.
Note 9: 2005/02/17; approval document no. Ching Shou Shang Tzu 09401024410；
2004/12/24; approval document no. Chin Kuan Cheng Yi Tzu 0930146065.
Note 10: 2005/08/24; approval document no. Ching Shou Shang Tzu 09401164480；
2005/06/28; approval document no. Chin Kuan Cheng Yi Tzu 0940125941.
Note 11: 2005/11/21; approval document no. Ching Shou Shang Tzu 09401233030；
2005/08/25; approval document no. Chin Kuan Cheng Yi Tzu 0940135458.
Note 12: 2006/09/25; approval document no. Ching Shou Shang Tzu 09501215550；
2006/07/21; approval document no. Chin Kuan Cheng Yi Tzu 0950131965.
Note 13: 2006/10/13; approval document no. Ching Shou Shang Tzu 09501231670；
2006/08/07; approval document no. Chin Kuan Cheng Yi Tzu 0950135357.
Note 14: 2007/09/26; approval document no. Ching Shou Shang Tzu 09601233900；
2007/07/30; approval document no. Chin Kuan Cheng Yi Tzu 0960040075.
Note 15: 2008/10/15; approval document no. Ching Shou Shang Tzu 09701262170；
2007/07/29; approval document no. Chin Kuan Cheng Yi Tzu 0970038054.
Note 16: 2009/03/30; approval document no. Ching Shou Shang Tzu 09801059010；

2008/11/18; approval document no. Chin Kuan Cheng Yi Tzu 0970059731.
Note 17: 2010/02/09; approval document no. Ching Shou Shang Tzu 09901029760.
Note 18: 2010/05/04; approval document no. Ching Shou Shang Tzu 09901089700.
Note 19: 2010/08/02; approval document no. Ching Shou Shang Tzu 09901174390.
Note 20: 2010/11/02; approval document no. Ching Shou Shang Tzu 09901245330.
Note 21: 2011/08/29; approval document no. Ching Shou Shang Tzu 10001199020.
Note 22: 2012/10/16; approval document no. Ching Shou Shang Tzu 10101211780.
Note 23: 2013/07/18; approval document no. Ching Shou Shang Tzu 10201122700.
Note 24: 2013/12/17; approval document no. Ching Shou Shang Tzu 10201255080.
Note 25: 2015/11/25; approval document no. Ching Shou Shang Tzu 10401247230.
Note 26: 2020/06/30; approval document no. Ching Shou Shang Tzu 10901112310.
Note 27: 2020/11/25; approval document no. Ching Shou Shang Tzu 10901224790.
Note 28: 2021/01/25; approval document no. Ching Shou Shang Tzu 11101008270
Note 29: 2022/08/19; approval document no. Ching Shou Shang Tzu 11101161440.
Note 30: The shareholders' meeting of Dynamic Electronics Co., Ltd. on May 20, 2022 resolved to approve the establishment of the new company "Dynamic Holding Co., Ltd." (hereinafter referred to as Dynamic Holding) by way of share swap. Dynamic Electronics Co., Ltd. becomes a 100% subsidiary of Dynamic Holding.
Note 31: 2023/09/04 approval document no. Ching Shou Shang Tzu 11230167080
Note 32: 2023/12/25 approval document no. Ching Shou Shang Tzu 11230223790
Note 33: 2026/01/16 approval document no. Ching Shou Shang Tzu 11530004170

2. Type of Stock

Type of Share	Authorized capital			Remarks
	Issued Shares	Un-issued shares	Total	
Registered Common stock	283,574,584	116,425,416	400,000,000	-

3. Information for Shelf Registration: not applicable.

(B) List of Major Shareholders (Top 10 in shareholding ratio)

Shareholding / Name	Shares	Percentage
Ken Huang	11,447,807	4.04%
Hung-Li Investment Co., Ltd.	9,497,735	3.35%
Hsiu-Ching Chen	4,562,148	1.61%
Chien-Hung Investment Co., Ltd.	3,555,023	1.25%
Labor Pension Fund (New System)	3,254,029	1.15%
Advanced Total International Stock Index Fund, A Series Of Advanced Starlight Fund, Under The Custody Of Standard Chartered Bank (Taiwan) Limited, Business Department	1,829,909	0.65%
Vanguard Emerging Markets Stock Index Fund, Managed by The Vanguard Group, Inc., Under the Custody of Standard Chartered Bank (Taiwan) Limited, Business Department	1,726,813	0.61%
Wang Chao-zheng	1,541,000	0.54%
Chi-Chin Investment Co., Ltd.	1,539,000	0.54%
Public Service Pension Fund (PSPF)	1,512,227	0.53%

(C) Shareholder Structure

As of Apr. 28, 2026

Item	Government Agencies	Financial Institutions	Other Juridical Persons	Domestic Natural Persons	Foreign Institutions & Natural Persons	Total
Number of Shareholders	4	28	307	103,716	241	104,296
Shareholding (shares)	6,929,814	6,409,230	19,337,149	227,597,392	23,300,999	283,574,584
Percentage	2.44%	2.26%	6.82%	80.26%	8.22%	100.00%

(D) Shareholding Distribution Status

As of Apr. 28, 2026

Class of Shareholding (Unit: Share)	Number of Shareholders	Shareholding (Shares)	Percentage
1 ~ 999	48,235	5,860,546	2.07%
1,000 ~ 5,000	49,705	86,509,716	30.51%
5,001 ~ 10,000	3,580	27,448,075	9.68%
10,001 ~ 15,000	1,019	12,860,361	4.54%
15,001 ~ 20,000	546	9,982,528	3.52%
20,001 ~ 30,000	453	11,388,418	4.02%
30,001 ~ 40,000	195	6,918,434	2.44%
40,001 ~ 50,000	116	5,320,240	1.88%
50,001 ~ 100,000	239	16,617,627	5.86%
100,001 ~ 200,000	94	13,160,724	4.64%
200,001 ~ 400,000	61	16,699,513	5.89%
400,001 ~ 600,000	20	9,969,457	3.52%
600,001 ~ 800,000	9	6,272,111	2.21%
800,001 ~ 1,000,000	8	7,160,291	2.53%
1,000,001 or above	16	47,406,543	16.72%
Total	104,296	283,574,584	100.00%

(E) Dividend Policy and Implementation Status

1. Dividend policy

   If the Company's annual closing shows any profit, taxes should be paid first. Then past losses shall be compensated. Then 10% shall be provided as legal reserve, unless the accumulated legal reserve has reached the level of the total capital amount of the Company. Then a special reserve shall be provided or reversed in accordance with law or the requirements of the competent authority. The remaining profit, if any, combines with the accumulated retained earnings, a proposal for distribution of profits will be drafted by the board, then the shareholders' meeting will make a resolution to distribute the bonus to the shareholders.

   Company may, follow the provisions of Articles 240 and 241 of the Company Law, authorize the Board of Directors to issue cash dividends and bonuses under special resolutions, and to issue the capital stock or the legal surplus that is in accordance with the provisions of the Company Law in cash, and report in the most recent shareholder meeting.

To counter fluctuations in the economy and to strengthen the company's financial structure, the Company utilizes balanced dividend policy, and the policy of dividend payout is the following:

(1) Because the Company is in a growth phase, dividend policy is primarily concerned about the Company's various investment funding needs in the future, financial structure, and profit etc., in each year, the Board of Directors will draw up an allocation plan based on that year's profit, and carry out the plan after the shareholders have reached a decision.
(2) In consideration of a balanced dividend policy, the Company will use investment needs and the level of dilution of profit in each share as basis, and pay out dividends in shares or cash accordingly, in which the pay out of cash dividend will use a limit of no less than 10% of the total dividend amount in that year. The dividend of divisible surplus ratio is zero to seventy-five percent.

2. Implementation Status
The Company's Board of Directors on Mar. 6, 2026 has decided to forward Earnings Distribution Table as follows to the shareholder's meeting in 2026:

Unit: NTD

Items	Amount
Opening undistributed earnings	1,078,702,315
Net profit of 2025	748,980,806
Less: Legal reserve	(74,898,081)
Earnings available for appropriation	1,752,785,040
Distribution items:	
Cash dividends in 2025 (NT$1.08 per share)	(306,260,551)
Closing unappropriated earnings	1,446,524,489

3. Anticipated changes in dividend policy: none

(F) The impacts of issuing stock grants in this shareholder's meeting on the company's operational performance and dividend per share: none

(G) Remuneration for Employees and Directors

1. Company regulation specified in the Article of Corporation on the number or range of remuneration for employees and directors:
If the Company has annual profit, The provision requires a provision of no less than 0.1% for employee remuneration(Out of the aforementioned employee compensation amount, a proportion of no less than one percent (1%) shall be allocated and distributed specifically to frontline employees). The board will decide whether to grant the employees with stock or cash. According to the above mentioned annual profit, the board will make a resolution of granting the directors no higher than 3 percent of the profit as the director remuneration. This distribution

among the employees and directors should be reported in the shareholders' meeting.
But when there are accumulated losses, it should be reserved in advance to make up the amount, and then draw the mentioned proportion as the remuneration for the employees and directors.

2. In this period, when there is a difference between estimated column of employee and director's remuneration, basis for calculating shares for the purpose of paying out share dividends and actual payout figure, and the estimated column are different, what is the accounting procedure to handle this: The remuneration of employees and directors in 2025 is estimated at no less than 0.1% and no more than 3% respectively, and all are paid in cash. If the amount varies after the release of the annual financial statements, it will be treated according to the changes in accounting estimates. The adjustment will be recorded in the account in the next year.

3. Information on the Board of Directors passing the proposal to pay out employee and director's remuneration: The proposed distribution of employee compensation and directors' compensation approved by the board of directors for the year 2025, the employee compensation is 6,264 thousand NTD which NT$ 226 thousand NTD is allocated to junior employees, the director's compensation is 11,973 thousand NTD.

4. Actual allocations of employee and directors' remuneration in previous year: There is no significant difference between the actual amount of remuneration distributed to employees and directors by the Company in 2025 and the amount stated as expenses in the 2025 annual financial report.

(H) Buyback of Treasury Stock: none.

B. Corporate bonds processing:
(1)Corporate Bonds Issued but Not Yet Redeemed and Related Information

Type of Corporate Bond	Domestic First Unsecured Convertible Bond	Domestic Second Unsecured Convertible Bond
Issue (Processing) Date	2026.01.21	2026.03.24
Par Value	100,000	100,000
Issuance and Trading Location	Taipei Exchange (TPEx)	Taipei Exchange (TPEx)
Issue Price	101 NTD	125.12 NTD
Total Amount	500,000,000	1,000,000,000
Interest Rate	0%	0%
Term	3 years, maturity 2029.01.21	3 years, maturity 2029.03.24
Guarantee Institution	None	None
Trustee	KGI Bank	KGI Bank

Type of Corporate Bond	Domestic First Unsecured Convertible Bond	Domestic Second Unsecured Convertible Bond
Underwriter	KGI Bank	KGI Bank
Certified Lawyer	Not applicable (non-physical issuance)	Not applicable (non-physical issuance)
Certified Public Accountant	Not applicable (non-physical issuance)	Not applicable (non-physical issuance)
Repayment Method	Cash repayment at par value upon maturity	Cash repayment at par value upon maturity
Outstanding Principal	500,000,000	1,000,000,000
Redemption or Early Repayment Clauses	See Article 18 of the First Convertible Bond Issuance and Conversion Rules	See Article 18 of the Second Convertible Bond Issuance and Conversion Rules
Restrictive Clauses	None	None
Credit Rating Agency, Date, and Result	None	None
Other Rights Amount converted (exchange or subscription) into common shares, overseas depositary receipts, or other securities as of annual report date	0	0
Other Rights Issuance and Conversion (Exchange or Subscription) Rules	See First Convertible Bond Issuance and Conversion Rules	See Second Convertible Bond Issuance and Conversion Rules
Equity Dilution and Shareholder Impact	Not applicable	Not applicable
Custodian Institution for Exchange Targets	None	None

(2)Convertible Bond Information

Type of Corporate Bond	Domestic First Unsecured Convertible Bond	Domestic Second Unsecured Convertible Bond
Item/Year	2025/01/01 ~ 2025/04/30	2025/01/01 ~ 2025/04/30
Market Price		
- Highest	161.0	144.77
- Lowest	111.1	130.15
- Average	138	137.69
Conversion Price	Not yet converted as of publication date	Not yet converted as of publication date
Issue Date & Conversion Price at Issuance	2026.01.21 / 140 NTD	2026.03.24 / 159 NTD
Method of Exercising Conversion Obligation	Issuance of new shares	Issuance of new shares

C. Preferred stock handling: none.
D. Global depository receipts handling: none.
E. Employee stock option and new restricted employee share rights handling: none.
F. Mergers or transferee to other companies and issuance of new shares: none.
G. Implementation on fund utilization planning:
   (1) As of the quarter prior to the publication date of the annual report, there are no previously issued or privately placed securities that remain incomplete, nor any that were completed within the past three years whose planned benefits have not yet materialized.
   (2) As of the quarter preceding the publication date of this annual report, the fund utilization plans for all previous securities issuances by the Company have been fully completed.

V. Operations Overview

A. Business Content

(A) Scope of Business

1. Primary business focus and its ratio to the overall business

Unit: NTD thousands

Major Products	Consolidated for 2025	
	Sales Amount	Sales Ratio
Printed Circuit Board	19,386,343	99.7
Others	66,618	0.3
Total	19,452,961	100.00

2. Dynamic concentrates on PCB products including multilayer board, high-end multilayer board, high density interconnected board, thick copper board, built-in copper high heat sinking board and high-frequency microwave board. Dynamic will continue developing in this area. However, in terms of product applications, it’s planned to develop AI Server, GPU, ASIC, High-end Switch, Networking Communication, Auto Pilot, Smart cockpit, Domain Controller, BMS, ADAS, mmWave Radar, Camera module, High-end High-speed Storage devices, Robot, 5G mmWave 28GHz/39GHz communication high-frequency base station, terminal transceiver, High and low orbit satellite ground receiver, and aerospace/military etc. with high reliability requirements.

(B) Industry Overview

1. The industry's current situation and development

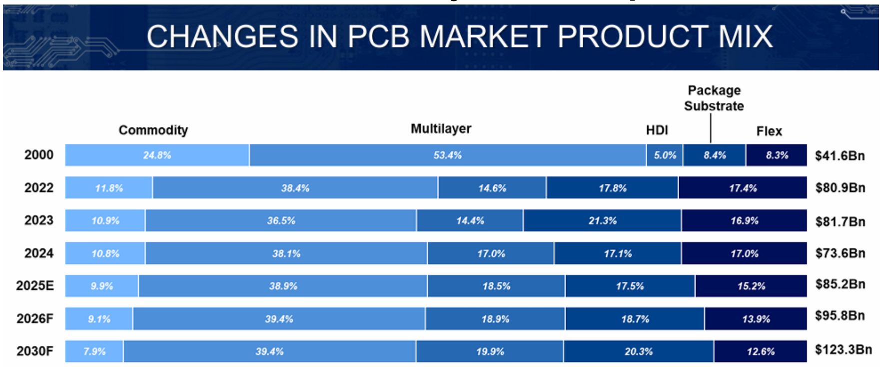
PCB (Printed Circuit Board, abbreviated PCB) is the base board before electronic components are assembled, and through the PCB, electrical routes are formed, and various electronic components can be connected to exert its overall capacity and to reach the objective of relay transmission. Its application is widespread, almost everything that uses electronic components would need to use a PCB. Therefore, PCB is known as “Mother of electronic products” Within Taiwan, the PCB industry has been developing for over 40 years, and not only does the industry structure include a comprehensive vertically integrated production chain, its affiliated industry system is also healthy. However, because of the factors of manpower supply and labor costs, the proportion of Taiwan's domestic production continued to decrease. Below is an explanation on the global and local PCB industry current situation and future trends:

(1) Global current situation and development

Driven by the pervasive penetration of AI applications, the global PCB supply chain demonstrated strong procurement momentum in 2025, with the total output value reaching USD 85.1 billion, representing a 15.7% year-on-year (YoY) growth. Despite the significant dividends reaped from AI, the global economy remained constrained by armed conflicts, surging raw material costs, and complex geopolitical risks. Together, these factors suppressed consumer confidence, leading to continued instability in end-market demand.

Looking ahead to 2026, although market uncertainties such as geopolitical tensions and escalating costs continue to cloud the global economic environment, AI will remain the core engine driving industry growth. In the face of potential economic volatility, the Company must maintain a high degree of strategic agility and risk management resilience to effectively navigate the rapidly shifting supply-demand landscape.

Overview of the world's major PCB output value

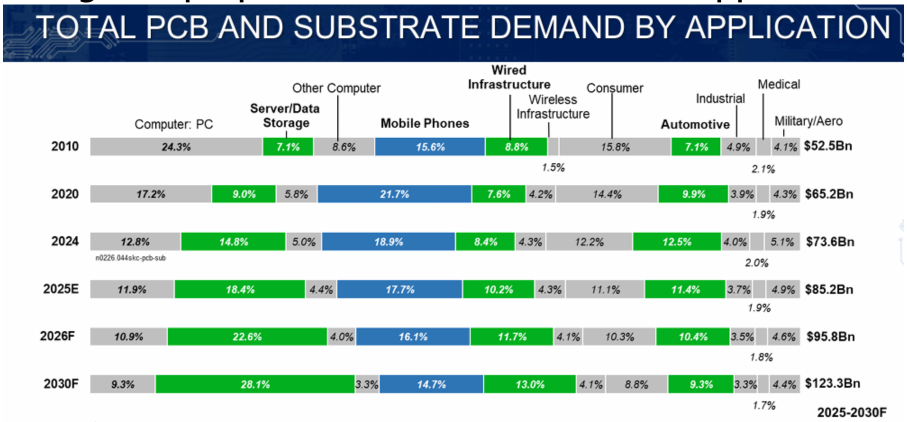


	2000	2020	2023	2024	2025E	2026F	2030F	2025E/ 2024	2025-2030 CAAGR
Commodity	$10,324	$7,911	$7,757	$7,947	$8,440	$8,754	$9,709	6.2%	2.8%
Multilayer	$22,217	$24,763	$26,534	$27,994	$33,150	$37,729	$48,636	18.4%	8.0%
HDI	$2,074	$9,874	$10,536	$12,518	$15,769	$18,055	$24,490	26.0%	9.2%
Package Substrate	$3,505	$10,188	$12,498	$12,602	$14,891	$17,947	$24,985	18.2%	10.9%
Flex	$3,450	$12,483	$12,191	$12,504	$12,903	$13,295	$15,527	3.2%	3.8%
TOTAL	**$41,570**	**$65,219**	**$69,517**	**$73,565**	**$85,152**	**$95,780**	**$123,348**	**15.8%**	**7.7%**

Source: PRISMARK Mar. 2026

According to a research report issued by PRISMARK in March 2026, the output value of PCB in 2025 is US$85.1 billion, a 15.8% increase compared to 2024. The output value of PCB in 2026 is currently predicted to grow by 12.4% from US$85.1 billion to US$95.7 billion, and the compound growth rate from 2025 to 2030 is 7.7%.

The global proportion of PCB distribution in application

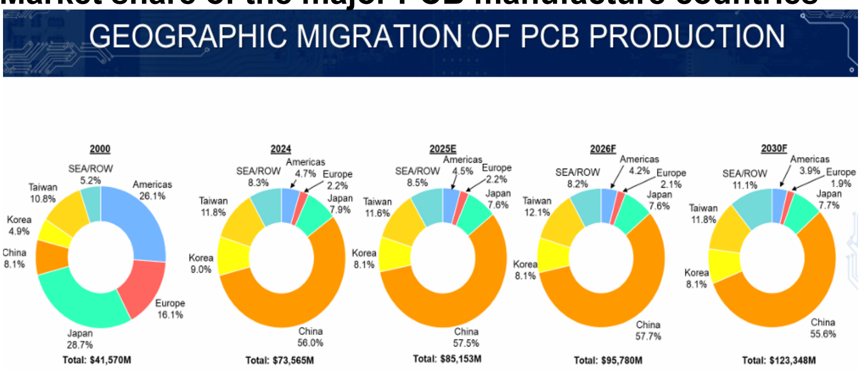


$M	2020	2023	2024	2025E	2026F	2030F	2025E/2024	2025-2030F CAAGR
Computer: PC	$11,210	$9,391	$9,429	$10,168	$10,460	$11,414	7.8%	2.3%
Server/Data Storage	$5,876	$8,201	$10,916	$15,675	$21,610	$34,679	43.6%	17.2%
Other Computer	$3,801	$3,661	$3,649	$3,777	$3,814	$4,119	3.5%	1.7%
Mobile Phones	$14,150	$13,085	$13,886	$15,046	$15,402	$18,189	8.4%	3.9%
Wired Infrastructure	$4,958	$5,955	$6,153	$8,664	$11,234	$16,076	40.8%	13.2%
Wireless Infrastructure	$2,771	$3,118	$3,177	$3,681	$4,007	$5,003	15.9%	6.3%
Consumer	$9,366	$9,129	$8,972	$9,475	$9,825	$10,871	5.6%	2.8%
Automotive	$6,457	$9,153	$9,195	$9,717	$9,931	$11,416	5.7%	3.3%
Industrial	$2,543	$2,871	$2,918	$3,158	$3,341	$4,053	8.2%	5.1%
Medical	$1,263	$1,440	$1,500	$1,639	$1,725	$2,041	9.3%	4.5%
Military/Aerospace	$2,824	$3,514	$3,770	$4,153	$4,432	$5,486	10.1%	5.7%
Total	**$65,218**	**$69,517**	**$73,565**	**$85,152**	**$95,780**	**$123,348**	**15.8%**	**7.7%**

Source: PRISMARK Mar. 2026

According to a research report issued by PRISMARK in March 2026, among various types of global PCB products, the compound growth rate of server/data storage from 2025 to 2030 is the highest at 17.2%.

Market share of the major PCB manufacture countries



	2000	2022	2023	2024	2025E	2026F	2030F	2025/2024	2025-2030 CAAGR
Americas	$10,852	$3,369	$3,206	$3,493	$3,796	$4,029	$4,781	7.5%	4.7%
Europe	$6,702	$1,885	$1,728	$1,638	$1,864	$1,993	$2,307	13.8%	4.4%
Japan	$11,924	$7,280	$6,078	$5,840	$6,499	$7,257	$9,468	11.3%	7.8%
China	$3,368	$43,553	$37,794	$41,213	$48,969	$55,269	$68,535	19.2%	7.0%
Korea	$2,053	$9,052	$6,737	$6,631	$6,905	$7,783	$10,013	4.1%	7.7%
Taiwan	$4,510	$11,121	$8,406	$8,669	$9,902	$11,565	$14,602	14.1%	8.1%
SEA/ROW	$2,161	$5,480	$5,567	$6,081	$7,218	$7,885	$13,642	17.0%	13.6%
Total	**$41,570**	**$81,740**	**$69,517**	**$73,565**	**$85,152**	**$95,780**	**$123,348**	**15.8%**	**7.7%**

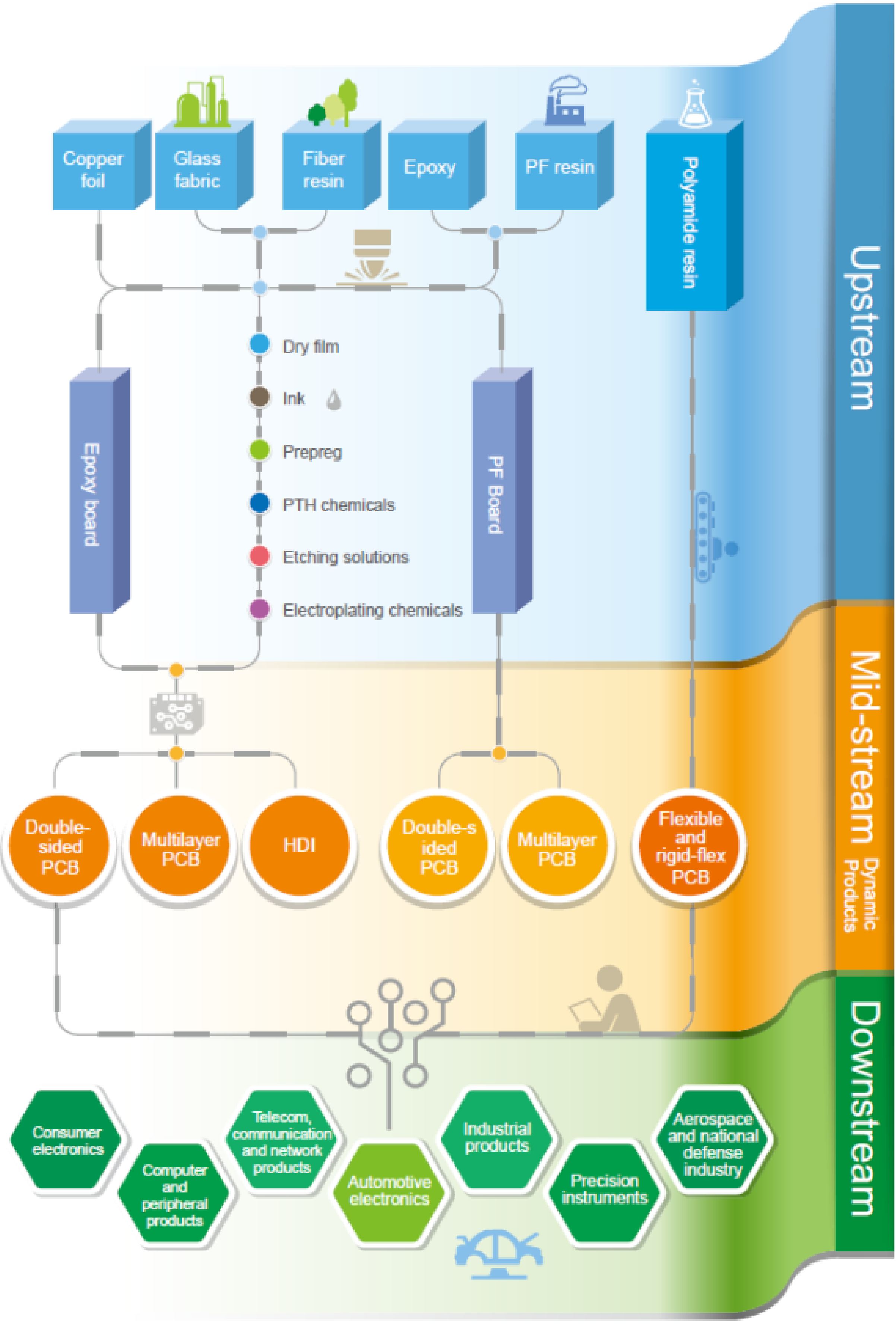
Source: PRISMARK Mar. 2025

Among the global PCB industry producers, China accounts for the highest market share of 57.5%, followed by Taiwan at 11.6%. China has advantages in supply chain integrity and labor resources, while Southeast Asia is rapidly becoming an important emerging investment hotspot for the PCB industry due to factors such as geopolitical risks.

(2) The Current Status and Development of Taiwan
According to an analysis by the Taiwan Circuit Board Association (TPCA), the output value of Taiwan's PCB manufacturing industry reached NTD 915.2 billion in 2025, representing a year-on-year (YoY) growth of 12%, with AI servers and satellite applications serving as the primary catalysts. Looking into 2026, Taiwan's PCB manufacturing output value is projected to reach NTD 1,020.4 billion (NTD 1.02 trillion), growing by 11.5% YoY. Applications in artificial intelligence (AI) and low Earth orbit (LEO) satellites are expected to remain the core drivers fueling market demand. Nevertheless, armed conflicts, surging raw material costs, and complex geopolitical risks mandate close and rigorous monitoring to effectively mitigate potential economic volatility.

2. Relevance of upstream, middle, and downstream businesses in the industry

The PCB that produced by the Company include the following upstream main raw materials: copper foil, substrate, resin, dry film, ink, etching fluid and other chemical materials. Industry covers petrochemical and metal；downstream clients include consumer electronics, computer and peripheral products, telecommunications and Internet, automotive electronics, industrial products, precision instruments and air defense etc. Hereby listed the company’s associated chart with up-and-down stream industrial structure as below:


Copper foil
Glass fabric
Fiber resin
Epoxy
PF resin
Polyamide resin
Upstream
Dry film
Ink
Prepreg
PTH chemicals
Etching solutions
Electroplating chemicals
Epoxy board
PF Board
Mid-stream
Dynamic Products
Double-sided PCB
Multilayer PCB
HDI
Double-sided PCB
Multilayer PCB
Flexible and rigid-flex PCB
Downstream
Consumer electronics
Computer and peripheral products
Telecom, communication and network products
Automotive electronics
Industrial products
Precision instruments
Aerospace and national defense industry

3. Product development trends and competitive situation

(1) Product development trends

In recent years, there are two major trends in the development of electronic products. First, all products are gradually becoming lighter and easy to carry. Second, high frequency millimeter wave and high speed technology is being developed, so that in addition to stronger heat dissipation, when the current passes, it should not be subjected to too much interference. Hence, PCB with micro via, thread, small pore, thin and multilayer structure, micro via lining and high electrical characteristics are the necessary trends to current product development. To cater to the development of 5G generation and the request from system vendors, boards using low DK, low DF, Ultra Low Loss, Teflon, Ceramic substrates and flexible materials Modify PI/LCP (Liquid Crystal Polymer) are also gradually increasing. The development of environmentally friendly green vehicles PHEV/EV is also growing rapidly, and various tie-in products such as high-voltage products, fast charging, and battery management have also taken spots at the table. The 5G high-reliability products used in medical, satellite, aerospace and military industries are also booming.

(2) Competitive situation

While the printed circuit board (PCB) industry has long faced a persistent oversupply and the global economy has entered a phase of sluggish growth, intense price competition remains a constant challenge. However, the exponential growth in computing power and the booming expansion of AI infrastructure have triggered a massive technological leap in PCB material specifications. Consequently, key upstream materials—such as HVLP4 copper foil, glass fiber fabrics, drilling pins, and CCL (Copper Clad Laminates)—are currently facing severe supply-demand tightness. Compounded by the broad-based rally in LME international copper prices, copper foil processing fees, and electronic-grade glass fiber fabrics, material cost pressures are escalating rapidly, further compressing profit margins. In response to these headwinds, the Company's sustainable path forward lies in the continuous development of products featuring high-tech, premium-quality, and high-reliability attributes to effectively mitigate market challenges.

(C) Technology and R&D Overview

1. R&D expenses from the most recent year to the date on the annual report

Unit: NTD thousands

Year	2024	2025
R&D Expenses	733,369	904,754

2. Technology or products that have been successfully developed from the most recent year to the date of the annual report:

Here we summarized our major R&D projects and results of 2025 in the following six points:

(1) High-speed, Low-loss Products

- Completed advanced material certifications (M8, M9).
- Achieved 50-layer technical certification, with processing capability up to 60 layers and board thickness up to 8mm.
- Advanced HDI: completed 20-layer anylayer and based on 6+14+6 reliability verification, further progressed to the process and test of 7+10+7.
- Product technical capability: The stepped gold finger designs of two-time lamination, N+N design, and multi-steps HDI design types have been completed in processing and delivered., N+N, N+M+N, DIC (Drill In Center), back-drill 2±2 mil, TLPS (Transient Liquid Phase Sintering) are all being developed and making phasal progresses.

(2) Advanced HDI and Thinner Products

- Completed 24-layer 8+8(B)+8 server HDI development.
- Achieved mass production of 16-layer anylayer HDI, PCS size >550mm LCD/LED boards. Completed development of 24-layer 8+8(B)+8 server HDI boards.
- Certified and mass-produced 12-layer anylayer cavity laptop boards, automotive central control boards, Successfully mass-produced 14-layer HDI boards with full inner and outer 3oz copper design for smart grid control.
- Successfully developed and mass-produced 8+8 HDI test module products with PCS size >580mm, 1 piece per panel.
- Completed development and mass production of anylayer camera modules with finished board thickness <0.3mm; blind hole diameter capability has been extended down to 3 mil.
- Completed development of 48-layer M+N and M+2+N HDI products with 6.0mm board thickness, as well as 7+12+7 HDI development. In addition, material studies for multi-press lamination have been completed and standardized, enabling more diverse and stable use of anylayer materials.
- Thin products: Mini-LED boards with 0.2mm thickness have been certified and entered production. The R&D focus in 2025 is on developing and producing even thinner BT-type materials in the 0.15–0.1mm range.

(3) High-frequency Millimeter-wave (mmWave) Products

- Automotive radar at 60GHz/77GHz shipments rising and keep developing new customers.
- Antenna self-test platform operational for 77GHz S-parameters.
- Collaborated with Tier-1 and chip companies on waveguide radar, entering pilot production.
- Additionally, relevant testing instruments have been purchased, providing full testing capabilities to better meet customer needs.
- In satellite communications and microwave products, ground receiving stations for geostationary orbit (GEO) satellites continue in mass production, while ground receiving stations for low Earth orbit (LEO) satellites—the most scalable area of development—are actively being pursued through ongoing customer engagement to secure mass production opportunities.
- 5G Open-RAN RU modules under development; FWA and CPE equipment certified by multiple customers.

(4) High Heat-dissipation Products

- Embedded copper technology applied to automotive and communications.
- Thick copper (>3oz) designs and effectively provide customers with design recommendations and development to meet their heat dissipation needs.
- 12oz samples in progress.
- Evaluated high thermal conductivity RCF (>2.0W/m-k) and completed internal certification of heat spread paste (HSP). Customer sample trials are in progress
- simultaneously, to meet the heat dissipation needs of wireless communication products, the application of thermal conductive copper paste is being evaluated.
- Overall, in response to the thermal technology requirements that customers are focused on, a complete set of product and process service technologies is about to be established.

(5) Embedded Passive/Active Components

- Initiated embedded capacitor process development for AI/server applications.
- Co-developed embedded 48V iBSG (integrated Belt Starter Generator) with customers, and have been certified.
- Began embedded resistor (0402) development.
- Improved embedded component minimum size capability to 2x2mm, progressing toward smaller dimensions.

3. Intellectual Property Management

(1) Intellectual Property Management

Participating in the early-stage development of customer products with professional technical services is one of the company's missions which makes intellectual property management one of the company's key tasks. The company values its own intellectual property and respects the intellectual property of others (such as customers, suppliers, etc.) and prevents the occurrence of infringement or disclosure. Therefore, the company launched a conjoined-business project, which is to establish and control the knowledge management system to protect intellectual property. The company encourages employees to innovate and develop high-quality intellectual property to strengthen competitiveness and improve profitability.

The company's main business model is to participate in customers' product development and to manufacture printed circuit boards for customers, therefore, keep intellectual property related affairs confidential is our main job, followed by patents.

1) Confidentiality management:

- Access control management: Each employee of the company is provided with an access control card and is given appropriate access permissions based on departments and ranks. Non-employee personnel should fill in personal information before entering and be limited to the area of activities during the visit, and should be accompanied by company’s employee at all time.

- Document management: The company uses a knowledge management system to manage internal and external documents. Appropriate reading permissions will be granted based on departments and ranks. The technical information related to customers is only allowed to be used on the project leader computer.
- Information security management: Each computer of the company must be identified and logged on by the user’s account and password of an employee, and the password is changed every two months.
- Confidentiality propaganda: In addition to signing confidentiality agreements with all employees, the company also regularly reminds them of the confidentiality with a special topic to effectively establish the awareness of law-abiding and confidentiality.

2) Patent management:

- Standardization: The company establishes patent management regulations to standardize patent management. The incentives system and the implementation of education and training are used to ensure the company's research and development results.
- Proposals: All employees of the company can submit patent proposals after the internal search and evaluation. The proposals will be processed in accordance with the operating procedures after reviewing by the responsible supervisor and the approval by the R&D director or ranks above.
- Management: The company builds a patent database on the knowledge management system after the patent being applied, sets reading permissions based on departments and ranks, and manages the confidentiality of relevant information. Providing the required list according to the needs of the department/employee based on the authority and responsibility. Publishing the patent quarterly report on the company's knowledge management system homepage.
- Usage: The use of the company's patent rights can only be authorized or cross-authorized externally after the chairman's approval. If a notice of infringement dispute is received, the legal department and related departments will handle it.

(2) Implementation

1) Link with operational goals: The R&D headquarters sets a KPI for the number of patent applications on a quarterly basis, and reviews quarterly.
2) The achievement and list of intellectual property obtained: As of the year 2025, the company has filed a total of 147 patent applications in Taiwan and mainland China, of which 111 have been granted and are currently maintained.

3) Report the implementation results to the board of directors at least once a year, and report to the board of directors on December 15, 2025.

(D) Short and Long-term Business Development Plan

1. Short-term business plan

(1) Marketing plan

- Continuing to Develop high margin products such as HDI, high-frequency high-speed related applications, AI server, GPU, ASIC, high-end switch, ADAS, smart cockpit etc.
- Strengthen the ties with overseas locations and agents, grasp business opportunities, and cultivate customers.
- Strengthen the customer support for timely delivery, quality, technicality, and service.

(2) Production plan

- Huangshi Plant is a highly automated, intelligent and efficient factory. It is the priority to meet the production capacity Huangshi I and II, while the Kunshan plant is making flexible allocation based on customer needs.
- The Thailand plant officially obtained the IATF 16949 automotive quality management system certification in September 2025, and customer qualification processes are currently underway in successive phases.
- Take advantage of automation, intelligence, and information capabilities to integrate real-time vertical information from design, planning to production. Optimize the use of manpower, energy, and resources, and configure flexible production lines, thereby achieving the benefits of quick response to market demands. Practical action strategies can be developed through big data insights, from machine data interconnection to intelligent decision-making automation, to meet the needs of different management levels. Improve production efficiency and product quality and realize quality traceability and production transparency. Effectively improve the accuracy of products and management and achieve efficient and accurate operational performance.

2. Long-term business plan

(1) Marketing plan

- Searching for highly niche products
- Establishing long-term relationship with customers
- Participating in major international events, to open up the specific strategic markets.
- Cooperating and exchanging professional resources with foreign PCB companies who possess technical competence and patent, in order to obtain recognition from the end customer.

(2) Production plan

- Expand the HDI production capacity of Huangshi Plant.
- Expand the production base in Southeast Asia.

- The Thailand plant continues to expand its advanced capacity to proactively meet the robust demands of AI server customers.
- Promote environmental protection, energy saving and circular economy projects. Continue to classify and find recycling pipelines for process outputs that cannot be recycled and reused at present. Set up recycling equipment on the production line to recover valuable substances and chemicals, and introduce incineration waste reduction equipment to reduce the output of incineration waste; continue to cooperate with government regulations to reduce the discharge of harmful pollutants and ensure that the water quality of the discharge meets the regulations.
- Work with our suppliers to promote various policies such as labor, health and safety, environment, ethics and management systems, and implement corporate social responsibility.
-

(3) R&D plan

- 25um mil SLP fine line process development
- Low warpage laminate technology process development
- Embedded active and passive components
- SiP Substrate module
- millimeter wave high frequency alternative new design/material process development
- 12oz heavy copper high heat dissipation material process development
- New products and new processes of environmental protection, waste reduction and energy-saving
- High layer count, M+N structure, High layer-HDI development

B. Market and Production/Sales Conditions

(A) Market Analysis

1. Sales Locations for Major Products

Unit: NTD thousands

Sales Location \ Year		2025 Consolidated	
		Sales Amount	Ratio %
Domestic		1,808,816	9.3%
Export	China	7,089,989	36.45%
	Mexico	1,211,939	6.23%
	Korea	1,047,192	5.38%
	Malaysia	1,190,935	6.12%
	Other countries	7,104,090	36.52%
Total		19,452,961	100.00%

Note: Revenue is categorized based on the location of the client who placed sales order.

2. Market Share

Unit: NTD 100million

Item \ Year	2024	2025
Value of cross-strait Taiwanese businesses in PCB industry	8,168	9,152
Dynamic Electronics' consolidated revenue	177	194
Dynamic Electronics' consolidated revenue/value of cross-strait Taiwanese businesses in PCB industry (%)	2.2%	2.1%

Source: IEK of ITRI

3. Future Market Supply and Demand Conditions and Possibility of Growth

Inflation is gradually under control and consumer demand is expected to slowly recover. In the next five years, it is estimated that fast-growing products will revolve around AI, servers, GPU, ASIC and electric vehicles, including the Internet of Things, autonomous vehicles, ADAS, Robot, High-speed transmission, and low orbit satellites, etc.

4. Niche Competitiveness

Niche competitiveness of the Company includes:

(1) Fulfilling ESG as its core of corporate culture enables Dynamic to bring customers the value of long-term stability.

(2) Satisfying customers by meeting their needs of integration services of business flow, logistics, and information flow.

(3) Providing a comprehensive product line, one stop solution, including: High layer count, HDI, High speed high frequency board, Heavy Copper, Rigid-Flex, Semi-Flex, etc.

(4) Strengthen the functions of FAE, deeply involve and participate in customers' early product development and design, and support customers' long-term success.
(5) Equipped with global technical support and after-sales service network.
(6) The management of Dynamic is formed with people from different countries who are possessed of extensive experience in certain fields.

5. Favorable and Unfavorable Factors for Future Development and the Countermeasures
   (1) Favorable factors
      a. With the widespread popularity of the Internet and the development of wireless communication market and products, the personal mobile devices and their peripheral industries have developed throughout the world. Plus the rise of AI related applications, cloud computing, Big Data, IoT etc. products continuing to innovate, the demand for PCB will continue to rise.
      b. The increase in electronic products for automobiles, green energy vehicles and the development of electric vehicles and auto-driving technologies are bringing forth new market and opportunities for the PCB.

   (2) Unfavorable factors and countermeasures
      a. Oversupply, many competitors, and competitors wage price wars
         Countermeasure: develop potentially niche products, avoid price wars in existing products, and actively attain various certifications, enter different fields and expand new business opportunities.
      b. Clients demand routine price reduction, hurting profit
         Countermeasure: exert labor efficiency, strengthen production management, enhance production yield, and lower production cost, making the most of the benefits of automation. Seeking long-term cooperation with excellent suppliers, signing long-term strategic partnership agreements, develop new customers, select suitable products, restructure product structure, and optimize product portfolio.
      c. Labor shortage and labor cost is steadily rising over the years
         Countermeasures: Regularly collect and update the salary and benefit policy information of the industry. Review and modify the salary and benefit measures of corporate optimization. Enhance the company’s competitiveness and strength among the peers in the industry. Cultivate and enhance the professional skills of all employees. Create corporate humanities to increase the stability of employees' retention at the post. Optimize production and the method of efficient working to reduce manpower.
      d. A lack of technical talent
         Countermeasures: Recruit and cultivate college and undergraduate talents, salary determined based on education level, in addition to monthly performance incentive bonuses, set excellent skill allowances, long-tenured employee rewards, and launch a promotion and salary increase

mechanism every year; at the same time, encourage employees to further pursue the education to improve the overall academic standard of all staff, which is a necessity for the company's continuous development.

e. Environmental cost is steadily rising

Countermeasures: Promoting clean production enhances market competitiveness, shapes the company's positive image, and wins recognition from international customers; improving the company's power consumption efficiency not only reduces production costs, but also enables continuous operation under limited power supply.

f. Fluctuations in exchange rates affect the Company's operations and profitability

Countermeasures: maintain close contact with the foreign exchange units of banks, attain information pertaining to fluctuations in exchange rates and suggestions on ways to hedge these risks at any given time. Reasonably adjust the accounts that consist of solely foreign currency to lower the risk of fluctuations in exchange rates.

g. The debt ratio is too high

Countermeasures: Proactively improve profitability, effectively control cash flow and reduce operational cost.

h. Valuing work safety awareness

Countermeasures: effectively implement safety education and training for five minutes before shifts, carry out regular safety training and drills, and enhance the safety awareness of all employees in the factory; implement hierarchical management and control of areas with greater risks; strengthen the management and control of dangerous operations in the factory, implement in accordance with the "12345" requirements, and strengthen the safety of foreign manufacturers. safety awareness; every year, the plant president leads a team to conduct 4 major inspections of safety production of the entire factory, and implement the main responsibility of the company's safety production.

i. Raw material shortage and price increase

Countermeasures: Maintain long-term transaction with strategic suppliers and also maintain active interaction between the high-level managements of both parties to avoid material interruption crisis and maintain cost advantages, continue to develop new suppliers, increase material selection manufacturers and create healthy competition. Strengthen internal cost management system, reduce idle material and the waste of it, adjust and remain sufficient inventory according to the order-placing situation of the market. Maintain a stable and close cooperative relationship with the major suppliers and obtain the fluctuating price information of upstream and downstream raw materials and the changes in production capacity at any time, so as to adjust the inventory level in advance to reduce the impact brought from price increases.

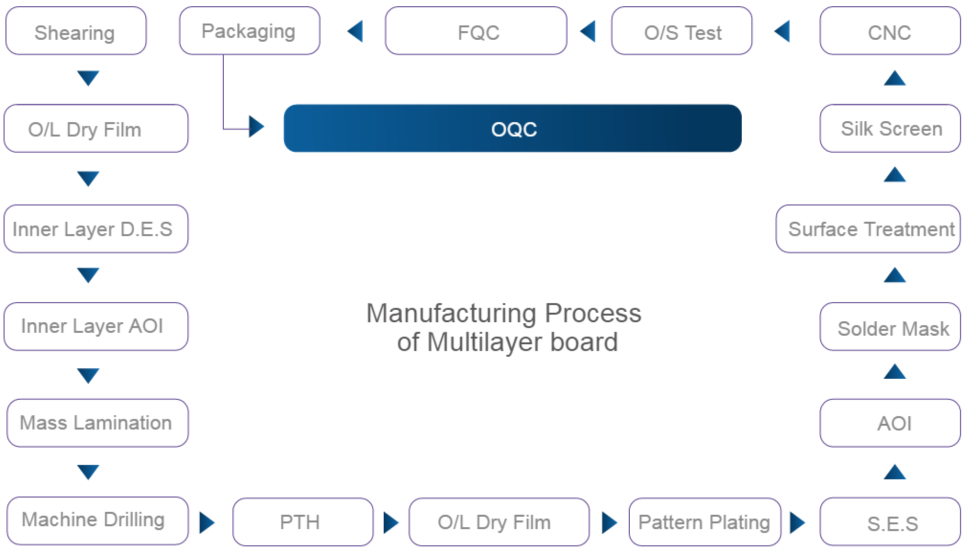
(B) Important Applications and Production Processes of Major Products

1. Important Applications of Major Products

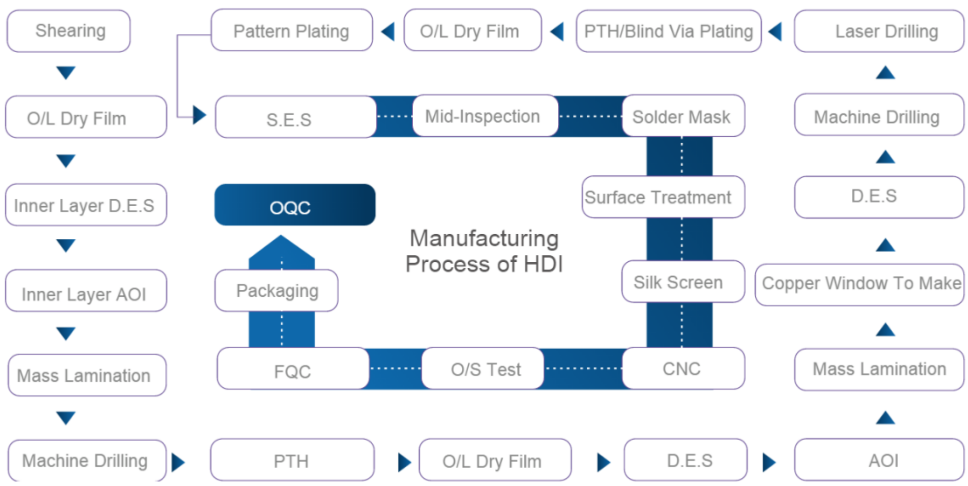
Product Type	Major Applications
Multilayer PCB	Automotive, Display, Storage devices, Communication board, Server, Industrial computers etc.
HDI	AI server, Camera module, ADAS, Area controller, Smart cockpit, Autonomous driving, Display panels, Solid state drives, Memory modules, Wearable devices, Communication modules, Robots, Medical products, etc.
High-frequency PCB	Car radar, Power amplifiers, Filters, Smart road networks, Antennas, Macro site, Micro site, Satellite receiver etc.

2. Manufacturing Process

(1) Conventional



(2) HDI



(C) Supply Status of Major Raw Materials

The Company's primary raw materials include laminate, copper foil, and prepreg etc. Primary purchasing sources are domestic vendors that have all established long-term, stable relationships with the Company to assure quality, price, delivery date, service, and stable availability.

Procurement continued to ensure a balance between supply and demand both inside and outside the plant, during which time it was affected by the rise in international prices of precious metals and the rapid increase in demand and shortage of high-end materials.

We concentrated our resources to ensure the total amount as the priority, at the same time, coordinating emergency needs. Up to now, the materials can satisfy the total production needs of the group, keeping the deliveries stable. Purchasing costs are negotiated based on the total amount of the group, Reduce raw material purchase costs by combining the company's future factory expansion plans and strategic cooperation intentions. The primary vendors of each of the primary raw material are listed below:

Major Raw Material	Major Supplier
Core	Sheng-yi, Iteq, Nanya, EMC, Jinbao, Wazam, Nanya New Materia, Doosan
PP	Sheng-yi, Iteq, Nanya, EMC, Jinbao, Wazam, Nanya New Materia, Doosan
Dry Film	Eternal Materials, Chang Chun, First
Copper Foil	Nanya, Shandong Jindu, Co-Tech, Huitong, TCF

(D) For the recent two years, please list all vendors/ customers who have exceeded 10% of the Company’s total purchasing/ selling for any given year, including the amount of its purchase/ sales amount and ratio, and explain the reasons of the changes in decreases/ increases.

1. Major vendors for the most recent two years:

Unit: NTD thousands

	2024 Consolidated				2025 Consolidated			
Item	Name	Amount	% of that year's net purchasing	Relationship with the issuer	Name	Amount	% of that year's net purchasing	Relationship with the issuer
1	A	1,216,560	13.02	None	A	1,678,586	14.6	None
2	Others	8,130,489	86.98	None	B	1,385,486	12.05	None
					Others	8,433,844	73.35	None
	Net purchasing	9,347,049	100		Net purchasing	11,497,916	100	

Analysis: The company's main purchases are substrates, glass fiber films, copper foil, etc. In the past two years, Two suppliers accounted for more than 10% of the annual net purchases. The proportion of purchases from specific manufacturers increased in 2025, mainly due to changes in product structure.

2. Major customers for the most recent two years:

Unit: NTD thousands

	2024 Consolidated				2025 Consolidated			
Item	Name	Amount	% of that year's net sales	Relationship with the issuer	Name	Amount	% of that year's net sales	Relationship with the issuer

1	B	2,552,989	14.35	None	B	2,373,926	12.2	None
2	C	1,745,457	9.81	None	Others	17,079,035	87.8	None
	Others	13,488,558	75.84	None				
	Net sales	17,787,004	100		Net sales	19,452,961	100	

Analysis: The company mainly sells automotive boards to customer B. Due to the market demand, the sales proportion to this customer has decreased in recent years.

(E) Production output quantity and value for the past two years

Unit: thousands square feet; thousands piece; NTD thousands

Year / qty/value / Major products	2024			2025		
	Capacity	Quantity	Value	Capacity	Quantity	Value
Printed Circuit Board	34,950	32,354	13,219,414	39,600	35,058	15,877,028

Note 1: Production capacity means after factoring necessary halts and holidays, the quantity that the Company is capable of producing under normal operations with present production equipment.

Note 2: Since production of each layer of product can replace and support each other, hence the overall production capacity is disclosed.

(F) Sales volume for the past two years

Unit: thousands piece; NTD thousands

Year / qty/value / Major products	2024				2025			
	Domestic sales		Export		Domestic sales		Export	
	Q'ty	Value	Q'ty	Value	Q'ty	Value	Q'ty	Value
Printed Circuit Board	901	1,001,490	30,634	16,727,855	1,625	1,742,198	32,585	17,632,367
Module	-	52,842	-	-	-	66,618	-	-
Others		-	-	4,817		-	-	11,778
Total	901	1,054,332	30,634	16,732,672	1,625	1,808,816	32,585	17,644,145

C. From the most recent two years to the date on the annual report, the number of workers, average years of service, average age, and distribution ratios of education

Year - consolidated		2024/12/31	2025/12/31	2026/4/30
Number of workers	Direct workers	5,275	5,962	6,739
	Indirect workers	833	871	917
	Total	6,108	6,833	7,656
Average age		33.28	32.89	32.45
Average years of service		3.68	3.41	3.1
Distribution of education	Master	0.62%	0.53%	0.35%
	University	59.69%	55.23%	54.56%
	High school	9.14%	14.05%	15.37%
	Below high school	30.55%	30.19%	29.72%

D. Environmental Expenditure Information

(A) Total amount of Environmental Expenditure

Kunshan plant: Total environmental expenditure of year 2025 was RMB 16.1 mil.
Huangshi plant: Total environmental expenditure of year 2025 was RMB 46.34 mil.
Thailand Plant (Construction stage): The total environmental protection expenditure in 2025 is RMB 162.13 million.

In the most recent year and as of the publication date of the annual report, the losses caused due to environmental pollution and the future countermeasures against it: None

E. Employer and Employee Relations

(A) List out various employee welfare measures, advanced studies, training, retirement plan and its implementation, as well as negotiations between the employers and employees and steps taken to maintain various employee benefits

1. Employee welfare measures

Employees are important company assets. To provide adequate care to the employees, in addition to full compliance to the Labor Law, the Company has various other measures to take care of its employees.

(1) Offers free meals.
(2) Refined kitchenette with fair trade coffee.
(3) Free uniform.
(4) Free parking lot.
(5) The Company sponsors and encourages students to participate in healthy activities such as marathon.
(6) Set up suggestion box for unfair treatment and ensures that suggestions are answered.
(7) Employee group insurance.
(8) Implement year-end bonus, holiday bonuses, performance bonus, and dividend structure.
(9) Whenever an employee of the Company gets married, gives birth, dies or becomes amputated, there is always aid or pension etc.
(10) Employee health check-up on a routine basis every year.
(11) Set up medical grade blood pressure and sphygmic-meters to help employees monitor their health.
(12) Set up library and employees can borrow books for free.
(13) On-site and external skills training program for employees.
(14) Foreign language classes for employees.
(15) Aid for continuing education training for employees, and professional class for senior management.
(16) Various employee activities such as tourism and staff gatherings.
(17) Employees self-organizing clubs of their references, the company grants subsidies, enriches life after work and enhances horizontal communication channels.

2. Continuing studies and training system

Our primary training plan includes educational training for new recruits, managerial capacity training, professional skills training, quality enhancement training, liberal arts class training etc. And the Company also conducts transferred personnel job training and employee job rotation, so that employees can be familiar with different kinds of work and learn different techniques. In 2023, the actual hours of education and training per person are as the following: Taoyuan

Operation Center 20.04 hours, Kunshan Plant 36.64 hours, and Huangshi Plant 22.04 hours.

3. Retirement Structure

(1) Since Jul. 1, 2005, The Company has implemented labor retirement policy, and utilizes a defined contribution system. Upon implementation, an employee is able to choose from between retirement policies in the Labor Standards Act, or to use this policy and to keep the working years prior to its implementation. After July 2005, complying with the government policy of using individual retirement reserved fund accounts, the Company sets 6% of labor salary as labor retirement reserved funds, and saves this amount in the individual labor retirement reserved fund account.

(2) In order to offer employees more flexibility in planning their career and life, the Company has successfully established the management policy for the golden handshake, and reported this to the authorities for approval.

(3) Under the planning of the remuneration committee in year 2010, the Company will entrust the manager retirement management policy, in order to establish a more comprehensive personnel retaining system.

(4) Regulations for the Management of the Workers' Retirement

a. Voluntary retirement

A worker may apply for voluntary retirement under any of the following conditions:

- Those who have worked in the company for more than fifteen years and have reached the age of fifty-five.
- Those who have worked in the company for more than 25 years.
- Those who have worked for more than ten years and have reached the age of sixty.

b. Mandatory retirement

A worker shall be forced to retire under any of the following conditions:

- Those who are 65 years of age or older.
- Loss of mind or physical disability to perform the job.
- According to the Labor Standards Act Article 55, Paragraph 1, Subparagraph 2, an additional 20% shall be given to workers forced to retire due to disability incurred from the execution of their duties.

c. Preferential retirement conditions

Employee whose age and job tenure total more than 60 can apply to the company for preferential retirement and apply for retirement pensions in accordance with the old retirement system of Labor Law.

d. Employee pension payment standard is as follows:

The job tenure that is applicable before and after the Labor Standards Act and the choice of remaining with the "Labor Standards Act" pension regulation according to the Labor Pension Act or keeping the job tenure that is applicable before the Labor Pension Act, the pensions are issued in accordance with Article 84-2 and Article 55 of the Labor Standards Act.

- For the workers by the old retirement system who voluntarily retire or forced to retire, the pension payment standards are as follows:

Two bases are given for each full year of service rendered. But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The length of service is calculated as half year when it is less than six months and as one year when it is more than six months.

- (1~15 years)×2 base + (16 years~)×1 base≦45 base.
- For employees who are eligible for the new labor retirement system, the company will contribute 6% (or more) of their monthly wages to their employees' retirement pensions on monthly basis.

e. Voluntary retirees should fill out an employee retirement application form for approval before applying for the pension.

f. The retirement pension of the resigned employee shall be paid within 30 days from the date of retirement; the pension application that meets the job tenure of the new retirement system shall be processed in accordance with the new system of labor retirement regulations.

4. Other important agreements and various measures to protect employee benefit

(1) The employers and employees of the Company mostly utilize communications to solve various problems and maintain positive communication channels, in order to build mutual understanding and effectively enhance the coherence of all employees.

(2) The Company routinely hosts employer-employee meetings, including various departmental meetings, employee benefit committee meetings, employer-employee meetings, retirement fund supervisory committee, Occupational Safety and Health Committee, and Industrial Safety Conference etc., with the objective of understanding employee needs and attaining mutual understanding.

(3) The Kunshan factory has set up a personnel dispute mediation room in the factory. Any personnel disputes are first mediated in the factory. If the mediation is unsuccessful, then apply to labor arbitration for a ruling. If the parties involved are not satisfied with the ruling, they can appeal to the people's court for a ruling. The Kunshan plant was awarded of Harmonious Labor Relations Enterprise by the Suzhou City in 2021, and in July 2023, it was rated as a 2022 Kunshan City A-level labor security credit unit. In August 2025, the Company was once again recognized as a "2024 Kunshan City Grade A Unit for Labor Credibility."

(B) Clearly list out losses sustained from employee-related disputes from the most recent year to the date on the annual report, and disclose estimates (in dollar amount) of what could happen currently and in the future and their countermeasures. If unable to provide a reasonable estimate, a company should explain the facts that it is unable to rationally estimate.

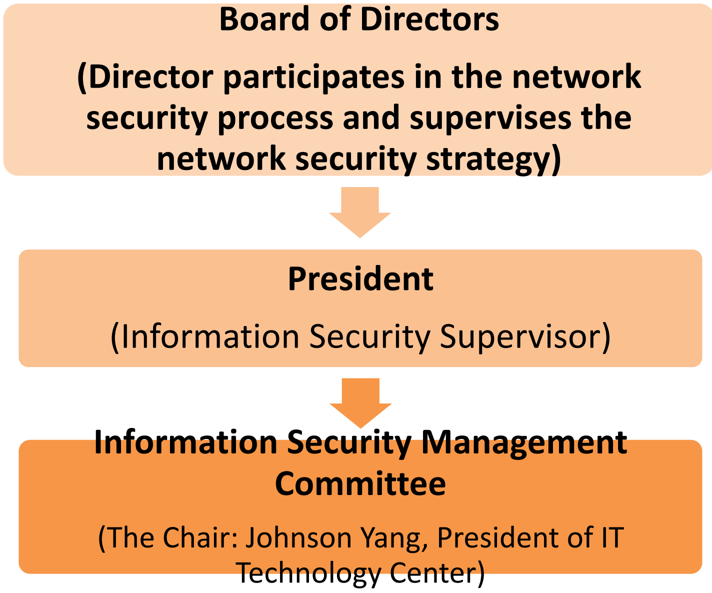
1. Neither Kunshan Factory nor Huangshi Factory had loss for labor disputes in 2025.
2. In the future, the Company will continue to maintain positive employer-employee relationship through emphasizing employee benefit measures and providing smooth communication channels. The Company does not anticipate that any

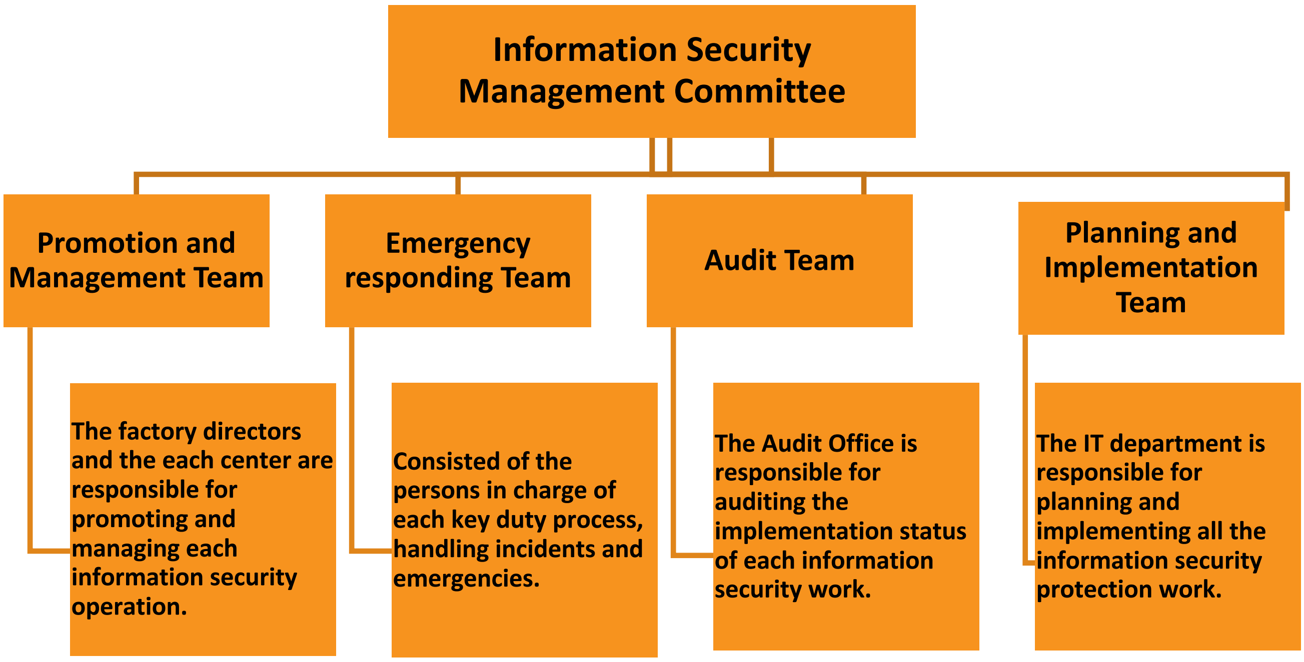
significant employee-related disputes will occur, nor will it lead to any significant losses in the future.

F. Information security management

(A) Elaboration on the information security risk management framework, the information security policy, the specific management plan, and the resources invested in the information security management, etc.

1. Information Security Risk Management Framework:





(1) The company established the "Information Security Management Committee" on August 5, 2020, which is responsible for the governance, planning and promotion of the group's information security, so as to build the company's comprehensive information security defense capabilities and colleagues' good information security awareness. The General Manager of the Information Technology Center serves as the chairman and reports to the President. Information security risks are regularly assessed and reported to the board of directors.
(2) The president of the Information Technology Center will serve as the chairman, report to the General Manager of the Company, and regularly assess information security risks and report to the board of directors.

2. Information Security Policy:
(1) The information security policy of Dynamic Holding Co., Ltd. applies to the company and its domestic and overseas subsidiaries.
(2) Comply with international information security standards and local information security laws and regulations.
(3) Provide customer information and important information assets of the company with appropriate protection measures to maintain normal and continuous operation of the company.
(4) Establish information security management standards that comply with laws and regulations and customer needs.

3. Specific management plan:
- Automatically perform website and system vulnerability scans on a regular basis.
- Sign regular contracts with external security companies to ensure that all software services installed on end systems, including IT and OT equipment, are kept up to date and all vulnerabilities have been patched.
- Manage and monitor movable company equipment.
- Import the bastion host and perform multi-factor authentication for maintenance personnel.
- Firewall integration and replacement to improve protection.
- Information security management system certification ISO 27001:2013 has been revised to ISO 27001:2022.
- Daily tape offline backup, weekly cloud offline backup; regular restore drills every six months to avoid blackmail.
- Regularly review the legality of account permissions, remove account permissions of resigned employees, and regularly change internal passwords.
- Provide regular information security training to senior managers and lower-level employees to effectively establish information security defense lines.
- Regularly conduct information security incident response drills.
- Use Sangfor Internet Behavior Management System for web page filtering, behavior control, traffic management, prevention of intranet leaks, prevention of regulatory risks, Internet security, etc.; set up firewalls and anti-virus walls to block malicious attacks and viruses from spreading to the internal network, and prevent Unauthorized users enter the system; use the WhatsUp system to monitor the network status of servers, switches and other equipment.
- Reported to the board of directors on December 15, 2023 and December 16, 2024.
- No data breaches from 2023 to 2025.

4. Investing in the resources of information security management:
- There are currently 8 people in charge of information security, and we are continuing to add more people.
- The current construction cost of information security software and hardware equipment is approximately NT$55.82 million.
- The budget for information security in 2026 is approximately NT$18 million.

5. Number of personnel receiving information security education and training, and their hours:
- Course name: Information security and confidentiality awareness training
- In 2025, 6,697 people received information security education and training, with a total of 6,344 hours.

(B) List the losses, possible impacts and countermeasures suffered by major information security incidents in the most recent year as of the date of publication of the annual report. If it is impossible to estimate reasonably, the fact that it cannot be reasonably estimated shall be stated: None

G. Important Contracts: none.

VI. Review and Analysis of Financial Conditions and Performance, and Risk Management

A. Analysis of Financial Conditions

Unit: NTD thousands

Item \ Year	2024 (Consolidated)	2025 (Consolidated)	Variance	
			Amount	%
Current Assets	12,686,696	17,781,362	5,094,666	40.16
Property, Plant and Equipment	17,603,500	20,126,337	2,522,837	14.33
Other Assets and Intangible Assets (Including Funds and Investments)	612,138	737,096	124,958	20.41
Total Assets	30,902,334	38,644,795	7,742,461	25.05
Current Liabilities	17,571,317	13,577,864	(3,993,453)	(22.73)
Non-current liabilities	5,250,680	12,403,401	7,152,721	136.22
Total Liabilities	22,821,997	25,981,265	3,159,268	13.84
Common Stock	2,776,746	2,835,746	59,000	2.12
Capital Surplus	2,987,714	5,453,145	2,465,431	82.52
Retained Earnings	2,016,503	2,348,972	332,469	16.49
Other Equity	299,374	2,025,667	1,726,293	576.63
Total Equity	8,080,337	12,663,530	4,583,193	56.72

Analysis and explanation of the increase and decrease in the ratios:

1. Increase in current assets: Primarily driven by the growth in business operations, which consequently led to an increase in cash and cash equivalents, accounts receivable, and inventories.
2. Increase in real estate, plant and equipment: Primarily attributable to the increase in capital expenditures for the Thailand plant.
3. Other assets and intangible assets (including funds and investments): Primarily attributable to the increase in deferred tax assets.
4. Increase in current liabilities: Primarily because the company implemented a capital increase by cash and raised long-term loans to cover capital expenditures and repay short-term borrowings, aimed at improving the financial structure.
5. Increase in total liabilities: Primarily due to the increase in long-term borrowings, accounts payable, and deferred income tax liabilities.
6. Increase in retained earnings: Primarily driven by profits generated in fiscal year 2025.
7. Increase in other items of shareholders' equity: Primarily attributable to the fact that the Company did not subscribe to the subsidiary's cash capital increase in proportion to its original shareholding percentage, which consequently resulted in an increase in the relevant capital surplus and non-controlling interests.

B. Analysis of Financial Performance

(1) Main reasons of major changes in revenue, net operating profit and net profit before tax in the most recent two years

Unit: NTD thousands

Item \ Year	2024	2025	Variance	
			Amount	%
Net Operating Revenue	17,787,004	19,452,961	1,665,957	9.37
Operating Cost	13,676,707	15,691,276	2,014,569	14.73
Gross Profit	4,110,297	3,761,685	(348,612)	(8.48)
Operating Expense	2,573,101	2,601,845	28,744	1.12
Operating Income (Loss)	1,537,196	1,159,840	(377,356)	(24.55)
Non-Operating Income and Expenses	30,392	(99,422)	(129,814)	(427.13)
Income Before Tax (Loss)	1,567,588	1,060,418	(507,170)	(32.35)
Income Tax (Fee) Interests	(492,049)	(279,132)	212,917	43.27
Net Income (Loss)	1,075,539	781,286	(294,253)	(27.36)
Other Comprehensive Income (Net Income After Tax)	507,487	118,693	(388,794)	(76.61)
Total Comprehensive Income	1,583,026	899,979	(683,047)	(43.15)

Analysis and explanation of the increase and decrease ratio:
1. Operating income: Primarily driven by the growth in operating performance.
2. Operating costs: Primarily due to the increase in revenue and the rising production volume at the Thailand Plant.
3. Operating expenses: Decreased primarily because the benefits of the Thailand Plant have not yet manifested during its initial stage of operation.
4. Non-operating income and expenses: Primarily driven by the increase in finance costs.
5. Income tax expense: Primarily due to the decrease in net income before tax.
6. Other comprehensive gains and losses for the current period: Decreased primarily due to exchange differences on translation of financial statements of foreign operations, which were affected by exchange rate fluctuations.
7. Total comprehensive profit or loss for the period: Decreased primarily due to the reduction in net income for the period and exchange differences on translation of financial statements of foreign operations.

(2) Sales Forecast and its basis. Possible impact on the company's future financial business and response plans. Due to the many uncertainties in the environmental aspects in 2026, the company has set the main direction for 2026 by integrating the evaluation of the company's strengths and market trends:

Production capacity: According to customer demand, the Thailand plant is continuously expanding its advanced capacity in 2026.

Technology type: Including multi-layer boards, high-density interconnect boards.

Product application type:

(1) Automotive boards: Customer demand is relatively stable, and there are continued new product and part numbers. We collaborate deeply with customers in the direction of advanced driver assistance systems, smart cabins, and autonomous driving.

(2) Networking and servers: Including cloud and enterprise servers and AI server.

(3) Storage devices: Demand for memory modules is increasing.

C. Cash Flow

(1) Analysis of changes in cash flow in the most recent year

Item \ Year	2024	2025	Increase (Decrease) %
Cash flow percentage	9.68%	4.36%	(54.96)%
Cash flow adequacy ratio	47.30%	29.24%	(38.18)%
Cash reinvestment ratio	5.91%	0.5%	(91.54)%
Analysis of changes in increase (decrease) percentage: The main reason for the decrease in operating cash flow is that the company's operations continued to grow in 2025, the balance of accounts receivable that had not been collected by the end of the year according to the customer's payment terms was relatively high, and the company increased its procurement and inventory preparation in response to order demand.			

(2) Improvement plan for insufficient cash flow: not applicable

(3) Analysis of cash liquidity for the coming Year

Cash amount from beginning of the period (A)	Projected Net Cash Flow from the Year's Operation (B)	Projected Cash Outflow for the Entire Year (C)	Projected Cash Balance (A + B – C)	Contingency Plans for Projected Insufficient Cash Position	
				Investment Plan	Financial Management Plan
$5,526,274	$3,713,230	$(5,175,916)	$4,063,588	-	-

Note: In addition to its existing working capital, the Company maintains ample bank credit facilities and, when necessary, may secure funding through financial institution financing or other fundraising channels to support its capital requirements

D. Impacts of Major Capital Expenditures in the Most Recent Year on Financial Operation:

(1) Use of major capital expenditures and sources of funds

The Group's capital expenditure in 2025 is NT$6,011,712 thousand, which was mainly for the expansion construction of the Thailand factory and Huangshi factory. The source of funds was mainly from its own funds or bank borrowings; this capital expenditure will help the Group's overall production capacity and output in the future. If the Group has a capital other expenditure plan, the financial situation at the time and the expected return in the future will be taken into consideration, which is unlikely to affect the financial business of the Group.

(2) Expected benefit

In order to strengthen the competitiveness of quality and cost, Huangshi Plant has transformed its production and manufacturing processes to automation, intelligence and informatization, improving automated production capabilities through information collection, analysis and control. Continues to build an automated production factory in Thailand with the experience of setting up Huangshi Plant. Keep expanding business in domestic and overseas markets and enhance the company's future competitiveness.

E. Reinvestment Policies, Main Reasons of Profit and Loss and Improvement Plans in the Most Recent Year and Investment Plans for the Coming Year

Unit: NTD/ foreign currency thousands

Description / Item	Amount of reinvestment profit (loss)	Policy	Major reasons of profit or loss	Improvement plan	Investment plan for the coming year
Dynamic Electronic Co., Ltd.	860,484	Investment holdings	Recognition of investment income	-	-
WINTEK(MAURITIUS) CO., LTD.	1,065,958	Investment holdings	Recognition of reinvestment income	-	-
Dynamic Electronics Holding Pte. Ltd.	UDS34,153	Investment business	Recognition of reinvestment income	-	-
Dynamic Electronic Co., Ltd.	1,132,729	Production site	Operating profit	-	-
Dynamic Electronic (Kunshan) Co., Ltd.	173,219	Production site	Operating profit	-	-
Dynamic Electronics Co., Ltd. (Seychelles)	CNY214,274	Trading business	Operating profit	-	-
Dynamic Electronics Overseas Investment Holding Pte. Ltd.	CNY(217,827)	Management operation and investment business	Recognition of reinvestment losses	It is a holding company, owning 99.99% of the shares of Dynamic Technology Manufacturing (Thailand) Co., Ltd. It is expected that as the learning curve of the Thailand plant improves in the future, operations will be enhanced.	-
CHIANAN TECHNOLOGY CO., LTD.	1,585	Mockup manufacture	Operating profit	-	-
CHENG CHONG TECHNOLOGY CO., LTD.	1,691	Mockup manufacture	Operating profit	-	-
Dynamic Technology Manufacturing (Thailand) Co., Ltd.	USD(30,314)	Production site	Operational loss	In the initial stage of operations, the company has not yet achieved profitability. It is expected that as the learning curve improves in the future, operations will be enhanced.	-

F. Sources of Risk

(A) Impacts of interest rate, currency exchange rate fluctuation and inflation on the Company's income and response measures in the future

Unit: NTD thousands

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Impacts on Company's profit/loss</th><th rowspan="2">Response Measures</th></tr>
<tr><th>Year / Item</th><th>2024</th><th>2025</th></tr>
<tr><td rowspan="2">Interest Rate</td><td>Interest Income</td><td>37,095</td><td>15,267</td><td rowspan="2">The Company periodically observes market interest trends and evaluates capital sources according to bank deposit savings and applicable capital planning to reduce operation risks.</td></tr>
<tr><td>Interest Expense</td><td>465,396</td><td>564,102</td></tr>
<tr><td>Changes in Exchange Rate</td><td>Net profit/loss from Exchange</td><td>266,002</td><td>228,551</td><td>1. The sales of the Group's products are mainly for export, mainly receiving U.S. dollars. In terms of procurement, except for some raw materials purchased abroad, the purchase of raw materials in China is paid in RMB. Therefore, exchange rate fluctuations still have a certain degree of impact on the Group.
2. In order to avoid company's profit being slashed by excessive fluctuations in exchange rates, the Company strengthened the exchange rate risk control, and to take the following measures:
A. Collect daily exchange rate information in order to fully grasp the exchange rate trend and make timely decision on converting or holding foreign currency to reduce exchange rate risks.
B. In terms of foreign exchange capital allocation, exchange rate risk can be reduced by the offset of foreign currency claims and liabilities through regular export and imported goods transaction.
C. For payables denominated in foreign currencies, determine the exchange rate movements and analyze exchange gains and losses, decide whether to repay early or to pay with a bank loan, in order to avoid the risk of exchange rate fluctuations, and to achieve the purpose of cost savings.
D. Consult with bank foreign exchange sector about hedging strategy, make decision for foreign currency according to funding requirements and the exchange rate situation, in order to reduce operational risk.
E. When the exchange rate has a greater volatility, use other tools to avoid exchange risks, such as the transaction of forward foreign exchange and other manipulations, in order to avoid the risk of changes in exchange rates.</td></tr>
<tr><td>Inflation</td><td>-</td><td>-</td><td>-</td><td>In recent years, domestic and foreign markets are facing the problem of inflation, although both have a negative impact on the overall economy and individual; the company may have the relative change in the product cost, selling price and market demand, The Group keeps track of the fluctuations in the market price of upstream raw materials and maintains a good interaction with suppliers. In the future, the Group will continue to closely observe changes in the price index, analyze the impact of inflation on the company, and adjust raw material</td></tr>
</table>

Item	Impacts on Company's profit/loss			Response Measures
	Year / Item	2024	2025	
				inventory in a timely manner to tackle the pressure from inflation.

(B) Major Reasons for Transaction Policies, Profit or Loss from Engaging in High-risk and Hyper-leveraged Investments, Fund Lending, Endorsement/ Guarantee and Derivatives and Correspondent Procedures and Response Measures

The Group does not engage in high-risk, high-leverage investments, and conducts fund allocation and hedging activities based on the principle of conservativeness and stability.
The company complies with relevant operating procedures, it also regularly make announcements and declarations in accordance with the regulations of the competent authority when engages in fund loans, endorsement guarantees and derivative commodity transactions.

a. Loan funds to others: As of the date of publication of the annual report, the Group's fund loans have been limited to the company and its subsidiaries.
b. Endorsement guarantee: As of the date of publication of the annual report, the objects of endorsement guarantee provided by the Group have been limited to the company and its subsidiaries.
c. Situation of the Company's Derivatives Trading:
The Group's current derivatives transactions are mainly forward foreign exchange transactions to reduce the Group's foreign exchange risk. On the basis of the consolidated financial statements, foreign currency exchange gains and losses in 2025 were classified under the current profit and loss, with a net profit of NT$228,551 thousand, the hedging effect is adequate. The Group regularly assesses risks and reports them to the Board of Directors on a quarterly basis. Continues to observe foreign currency exchange rate trends and operate pre-sold forward foreign exchange appropriately within the limits approved by the Board of Directors to reduce the Group's risks in holding U.S. dollar assets.

(C) R&D Plans and Estimated Expenses in Coming Years
a. The R&D plan for 2026 includes: 5G telecom/datacom small cell process capability build up and samples, High-end Server, Switch, Mini LED Display process capability establishment and sample production, embedded component products, heat dissipation management products (Coin, Cavity, Edge plating, copper paste) , 6oz up thick copper) process capability establishment and sample, high frequency base station, satellite antenna product process capability establishment.
b. It is expected that the R&D budget to be invested in 2026 will be NTD1,225,314 thousand.

(D) Effects of domestic/foreign policy changes and law amendments on the Company’s finance and response measures

a. In terms of Taiwan’s regulatory environment, Company Act, Income Tax Act, Personal Data Protection Act, and Environmental Impact Assessment Act..etc.…None of the above amendments are of major impact. We shall just follow the new revised principles and regulations. We always pay attention to the amendments to laws, regulations and policies as well as the company's long-term development and daily operations, and incorporate them into the company's governance and management development strategies in a timely manner.

b. In terms of China's regulatory environment, The primary focus centers on socio-economic and labor-related fields, which encompass national laws such as the Foreign Trade Law, the Maritime Code, the Cybersecurity Law, the Environmental Protection Law, and the Anti-Unfair Competition Law.

Furthermore, regarding provincial local regulations, Jiangsu Province has revised several key legislative measures, including the Regulations on Human Resources Market, the Regulations on Promoting Economic and Cultural Exchanges and Cooperation with Taiwan, the Regulations on the Protection of Women's Rights and Interests, the Measures for the Implementation of the Trade Union Law, and the Regulations on Promoting the Transformation of Scientific and Technological Achievements. Additionally, its regional framework covers the Regulations on Optimizing the Business Environment, the Regulations on Promoting Low-Altitude Economy, the Regulations on Promoting Scientific and Technological Innovation, the Regulations on Promoting Patents, the Regulations on Social Credit, the Regulations on Promoting the Digital Economy, the Data Regulations, and the Regulations on Production Safety.

Concurrently, Hubei Province has also revised various local legal frameworks, which comprise the Data Regulations, the Measures for the Implementation of the Law on the Protection of Women's Rights and Interests (Special Protections for Female Employees), the Measures for the Implementation of the Law on the Protection of Persons with Disabilities (Labor and Employment), the Regulations on Collective Contracts, the Regulations on Enterprise Trade Unions, the Regulations on Democratic Management of Enterprises, the Regulations on Optimizing the Business Environment, and the Regulations on Elevator Safety (Use, Maintenance, and Inspection).

(E) Effects of technology development (including information security) and industry changes on the Company’s finance and response measures

Following the electronic technology expanding to communications, personal mobile devices and Internet communities, the company's PCB have also been successfully extended to 5G communications, server, satellite communication and networking product, storage devices, electric vehicle, internet, wearable devices and medical equipment and other fields. The company pays close attention to the changes in technology and industry, while constantly sophisticated our technology development and process capabilities, also to adjust the strategy to cope with the changes in the market at all time. The company continues to expand the security software and hardware equipment to maintain the company's information security, protect the company's important confidential information, and ensure no interruption in production and no leakage of internal and customer confidential information.

(F) Effects of changes of corporate images on the Company’s crisis management and response measures: Not applicable

(G) Expected Benefits, Risks and Response Measures in Mergers and Acquisitions: None

(H) Possible risks and response measures and expected benefits from plant expansion: Construction of Thailand factory:

1. Expected benefits: The Thailand factory is a highly intelligent and automated smart factory with a more advanced and innovative design than the Huangshi No. 2 factory. It focuses on high-end multilayer boards and HDI technology, including the application of high-frequency and high-speed materials. The products will be used in AI servers, storage devices, automobiles and other fields, and will become an important breakthrough for us to enter the high-end AI server and switch market.
2. Possible risks and countermeasures:
   (1) Risk: Debt ratio is too high and financing is difficult
   Countermeasures: Improve high-end process capabilities and increase gross profit margins; reduce scrap rates and increase profits.
   (2) Risk: long-term funding gap, affecting subsequent investment planning
   Response measures: To optimize capital market fundraising and syndicated loan planning while strengthening budget controls.

(I) Risks and Response Measures in Concentration in Purchase and Sales
In the recent two years, Two of the company’s suppliers account for over 10% of the company’s purchasing net amount, and the highest percentage is 14.6% of the company’s total purchase amount, so there is no risk caused by excessive concentration. In the recent two years, One of the company’s customers accounts for over 10% of the company’s sales net amount, and the highest percentage is 14.35% mainly because the company is committed to improving the product portfolio of automotive boards, but there is no situation where the sales are too concentrated that might lead to risks.

(J) Impacts, Risks and Response Measures in Changes or Transfer in Directors, Supervisors and Substantial Shareholders with Shareholdings Greater than 10%: Not applicable.

(K) Impact, Risks and Response Measures in Changes of Ownership: Not applicable.

(L) With regard to litigation or non-litigation events, the name of its board directors, supervisors, Presidents, major shareholders holding greater than 10% of outstanding shares and the Company's subsidiaries should be stated. With regard to litigation (whether pending or for which a verdict has been reached), non-litigation or administrative appeals involving the Company, and the results may greatly affect the rights of its shareholders and bond prices, the Company shall disclose the details of the disputes, the amount involved, the litigation starting dates, primary litigants, and the status as of the publishing date of the annual report:

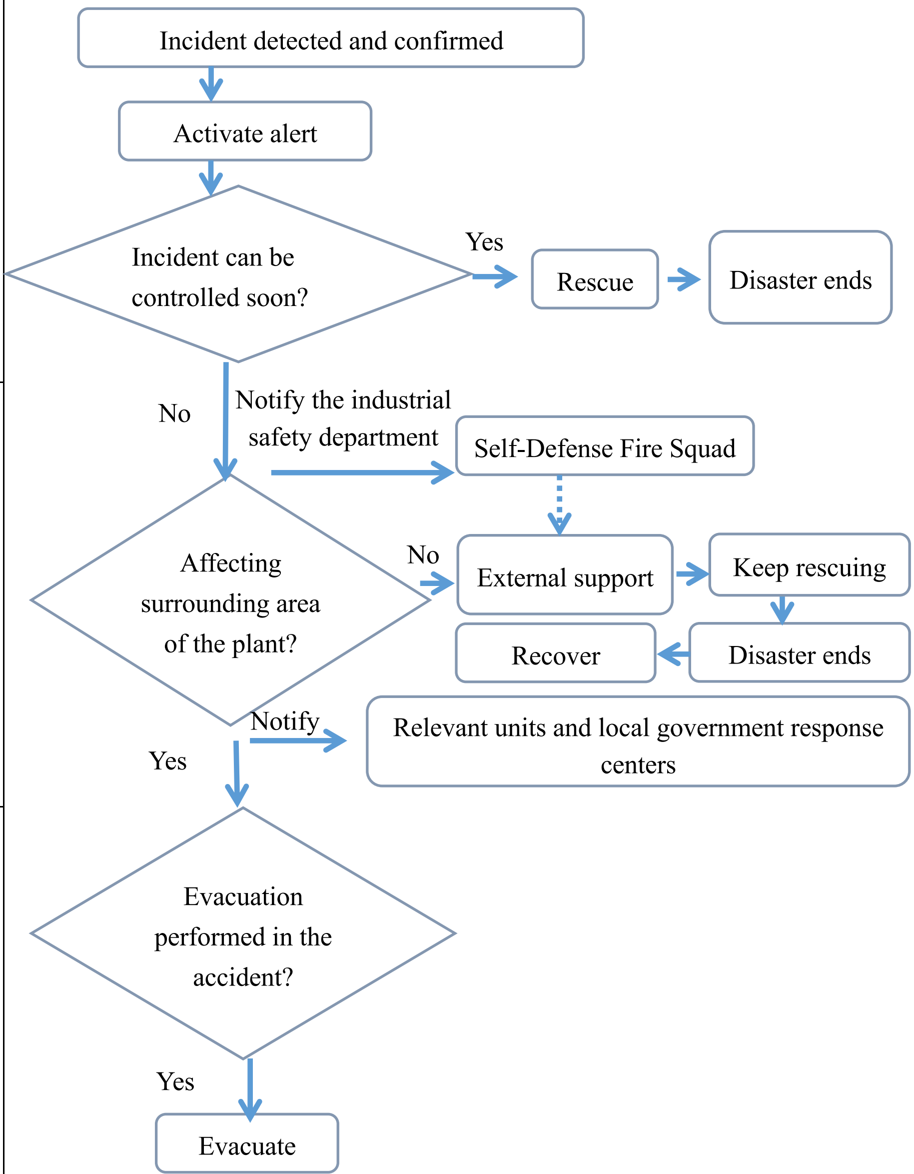
None of the Company's directors, president and subsidiaries - Kunshan Plant and Huangshi Plant is in a lawsuit, non-litigation and administrative disputes whose results may have a significant impact on the company's shareholders' equity or prices of securities.

(M) Other Major Risks and Response Measures:

1. Assessment of Risk Issues

In 2025, the Risk Management Committee identified and evaluated a total of six key risk issues: US tariff wars, strategic-level market demand fluctuations, price wars, competition in high-end segments, technological transformation risks, and operational talent retention risks. The respective responsible departments have formulated targeted mitigation plans. Following review and approval by the Audit Committee, these matters were formally reported to the Board of Directors, and continuous tracking remains actively underway.

2. Preparations and Response Procedures for Emergency Situations

<table>
<tr><th>Phase</th><th>Procedure</th></tr>
<tr><td>Response of phase 1</td><td rowspan="3">
</td></tr>
<tr><td>Response of phase 2</td></tr>
<tr><td>Response of phase 3</td></tr>
</table>

3. Other incidents impacting normal operation:

Department	Operational functions	Incident handling	Acceptable recovery time	Operational function ranks
Corporate Operational Risk Office	• External spokesperson for crisis events • Risk assessment and hazard identification of recovery process • Assessment and analysis of Corporate's available recovery resources • Participate in recovery plan progress planning • Risk analysis for recovery decisions • Continuous monitoring of crisis risks	Formulate and announce relevant press releases on recovery work, provide relevant recovery information to customers, manufacturers, investors, news media and government units in a unified manner, and supervise and control the progress of the recovery plan.	24 hours	Extremely important
Human Resources	Production Line Operation (Maintain stable and sufficient production manpower)	1) Short term: i. Through flexible allocation of personnel between production lines ii. Establish recovery shift schedule and group operation process iii. Activating the mechanism for deputy iv. Urgent recruitment of new manpower v. Condolences to injured colleagues and help deal with the aftermath vi. Assist in the payment of allowances and consolation payments 2) Mid-term: Continue to strengthen employee relationships through retaining employees, reducing turnover rates, adjusting promotion channels etc., and at the same time continue to expand external recruitment channels, including internal referral, internal recruitment, Internet, school recruitment, headhunter, etc., to achieve stable acquisition. The manpower required to achieve operational goals. 3) Long-term: Improve the overall quality of personnel and achieve a high degree of equipment automation and information automation.	short term: 24 hours Mid-term: 1 month Long-term: 1 year	Important
Official affairs	Production line operation (Maintain the operation of the equipment)	1) Confirmation of loss of facilities in the factory 2) Recovering the equipment planning and installation of the site 3) Develop recovery production schedule	8 hours	Important

		4) Activate emergency maintenance of material preparation system 5) Equipment recovery test 6) Online trial operation		
Factory Affairs	Water, gas and electricity supply (water outage, power outage, etc.)	1) Dispatch temporary power generation facilities to maintain the operation of important equipment. 2) Add temporary storage tanks and dispatch water trucks for temporary use by important production lines. 3) Complete the restoration of public facilities as soon as possible.	8 hours	extremely important
Procureme nt	Raw material supply (Supplier emergencies)	1) Urgently contact relevant suppliers to confirm the damage to upstream and downstream suppliers 2) Check the inventory in plant and supplier's available inventory. 3) Find other ways to purchase backup resources and conduct related emergency procurement operations 4) Collect manufacturer information of substitute raw materials, maintain normal supply of customer products by purchasing substitute materials when necessary. 5) Smooth procurement processes and channels 6) Order new equipment or parts to replace damaged equipment 7) Assist in clearing and transporting damaged equipment	24 hours	Important
Environme ntal safety	Environmental safety issues (Response to sudden environmental pollution accidents)	1) Activate emergency preparation plan and reserve emergency response materials and personnel. 2) Activate the emergency wastewater storage tank to ensure that contaminated wastewater does not affect the external environment and normal production capacity of the factory. 3) Plan separate storage and clearance for waste and discarded equipment after a disaster	4 hours	Extremely important
Environme ntal safety	Environmental safety issues (Emergency response to sudden fires and safety incidents)	1) Activate corresponding emergency preparation plans and safe operating practices for recovery work. 2) Establish a temporary medical station during the recovery period 3) Strengthen the control of people entering and exiting the rebuilt area 4) Strengthen safety and health promotion work during recovery work 5) Activate the safety and health audit during the recovery work	0.5 hour	Extremely important
Environme ntal safety	In-plant blockage from pandemic	1) Analysis and evaluation of business trips to epidemic areas. 2) Activate epidemic prevention measures of the factories and customer service centers in epidemic areas.	1 week	Important

Information technology	Information security issues (Virus infected devices, response to hacker's hacking)	1) Check the host computer for damage 2) If it is a hacker or virus, IT will immediately isolate the network segment and find out the cause of the infection. 3) When information leakage is discovered, the unit to which the data belongs will evaluate the importance of the leaked information and notify legal affairs to handle it in accordance with the law. 4) Confirm that the hardware facilities are restored and back online 5) Off-site backup data recovery 6) Assist various departments to restore interrupted computer systems 7) Activate temporary information management center	12 hours	Important
Manageme nt	Public disaster (Handling of employee injuries and food poisoning, operation of general affairs)	1) Cross-department communication within the company 2) Organization and allocation of useful corporate recovery resources 3) Take photos and record the restoration process 4) Assist in insurance claim filing 5) Provide daily living and catering supplies for employees 6) Construction and planning of temporary work spaces 7) Meeting minutes related to the recovery plan	24 hours	Important
Finance Department	Support post-disaster financial needs	1) Raising and allocation of recovery funds 2) Maintain normal salary payment 3) Investigation of property losses caused by disasters and accidents 4) Assist in insurance claims settlement 5) Establish a strategy to stabilize the company's stock price after a disaster	1 week	Important
Production and marketing	Maintain production schedule operations	1) Check abnormal production and sales needs 2) Activate partner-Factory supports production and distribution. 3) Make arrangements for off-site support.	24 hours	Important
Sales Department	Stability of existing business	1) Continuously communicate with customers 2) Pacify customers and stabilize the market 3) Survey and analysis of post-disaster market share 4) Competitor market dynamics survey	1 week	Important
Customer Service	After-sales product quality maintenance	1) Establish a post-disaster product maintenance and warranty mechanism	1 month	Minor

		2) Establish a temporary customer service center 3) Keep customer service communication channels open and smooth 4) Provision of reliable product information		
legal office	Handling of legal affairs	1) Handle penalties and lawsuits caused by disasters and accidents 2) Assist the company in handling complaints from relevant stakeholders	1 month	Minor

G. Other Important Matters: none.

VII. Affiliated Companies and Other Special Disclosures

A. Related Information on Affiliated Companies

(A) Subsidiaries and Affiliated Companies Business Organization Structure
Submitted to TWSE, (https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

(B) Basic Information of Subsidiary and Affiliated Companies:
Submitted to TWSE, (https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

(C) Information about Directors, Supervisors, and Managers of Subsidiary and Affiliates:
Submitted to TWSE, (https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

(D) Operation Results of Affiliated Companies
Submitted to TWSE, (https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

(E) The most recent year's report is prepared according to the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises". The Company's 2025 report (starting from January 1st , 2025 to December 31st , 2025) "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" should include consolidated business reports and consolidated financial statements of affiliated enterprises, and according to Article 27 of International Accounting Standards, the parent and subsidiary companies' consolidated financial statements should be identical, the consolidated business reports and consolidated financial statements of affiliated enterprises are already stated within the consolidated financial statements for the parent and subsidiary companies, therefore there will be no separate preparation for consolidated business reports and financial statements of affiliated enterprises.

B. Private Placement Securities in the Most Recent Year and as of the Publishing Date of the Annual Report: none.

C. Company's Shares Held or Transferred by Subsidiaries in the Most Recent Year and as of the Publishing Date of the Annual Report: none.

D. Other Supplementary Information: none.

E. Pursuant to the Article 36-2-2 of Security Exchange Act, Event Having Material Impact on Shareholders' Equity or Share Price in the Most Recent Year and as of the Publishing Date of the Annual Report: none.

VIII. Other Information Disclosures

A. Precautionary Measures for a Safe Working Environment and Personnel Security

(A) Occupational safety measures for Taoyuan Operations Center in 2025

1. In order to ensure a comfortable and bright office space for employees, an examination agency is appointed to examine indoor carbon dioxide and illumination every year, and environmental improvements are made based on the monitoring results.
2. Conduct firefighting seminars and drills every six months to help colleagues familiarize with the use of firefighting equipment and the escape routes. Hold health management lectures from time to time to provide colleagues with workplace health care knowledge.
3. Every two years, a medical institution approved by the Occupational Safety and Health Administration will conduct health checkup for all employees. In addition to legal items, additional abdominal ultrasound and liver function related tests will be added.
4. Low-fat, low-salt healthy lunch boxes are provided for lunch every day on work days, enabling colleagues to gradually change their eating habits.

(B) Occupational safety measures for Kunshan plant in 2025

1. The number of incidents in 2024 was 6 (3 work-related injuries and 3 traffic accidents), while the number in 2025 was 2 (2 work-related injuries), a decrease of 67%.
2. The two accidents in 2025 involved employees with more than 5 years of service. These employees, who have long been performing their duties, should be considered more unlikely to work-related injuries. Analysis revealed that both accidents were caused by overconfidence and negligence. After strengthening the standard operating procedures on site, no similar work-related injuries have occurred.

(C) Occupational safety measures for Huangshi plant in 2025

1. In 2024, a total of 11 occupational injuries were recorded. This figure rose to 15 incidents in 2025, representing a year-on-year increase of 36%
2. An analysis of the primary causes of occupational injuries in 2025 reveals that apart from 5 commuting/traffic accidents, the remaining incidents fell into two major categories: inadequate equipment maintenance and personnel failure to wear personal protective equipment (PPE).
3. In terms of corrective and preventive actions, safety officers have been deployed to conduct daily, rotating safety briefings and case study reviews across all departments during morning assemblies, alongside the formulation of a structured safety training program. Concurrently, relevant maintenance projects

have been integrated into the plant engineering team's equipment inspection checklists to ensure regular auditing and preventative maintenance.

(D) Occupational safety measures for Thailand plant in 2025

1. Nine incidents occurred in 2025, primarily due to on-site personnel focusing solely on production and neglecting safety, resulting in insufficient safety training.
2. Currently, the workplace safety department conducts monthly safety training sessions on different themes to improve the safety awareness of all employees. The next phase plan involves regional safety awareness campaigns and training targeting specific risk sources in each unit.

(E) Both Kunshan Factory and Huangshi Factory successfully passed the ISO14001 & ISO45001 supervision and audit to ensure the effective operation of the environmental and industrial safety management systems of the two factories.

B. Material Insider Information Non-Disclosure Procedure

The Company has established the “Material Insider Information Non-Disclosure Procedure”, the authority 【Chairman Office】should notify supervisors and employees to be aware of whether there is important information to be disclosed according to law regulations. Furthermore, in order to reduce risks of inside trading, 【Chairman Office】 should annually promote awareness to the supervisors and employees, and request all personnel above the level of management, related personnel of financial and audit departments signing the “Material Information Confidentiality Agreement”.

IX. Statement on Internal Control System

Dynamic Holding Co., Ltd.

Statement on Internal Control System

Date: Mar. 6, 2026

According to self-inspected results, the Company's internal control system of 2025 is stated in the following:

1. The Company understands the board of directors and Presidents' responsibility to establish, implement and maintain the Company's internal control system. The Company has established such regulations, intending to achieve objectives regarding effectiveness and efficiency (including profit, performance and ensuring asset security etc.) of operations, reliability, timeliness, transparency, and regulatory compliance of reporting, as well as compliance with applicable laws, regulations, and bylaws, providing reasonable guarantee.
2. The internal control system has its intrinsic limits, no matter how complete the design, effective internal control can only provide reasonable guarantee for meeting the three aforementioned objectives; along with environmental and conditional changes, effectiveness of internal control regulations may change also. However, self-inspection mechanisms have been established into the Company's internal control system, the Company will take actions to fix a deficiency once it has been identified.
3. According to the "Regulations Governing Establishment of Internal Control Systems by Public Companies", (hereafter referred to as the Guideline) regulating the criteria for internal control systems effectiveness, the Company has assessed the effectiveness of the design and implementation of its internal control system. Intended for management and control processes, the Guideline's criteria for assessing internal control systems is comprised of five constituent elements: 1. Control environment, 2. Risk assessment, 3. Control activities, 4. Information and communications, and 5. Monitoring activities. Every element is comprised of further constituents. Please see "the Guideline "for the aforementioned elements.
4. The Company has assessed the effectiveness of the design and effectiveness of its internal control system according to the aforementioned internal control system criteria.
5. The assessment results show that as of December 31st , 2025, the Company's internal control system (including inspection and management of its subsidiaries), is effective in its design and implementation, meeting objectives including its effectiveness and efficiency (including profit, performance and ensuring asset security etc.) of operations, reliability, timeliness, transparency, and regulatory compliance of reporting, as well as compliance with applicable laws, regulations, and bylaws, providing reasonable guarantee in achieving the aforementioned objectives.
6. This Statement will become a main content item in the Company's Annual Report and its public announcements, and will be made public. Contents described above containing fraudulent materials, undisclosed items, or other illegalities, will incur legal responsibility under Articles 20, 32, 171, and 174 of the Securities Transaction Law.
7. This Statement was approved by the directors attending the Company's Board of Directors meeting on Mar. 6, 2026, among the 7 attendees, there were 0 dissenting opinions.

Dynamic Holding Co., Ltd.

Chairman: Ken Huang Signature

President: Jean Liu Signature

X. Auditor's Report and 2025 Financial Statements

Audit Committee's Review Report

It is agreed to and resolved by the Audit Committee and the Board of Directors that the company's 2025 Financial Statement was audited and certified by Ernest & Young, who is designated by the Board of Directors; and an audit report which refers to the Financial Statement was issued.

In addition, the Company's business report, financial statement and Earnings Distribution Table of 2025 which were submitted by The Board of Directors have been considered to be compliant with the relevant regulations of Company Law after having them reviewed by the Audit Committee of Dynamic Holding Co., Ltd. According to article 219 of Company Law, we hereby submit this report.

To
2026 Annual Meeting of Shareholders of Dynamic Holding Co., Ltd.

Chairman of the Audit Committee: Yi-chia Chiu

March 6th, 2026

MANAGEMENT REPRESENTATION LETTER

The entities that are required to be included in the combined financial statements of Dynamic Holding Co., Ltd. as of and for the year ended December 31, 2025, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Accounting Standard No. 27, “Consolidated and Separate Financial Statements.” In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Dynamic Electronics Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

DYNAMIC HOLDING CO., LTD.

By

KEN HUANG

Chairman

Mar. 6, 2026

EY 安永
Building a better working world

安永聯合會計師事務所

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English Translation of a Report Originally Issued in Chinese

AUDIT REPORT OF INDEPENDENT AUDITORS

To: The Board of Directors
Dynamic Holding Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Dynamic Holding Co., Ltd. (the "Company") and its subsidiaries as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2025 and 2024, and their consolidated financial performance and cash flows for the years then ended, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

The Company's consolidated revenue amounted to NT$19,452,961 thousand for the year ended December 31, 2025. The Group has conducted these sale activities in multi-marketplace, including Taiwan, China, Asia and Europe, etc. Furthermore, the timing of fulfilling performance obligation needs to be determined based on varieties of sale terms and conditions enacted in the main sale contracts or sale orders. We therefore conclude that there are significant risks with respect to the topic of revenue recognition.

Our audit procedures therefore include, but not limit to, evaluating the appropriateness of accounting policy for revenue recognition, the effectiveness of relevant internal controls related to revenue recognition, sampling-test of details, including obtaining major sale orders or agreements to check if the terms and conditions are consistent with the fulfillment timing, performing analytical review procedures on monthly sale revenues, and executing sale cut-off tests, etc. In addition, we evaluated the adequacy of disclosures regarding revenue in Note 4 and 6 to the consolidated financial statements.

Provision against inventory

The Company and its subsidiaries' inventory amounted to NT$4,359,676 thousand, representing 11% of consolidated total assets as of December 31, 2025. The application market of the Group's main products, PCB, has been developing and changing rapidly and influenced significantly by end-customers' preference. The management therefore has to closely monitor the status of new products development and market demand for evaluating any significant impairment, including loss from market decline and slow-movement, incurred toward inventory. Also there was significant management judgement involved in determining the sufficiency of inventory loss provision. With respect to the key audit matter – provision against inventory, our audit procedures include, but not limit to, evaluating the appropriateness of inventory provision policy including how to identify the phased-out or slow-moving items, testing the correctness of inventory aging report, analyzing the reasons for slow-moving inventory, performing observation on the Company and its subsidiaries' inventory physical taking, and looking into the status of inventory utilization. In addition, we evaluated the adequacy of the disclosures regarding inventory in Note 5 and 6 to the consolidated financial statements.

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Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Company and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2025 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have audited and expressed an unqualified opinion on the parent-company-only financial statements of the Company for the year ended December 31, 2025 and 2024.

/s/Lo, Hsiao Chin

/s/Chang, Chih Ming

Ernst & Young
March 6th, 2026
Taipei, Taiwan,
Republic of China

<u>*Notices to Readers*</u>
The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China on Taiwan and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China on Taiwan.

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

As of December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Assets			As of December 31, 2025		As of December 31, 2024	
Code	Accounts	Notes	Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	4, 6(1)	$5,526,274	14	$2,849,250	9
1136	Financial assets measured at amortized cost	4, 6(2), 8	44,716	-	-	-
1150	Notes receivable, net	4, 6(3), 8	478,967	1	408,424	1
1170	Accounts receivable, net	4, 6(4)	6,361,050	17	5,252,665	17
1200	Other receivables		167,105	1	171,451	2
1220	Income tax assets	4, 6(24)	285	-	1,747	-
1310	Inventories, net	4, 6(5)	4,359,676	11	3,226,752	10
1410	Prepayments		842,623	2	748,363	2
1470	Other current assets		666	-	28,044	-
	Total current assets		17,781,362	46	12,686,696	41
15xx	Non-current assets					
1600	Property, plant and equipment	4, 6(6), 8, 9	18,472,852	48	15,475,105	50
1755	Right-of-use assets	4, 6(20), 8	378,603	1	398,381	1
1780	Intangible assets	4, 6(7), 6(8)	71,353	-	78,857	-
1840	Deferred tax assets	4, 6(24)	221,920	1	107,191	1
1900	Other non-current assets	6(9)	65,220	-	27,709	-
1915	Prepayment for equipment	6(6)	1,653,485	4	2,128,395	7
	Total non-current assets		20,863,433	54	18,215,638	59
	Total Assets		$38,644,795	100	$30,902,334	100

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese
DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)
As of December 31, 2025 and 2024
(Amounts Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity			As of December 31, 2025		As of December 31, 2024	
Code	Accounts	Notes	Amount	%	Amount	%
21xx	Current liabilities					
2100	Short-term loans	6(10), 8	$4,345,081	11	$7,988,526	26
2130	Contract liabilities	4, 6(18)	2,234	-	850	-
2150	Notes payable		189	-	189	-
2170	Accounts payable		4,363,487	12	3,852,344	13
2200	Other payables	6(11)	3,096,533	8	5,092,349	16
2230	Current tax liabilities	4, 6(24)	86,652	-	74,720	-
2280	Lease liabilities	4, 6(20)	2,443	-	2,719	-
2300	Other current liabilities		53,660	-	41,739	-
2322	Current portion of long-term loans	6(12), 8	1,211,029	3	141,343	1
2365	Refund liabilities	4, 6(13)	416,556	1	376,538	1
	Total current liabilities		13,577,864	35	17,571,317	57
25xx	Non-current liabilities					
2540	Long-term loans	6(12), 8	10,470,645	27	3,562,179	12
2570	Deferred tax liabilities	4, 6(24)	1,200,993	3	974,456	3
2580	Lease liabilities	4, 6(20)	316	-	2,776	-
2630	Long-term deferred revenue	4, 6(14)	638,263	2	634,997	2
2645	Guarantee deposits		93,184	-	76,272	-
	Total non-current liabilities		12,403,401	32	5,250,680	17
	Total liabilities		25,981,265	67	22,821,997	74
31xx	Equity attributable to shareholders of the parent					
3100	Capital	6(16)				
3110	Common stock		2,835,746	7	2,776,746	9
3200	Capital surplus	6(16)	5,453,145	14	2,987,714	10
3300	Retained earnings	6(16)				
3310	Legal reserve		221,623	1	116,549	-
3320	Special reserve		299,666	1	389,953	1
3350	Accumulated profit or loss		1,827,683	5	1,510,001	5
3400	Other components of equity		167,530	-	106,440	-
36xx	Non-controlling interests	6(16)	1,858,137	5	192,934	1
	Total equity		12,663,530	33	8,080,337	26
	Total liabilities and equity		$38,644,795	100	$30,902,334	100

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Accounts	Notes	2025		2024	
			Amount	%	Amount	%
4000	Operating revenues	4, 6(18)	$19,452,961	100	$17,787,004	100
5000	Operating costs	6(5)	(15,691,276)	(81)	(13,676,707)	(77)
5900	Gross profit		3,761,685	19	4,110,297	23
6000	Operating expenses					
6100	Sales and marketing expenses		(465,457)	(2)	(588,050)	(3)
6200	General and administrative expenses		(1,235,227)	(6)	(1,252,031)	(7)
6300	Research and development expenses		(904,754)	(5)	(733,369)	(4)
6450	Expected credit gains (losses)	4, 6(19)	3,593	-	349	-
	Operating expenses total		(2,601,845)	(13)	(2,573,101)	(14)
6900	Operating income		1,159,840	6	1,537,196	9
7000	Non-operating income and expenses	6(22)				
7100	Interest income		15,267	-	37,095	-
7010	Other income		236,406	1	250,128	2
7020	Other gains and losses		213,007	1	208,565	1
7050	Finance costs		(564,102)	(3)	(465,396)	(3)
	Non-operating income and expenses total		(99,422)	(1)	30,392	-
7900	Income from continuing operations before income tax		1,060,418	5	1,567,588	9
7950	Income tax expense	4, 6(24)	(279,132)	(1)	(492,049)	(3)
8200	Net income		781,286	4	1,075,539	6
8300	Other comprehensive income (loss)	6(23)				
8360	May be reclassified to profit or loss in subsequent periods					
8361	Exchange differences arising on translation of foreign operations		118,693	1	507,487	3
	Total other comprehensive income (loss), net of tax		118,693	1	507,487	3
8500	Total comprehensive income (loss)		$899,979	5	$1,583,026	9
8600	Net income attributable to:					
8610	Shareholders of the parent		$748,981	4	$1,050,739	6
8620	Non-controlling interests		32,305	-	24,800	-
			$781,286	4	$1,075,539	6
8700	Total comprehensive income attributable to:					
8710	Shareholders of the parent		$810,071	4	$1,547,132	9
8720	Non-controlling interests		89,908	1	35,894	-
			$899,979	5	$1,583,026	9
9750	Earnings per share - basic (in NT$)	6(25)	$2.70		$3.78	
9850	Earnings per share - diluted (in NT$)	6(25)	$2.70		$3.78	

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

		Equity Attributable to Shareholders of the Parent								
				Retained Earnings			Other Components of equity			
		Capital	Capital surplus	Legal reserve	Special reserve	Accumulated profit or loss	Exchange differences arising on translation of foreign operations	Total	Non-controlling Interests	Total equity
Code	Items	3100	3200	3310	3320	3350	3410	31XX	36XX	3XXX
A1	Balance as of January 1, 2024	$2,776,746	$2,981,296	$16,209	$324,242	$1,041,825	$(389,953)	$6,750,365	$156,899	$6,907,264
	Appropriation and distribution of 2023 earnings									
B1	Legal reserve			100,340		(100,340)		-		-
B3	Special reserve				65,711	(65,711)		-		-
B5	Cash dividends-common shares					(416,512)		(416,512)		(416,512)
D1	Net income for 2024					1,050,739		1,050,739	24,800	1,075,539
D3	Other comprehensive income (loss) for 2024						496,393	496,393	11,094	507,487
D5	Total comprehensive income (loss)	-	-	-	-	1,050,739	496,393	1,547,132	35,894	1,583,026
M7	Charges in ownership interest in subsidiaries		6,418					6,418	141	6,559
Z1	Balance as of December 31, 2024	$2,776,746	$2,987,714	$116,549	$389,953	$1,510,001	$106,440	$7,887,403	$192,934	$8,080,337
A1	Balance as of January 1, 2025	$2,776,746	$2,987,714	$116,549	$389,953	$1,510,001	$106,440	$7,887,403	$192,934	$8,080,337
	Appropriation and distribution of 2024 earnings									
B1	Legal reserve			105,074		(105,074)		-		-
B5	Cash dividends-common shares					(416,512)		(416,512)		(416,512)
B17	Reversal of special reserve				(90,287)	90,287		-		-
D1	Net income for 2025					748,981		748,981	32,305	781,286
D3	Other comprehensive income (loss) for 2025						61,090	61,090	57,603	118,693
D5	Total comprehensive income (loss)	-	-	-	-	748,981	61,090	810,071	89,908	899,979
E1	Capital increase by cash	59,000	559,586					618,586		618,586
M7	Charges in ownership interest in subsidiaries		1,899,255					1,899,255	(1,898,128)	1,127
N1	Share-based payments		6,590					6,590		6,590
O1	Non-controlling interests increase (decrease)							-	3,473,423	3,473,423
Z1	Balance as of December 31, 2025	$2,835,746	$5,453,145	$221,623	$299,666	$1,827,683	$167,530	$10,805,393	$1,858,137	$12,663,530

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	2025	2024	Code	Items	2025	2024
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Net income before tax	$1,060,418	$1,567,588	B00040	Disposal (acquisition) of financial assets measured at amortized cost	(44,716)	29,046
A20000	Adjustments:			B02700	Acquisition of property, plant and equipment	(6,011,712)	(5,196,975)
A20010	Income and expense adjustments:			B02800	Proceeds from disposal of property, plant and equipment	20,800	25,803
A20100	Depreciation (including right-of-use assets)	1,656,097	1,247,407	B03700	Decrease (increase) in refundable deposits	(24,860)	(18,035)
A20200	Amortization	25,779	18,088	B04500	Acquisition of intangible assets	(18,305)	(56,750)
A20300	Expected credit losses (gain)	(3,593)	(349)	B05350	Acquisition of right-of-use assets	-	(205)
A20400	Net loss (gain) of financial assets at fair value through profit or loss	-	823	B06700	Increase in other non-current assets	(23,554)	1,537
A20900	Interest expense	564,102	465,396	B09900	Increase (decrease) in long-term deferred revenue	71,664	69,035
A21200	Interest income	(15,267)	(37,095)	BBBB	Net cash provided by (used in) investing activities	(6,030,683)	(5,146,544)
A21900	Share-based payment expenses	7,717	6,559				
A22500	Loss (gain) on disposal of property, plant and equipment	(4,864)	2,455				
A23700	Impairment loss on non-financial assets	5,061	21,565				
A29900	Gain on government grants	(54,308)	(53,540)	CCCC	Cash flows from financing activities:		
A30000	Changes in operating assets and liabilities:			C00100	Increase in (repayment of) short-term loans	(3,643,445)	4,081,573
A31130	Notes receivable	(70,543)	(66,896)	C01600	Increase in long-term loans	8,380,060	1,859,241
A31150	Accounts receivable	(1,104,130)	(804,616)	C01700	Repayment of long-term loans	(375,881)	(2,731,121)
A31180	Other receivables	4,346	(73,554)	C03000	Increase (decrease) in guarantee deposits	16,912	(65,165)
A31200	Inventories	(1,132,924)	(966,370)	C04020	Payments of lease liabilities	(2,755)	(4,160)
A31230	Prepayments	(94,260)	(340,443)	C04500	Cash dividends	(416,508)	(416,512)
A31240	Other current assets	27,378	(16,409)	C04600	Capital increase by cash	618,586	-
A32125	Contract liabilities	1,384	(22,282)	C05800	Increase(decrease) in non-controlling interests	3,473,423	-
A32130	Notes payable	-	21	CCCC	Net cash provided by (used in) financing activities	8,050,392	2,723,856
A32150	Accounts payable	511,143	860,784				
A32180	Other payables	(166,243)	455,976				
A32230	Other current liabilities	11,921	1,564	DDDD	Effect of exchange rate changes on cash and cash equivalents	64,909	196,139
A32990	Refund liabilities	40,018	48,453				
A32000	Cash generated from operations	1,269,232	2,315,125				
A33100	Interest received	15,267	37,095				
A33300	Interest paid	(542,879)	(473,934)	EEEE	Net Increase (decrease) in cash and cash equivalents	2,677,024	(525,612)
A33500	Income tax paid	(149,214)	(177,349)	E00100	Cash and cash equivalents at beginning of period	2,849,250	3,374,862
AAAA	Net cash provided by (used in) operating activities	592,406	1,700,937	E00200	Cash and cash equivalents at end of period	$5,526,274	$2,849,250

(The accompanying notes are an integral part of the consolidated financial statements.)

1. History and organization

Dynamic Holding Co., Ltd. (hereinafter referred to as “the Company”) was approved and established on August 25, 2022 and listed for trading on the Taiwan Stock Exchange.

Dynamic Electronics (Taoyuan) Co., Ltd. (hereinafter referred to as “Dynamic Electronics (Taoyuan)”) applied for the establishment of Dynamic Holding Co., Ltd. by the board of directors on March 31, 2022 and the shareholder’s meeting on May 20, 2022 to acquire 100% equity of Dynamic Electronics (Taoyuan). The share swap is to exchange 1 common share of Dynamic Electronics (Taoyuan) for 1 common share of the Company and has been completed on August 25, 2022. On the same day, Dynamic Electronics (Taoyuan) became a 100% subsidiary of the Company and terminated the stock listing and public offering. The Company’s common stock was listed and traded under the stock code “3715” from the same day. The aforementioned share swap was an organizational restructuring under common control. The Company was actually the continuation of Dynamic Electronics (Taoyuan) Co., Ltd., and the parent company only financial statements for the comparative period were prepared as if the entities had been combined from the beginning.

The main activities of the Company and its subsidiaries (“the Group”) are mainly the manufacturing and processing of various electronic components, the design of microcomputers and peripheral equipment, the manufacturing and processing of integrated circuits and substrates, the manufacturing and processing of various circuit boards, the quotation, bidding, and distribution of products from domestic and foreign manufacturers as an agent, and the import and export trading business of the aforementioned products. The Company’s registered office and the main business location is at 6F., No. 50, Minquan Rd., Luzhu Dist., Taoyuan City 338, Taiwan (R.O.C.)

2. Date and procedures of authorization of financial statements for issue

The consolidated financial statements of the Company and its subsidiaries (“the Group”) were authorized to be issued in accordance with a resolution of the Board of Directors’ meeting held on March 6, 2026.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

3. Newly issued or revised standards and interpretations

(1) Changes in accounting policies resulting from applying for the first-time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised, or amended which are recognized by the Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after January 1, 2025. The adoption of these new standards and amendments had no material impact on the Group.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which have been endorsed by FSC, and not yet adopted by the Group as at the date when the Group's financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
A	IFRS 17 "Insurance Contracts"	January 1 , 2023
B	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 1 , 2026
C	Annual Improvements to IFRS Accounting Standards – Volume 11	January 1 , 2026
D	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	January 1 , 2026

(A) IFRS 17 "Insurance Contracts"

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after January 1 , 2023 (from the original effective date of January 1 , 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after January 1 , 2023.

(B)Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

a.Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.

b.Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.

c.Clarify the treatment of non-recourse assets and contractually linked instruments.

d.Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

(C)Annual Improvements to IFRS Accounting Standards – Volume 11

a. Amendments to IFRS 1

The amendments mainly improve the consistency in wording between first-time adoption of IFRS and requirements for hedge accounting in IFRS 9.

b. Amendments to IFRS 7

The amendments update an obsolete cross-reference relating to gain or loss on derecognition.

c. Amendments to Guidance on implementing IFRS 7

The amendments improve some of the wordings in the implementation guidance, including the introduction, disclosure of deferred difference between fair value and transaction price and credit risk disclosures.

d. Amendments to IFRS 9

The amendments add a cross-reference to resolve potential confusion for a lessee applying the derecognition requirements and clarify the term “transaction price”.

e. Amendments to IFRS 10

The amendments remove the inconsistency between paragraphs B73 and B74 of IFRS 10.

f. Amendments to IAS 7

The amendments remove a reference to “cost method” in paragraph 37 of IAS 7.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(D)Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments include:

a.Clarify the application of the ‘own-use’ requirements.

b.Permit hedge accounting if these contracts are used as hedging instruments.

c.Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

The abovementioned standards and amendments are applicable for annual periods beginning on or after January 1, 2026 and have no material impact on the Group.

(3) Standards or interpretations issued, revised or amended, by IASB which have not been endorsed by FSC, and not yet adopted by the Group as at the date when the Group’s financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
A	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
B	IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note)
C	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027
D	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)	January 1, 2027

Note: On 25 September 2025, the FSC announced in a press release that Taiwan will adopt IFRS 18 in 2028.

(A) IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors’ interests in the associate or joint venture.

(B) IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

a.Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities’ performance and make it easier to compare entities.

b. Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

c. Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

(C) Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This new standard and its amendments permit subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

(D) Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)

The amendments include:

a. Clarify that when the entity’s functional currency is that of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the entity shall translate its results and financial position using the closing rate at the date of the most recent statement of financial position.

b. In the above circumstances, when the presentation currency ceases to be hyperinflationary economy, the entity shall not retranslate amounts that arose before the beginning of the reporting period.

c. When the entity's functional currency and presentation currency are the currency of a hyperinflationary economy, the entity shall apply the relevant accounting treatment in accordance with paragraph 34 of IAS 29.

The above mentioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under (B), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

4. Summary of significant accounting policies

(1) Statement of compliance

The consolidated financial statements of the Group for the years ended December 31, 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations") and International Financial Reporting Standards, International Accounting Standards, and Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by the FSC.

(2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are presented in thousands of New Taiwan Dollars ("NT$") unless otherwise specified.

(3) Basis of consolidation

Preparation principle of consolidated financial statements

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has:

(A) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
(B) Exposure, or rights, to variable returns from its involvement with the investee, and
(C) The ability to use its power over the investee to affect its returns

When the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(A) The contractual arrangement with the other vote holders of the investee
(B) Rights arising from other contractual arrangements
(C) The Company's voting rights and potential voting rights

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Company loses control of a subsidiary, it:

(A) Derecognizes the assets (including goodwill) and liabilities of the subsidiary;
(B) Derecognizes the carrying amount of any non-controlling interest;
(C) Recognizes the fair value of the consideration received;
(D) Recognizes the fair value of any investment retained;
(E) Recognizes any surplus or deficit in profit or loss; and
(F) Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss, or transfer directly to retained earnings.

The consolidated entities are listed as follows:

			Percentage of Ownership (%)		
Investor	Subsidiary	Main businesses	Dec. 31, 2025	Dec. 31, 2024	Note
The Company	Dynamic Electronics (Taoyuan) Co., Ltd.	Investing activities	100.00%	100.00%	
The Company	CHIANAN TECHNOLOGY CO., LTD.	Mockup manufacture	70.00%	70.00%	
The Company	CHENG CHONG TECHNOLOGY CO., LTD	Mockup manufacture	70.00%	70.00%	
Dynamic Electronics (Taoyuan) Co., Ltd.	WINTEK (MAURITIUS) CO., LTD.	Investing activities	100.00%	100.00%	

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

			Percentage of Ownership (%)		
Investor	Subsidiary	Main businesses	Dec. 31, 2025	Dec. 31, 2024	Note
WINTEK (MAURITIUS) CO., LTD.	Dynamic Electronics Holding Pte. Ltd.	Investing activities	100.00%	100.00%	
Dynamic Electronics Holding Pte. Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	Manufacturing and selling of PCB	86.0989%	97.8541%	Note 2
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Electronics (Kunshan) Co., Ltd.	Manufacturing and selling of PCB	100.00%	100.00%	
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic PCB Electronics Co., Ltd.	PCB and business which relates to import and export	-%	-%	Note 1
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Electronics Co., Ltd. (Seychelles)	PCB and business which relates to import and export	100.00%	100.00%	
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Electronics Overseas Investment Holding Pte. Ltd. (referred to: Dynamic Overseas Investment)	Management operations services	100.00%	100.00%	

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

			Percentage of Ownership (%)		
Investor	Subsidiary	Main businesses	Dec. 31, 2025	Dec. 31, 2024	Note
Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Technology Manufacturing (Thailand) Co., Ltd (referred to: Dynamic Technology (Thailand))	Manufacturing and selling of PCB	0.01%	0.01%	
Dynamic Electronics Overseas Investment Holding Pte. Ltd. (referred to: Dynamic Overseas Investment)	Dynamic Technology Manufacturing (Thailand) Co., Ltd (referred to: Dynamic Technology (Thailand))	Manufacturing and selling of PCB	99.99%	99.99%	

Note 1: Dynamic PCB Electronics Co., Ltd. completed its dissolution process on October 3, 2024.

Note 2: The Company's subsidiary, Dynamic Electronics Co., Ltd. (Huangshi), was officially listed on the Shanghai Stock Exchange on October 24, 2025. On October 15, 2025, its board of directors approved to proceed a cash capital increase by issuing 52,500 thousand shares at a price of RMB 17.08 per share. The Company's subsidiary, Dynamic Electronics Holding Pte. Ltd., did not participate in the cash capital increase according to its original shareholding ratio, resulting in a decrease in its shareholding in Dynamic Electronics Co., Ltd. (Huangshi) from 97.8541% to 86.0989%.

(4) Foreign currency transactions

The Group's consolidated financial statements are presented in New Taiwan Dollar, which is the parent Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing rate of exchange ruling at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

(A) Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.

(B) Foreign currency items within the scope of IFRS 9 Financial Instruments are accounted for based on the accounting policy for financial instruments.

(C) Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(5) Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into New Taiwan Dollar at the closing rate of exchange prevailing at the balance sheet date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On disposal of the foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal recognized.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the NCIs in that foreign operation, instead of recognized in profit or loss. In partial disposal of an associate or jointly controlled entity that includes a foreign operation that does not result in a loss of significant influence or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(6) Current and non-current distinction

An asset is classified as current when:

(A) The Group expects to realize the asset, or intends to sell or consume it, in its normal operating cycle
(B) The Group holds the asset primarily for the purpose of trading
(C) The Group expects to realize the asset within twelve months after the reporting period
(D) The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

(A) The Group expects to settle the liability in its normal operating cycle
(B) The Group holds the liability primarily for the purpose of trading
(C) The liability is due to be settled within twelve months after the reporting period
(D) The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

(7) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(8) Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of IFRS 9 Financial Instruments are recognized initially at fair value plus or minus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

(A) Financial assets: Recognition and Measurement

The Group accounts for regular way purchase or sales of financial assets on the trade date.

The Group classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

(a) The Group’s business model for managing the financial assets and
(b) The contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as note receivables, trade receivables financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

(a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

(a) Purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.

(b) Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial asset measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

(a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:

(a) A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.

(b) When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

(c) Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

(i) Purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.

(ii) Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Group made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represent a recovery of part of the cost of investment.

Financial asset measured at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

(B) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the balance sheet.

The Group measures expected credit losses of a financial instrument in a way that reflects:

(a) An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
(b) The time value of money; and
(c) Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measures as follows:

(a) At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Company measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.

(b) At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.

(c) For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

(d) For lease receivables arising from transactions within the scope of IFRS 16, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Group needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for further details on credit risk.

(C) Derecognition of financial assets

Financial asset is derecognized when:

(a) The rights to receive cash flows from the asset have expired
(b) The Group has transferred the asset and substantially all the risks and rewards of the asset have been transferred
(c) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

(D) Financial liabilities and equity

Classification between liabilities or equity

The Group classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Compound instruments

The Group evaluates the terms of the convertible bonds issued to determine whether it contains both a liability and an equity component. Furthermore, the Group assesses if the economic characteristics and risks of the put and call options contained in the convertible bonds are closely related to the economic characteristics and risk of the host contract before separating the equity element.

For the liability component excluding the derivatives, its fair value is determined based on the rate of interest applied at that time by the market to instruments of comparable credit status. The liability component is classified as a financial liability measured at amortized cost before the instrument is converted or settled.

For the embedded derivative that is not closely related to the host contract (for example, if the exercise price of the embedded call or put option is not approximately equal on each exercise date to the amortized cost of the host debt instrument), it is classified as a liability component and subsequently measured at fair value through profit or loss unless it qualifies for an equity component. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. Its carrying amount is not remeasured in the subsequent accounting periods. If the convertible bond issued does not have an equity component, it is accounted for as a hybrid instrument in accordance with the requirements under IFRS 9 Financial Instruments.

Transaction costs are apportioned between the liability and equity components of the convertible bond based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

On conversion of a convertible bond before maturity, the carrying amount of the liability component being the amortized cost at the date of conversion is transferred to equity.

Financial liabilities

Financial liabilities within the scope of IFRS 9 Financial Instruments are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as at fair value through profit or loss. A financial liability is classified as held for trading if:

(a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
(b) On initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
(c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as at fair value through profit or loss when doing so results in more relevant information, because either:

(a) It eliminates or significantly reduces a measurement or recognition inconsistency; or
(b) A group of financial assets, financial liabilities or both is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the key management personnel.

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(E) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(9) Derivative instrument

The Group uses derivative instruments to hedge its foreign currency risks and interest rate risks. A derivative is classified in the balance sheet as financial assets or liabilities at fair value through profit or loss except for derivatives that are designated as and effective hedging instruments which are classified as financial assets or liabilities for hedging.

Derivative instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The changes in fair value of derivatives are taken directly to profit or loss, except for the effective portion of hedges, which is recognized in either profit or loss or equity according to types of hedges used.

When the host contracts are either non-financial assets or liabilities, derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not designated at fair value though profit or loss.

(10) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(A) In the principal market for the asset or liability, or
(B) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(11) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted for as follows:

Raw materials - By actual purchase cost with weighted average method
Finished goods and work in progress - Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(12) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 “Property, plant and equipment”. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	16~30 years
Machinery and equipment	1~10 years
Transportation equipment	3~6 years
Office equipment	1~6 years
Other equipment	1~5 years
Leasehold improvement	1 year

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(13) Leases

The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, has both of the following:

(A) The right to obtain substantially all of the economic benefits from use of the identified asset; and
(B) The right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Group for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximizing the use of observable information.

Group as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Group recognizes right-of-use asset and lease liability for all leases which the Group is the lessee of those lease contracts.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

(A) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
(B) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
(C) amounts expected to be payable by the lessee under residual value guarantees;
(D) the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
(E) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Group measures the lease liability on an amortised cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

(A) the amount of the initial measurement of the lease liability;
(B) any lease payments made at or before the commencement date, less any lease incentives received;
(C) any initial direct costs incurred by the lessee; and
(D) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Group measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Group accounted for as short-term leases or leases of low-value assets, the Group presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statement of comprehensive income.

For short-term leases or leases of low-value assets, the Group elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

(14) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as of the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit (CGU) level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

A summary of the policies applied to the Group's intangible assets is as follows:

	Computer software	Technology Expertise	Other intangible assets
Useful lives	1~5 years	3~5 years	5 years
Amortization method used	Amortized on a straight-line basis over the estimated useful life	Amortized on a straight-line basis over the estimated useful life	Amortized on a straight-line basis over the estimated useful life
Internally generated or acquired	Acquired	Acquired	Acquired

(15) Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 Impairment of Assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the recoverable amount of the asset or CGU. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized for the asset in prior years.

A CGU, or groups of CGUs, to which goodwill has been allocated is tested for impairment annually at the same time, irrespective of whether there is any indication of impairment. If an impairment loss is to be recognized, it is first allocated to reduce the carrying amount of any goodwill allocated to the cash generating unit (group of units), then to the other assets of the unit (group of units) pro rata on the basis of the carrying amount of each asset in the unit (group of units). Impairment losses relating to goodwill cannot be reversed in future periods for any reason.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(16) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The liability to pay a levy is recognized progressively if the obligating event occurs over a period of time.

(17) Revenue recognition

The Group's revenue arising from contracts with customers are primarily related to sale of goods. The accounting policies are explained as follow:

Sales of goods

The Group mainly manufactures and sells of its products. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main product of the Group is PCB and revenue is recognized based on the consideration stated in the contract. The remaining sales transactions are usually accompanied by volume discounts (based on the accumulated total sales amount for a specified period). Therefore, revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method. Revenue is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and when the uncertainty associated with the variable consideration is subsequently resolved. During the period specified in the contract, refund liability is recognized for the products expected to be returned.

The credit period of the Group's sale of goods is from 60 to 150 days. For most of the contracts, when the Group transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as trade receivables. The Group usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract. For some of the contracts, the Group has transferred the goods to customers but does not has a right to an amount of consideration that is unconditional, these contacts should be presented as contract assets. Besides, in accordance with IFRS 9, the Group measures the loss allowance for a contract asset at an amount equal to the lifetime expected credit losses.

(18) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(19) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the Group receives non-monetary grants, the asset and the grant are recorded gross at nominal amounts and released to the statement of comprehensive income over the expected useful life and pattern of consumption of the benefit of the underlying asset by equal annual installments. Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as additional government grant.

(20) Post-employment benefits

All regular employees of Dynamic and its domestic subsidiaries are entitled to pension plans that are managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with Dynamic and its domestic subsidiaries. Therefore, fund assets are not included in the Group's consolidated financial statements. Pension benefits for employees of the overseas subsidiaries and the branches are provided in accordance with the respective local regulations.

For the defined contribution plan, Dynamic and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due. Overseas subsidiaries and branches make contribution to the plan based on the requirements of local regulations and the contribution is expensed as incurred.

(21) Income tax

Income tax expense (benefit) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Shareholders' meeting.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in balance sheet at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(A) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

(B) In respect of taxable temporary differences associated with investments in subsidiaries, and associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

(A) Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

(B) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

According to the temporary exception in the International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12), information about deferred tax assets and liabilities related to Pillar Two income tax will neither be recognized nor be disclosed.

(22) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred, the identifiable assets acquired and liabilities assumed are measured at acquisition date fair value. For each business combination, the acquirer measures any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and are classified under administrative expenses.

When the Group acquires a business, it assesses the assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at the acquisition-date fair value. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognized in accordance with IFRS 9 Financial Instruments either in profit or loss or as a change to other comprehensive income. However, if the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured as the amount of the excess of the aggregate of the consideration transferred and the non-controlling interest over the net fair value of the identifiable assets acquired and the liabilities assumed. If this aggregate is lower than the fair value of the net assets acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purpose and is not larger than an operating segment before aggregation.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation. Goodwill disposed of in this circumstance is measured based on the relative recoverable amounts of the operation disposed of and the portion of the cash-generating unit retained.

5. Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(1) Fair values of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the income approach (for example the discounted cash flows model) or market approach. Changes in assumptions about these factors could affect the reported fair value of the financial instruments. Please refer to Note 12 for more details.

(2) Accounts receivable-estimation of impairment loss

The Group estimates the impairment loss of trade receivables at an amount equal to lifetime expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contract (carrying amount) and the cash flows that expects to receive (evaluate forward looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise. Please refer to Note 6 for more details.

(3) Inventory

Inventories are valued at the lower of cost and net realizable value item by item. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The change of market may also significantly influence the evaluation of inventory. For inventory details, please refer to Note 6 to the consolidated financial statements.

(4) Revenue recognition-sale returns and allowance

The Group estimates sales returns and allowance based on historical experience and other known factors at the time of sale, which reduces the operating revenue. In assessing the aforementioned sales returns and allowance, revenue is recognized to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Please refer to Note 6 for more details.

(5) Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective company’s domicile.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Deferred tax assets are recognized for all carryforward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies.

6. Contents of significant accounts

(1) Cash and cash equivalents

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Cash on hand	$1,572	$1,565
Checking and savings	5,444,702	2,767,685
Fixed-term deposits (Note)	80,000	80,000
Total	$5,526,274	$2,849,250

Note: The contract will expire within 3 months and it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value.

(2) Financial assets measured at amortized cost

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Restricted deposits	$44,716	$-
Current	$44,716	$-
Non-current	$-	$-

The Group transacts with financial institutions with good credit rating. Consequently, there is no material credit risk.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Please refer to Note 8 for more details on financial assets measured at amortized cost pledged as collaterals.

(3) Notes receivable, net

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Notes receivable arising from operating activities	$478,967	$408,424
Less: loss allowance	-	-
Total	$478,967	$408,424

(A) The Group follows the requirement of IFRS 9 to assess the impairment. Please refer to Note 6(19) for more details on loss allowance and Note 12 for details on credit risk.

(B) The Group has signed sale contracts with recourse rights for some of its notes receivable with financial institutions. Although the Group has transferred its rights in the cash flow contract of the notes receivable, it still has to bear the credit risk of the irrecoverability of the notes receivable according to the contract, which does not meet the conditions for delisting financial assets. The transaction-related information is as follows:

Party for sale	Amount transferred	Amount advanced (Note)	Interest Rate
As of Dec. 31, 2025			
None			
As of Dec. 31, 2024			
China Construction Bank and Agricultural Bank of China	$130,036	$130,036	Negotiate by per transaction

Note: Listed as short-term loans, please refer to Note 8 for information on short-term loans and related guarantees.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(4) Accounts receivable, net

(A) Details of accounts receivable, net are as follows:

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Accounts receivable arising from operating activities	$6,376,265	$5,272,135
Less: loss allowance	(15,215)	(19,470)
Total	$6,361,050	$5,252,665

(B) Accounts receivables were not pledged.

(C) Accounts receivables are generally on 60 to 150 day terms. As of December 31, 2025 and 2024, the total carrying amount were NT$6,376,265 thousand and NT$5,272,135 thousand, respectively. Please refer to Note 6(19) for more details on loss allowance of accounts receivable for the years ended December 31, 2025 and 2024. Please refer to Note 12 for more details on credit risk management.

(5) Inventories

(A) Details of inventories, net are as follows:

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Raw materials and supplies	$542,756	$339,189
Work in progress	1,223,760	818,236
Finished goods	2,593,160	2,069,327
Total	$4,359,676	$3,226,752

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(B) The cost of inventories recognized in expenses amounted to NT$15,691,276 thousand and NT$13,676,707 thousand for the years ended December 31, 2025 and 2024. The following losses were included in cost of sales:

Item	For the years ended December 31, 2025	2024
Inventory valuation losses (gains on recovery of inventory)	$66,721	$2,249

(C) Inventories were not pledged.

(6) Property, plant and equipment

	As of Dec. 31, 2025	Dec. 31, 2024
Owner occupied property, plant and equipment	$18,472,852	$15,475,105
Prepayment for equipment	1,653,485	2,128,395
Total	$20,126,337	$17,603,500

	Land	Buildings	Machinery and equipment	Transportation equipment	Office equipment	Other equipment	Lease improvement	Construction in progress and equipment to be examined (including prepayment for equipment)	Total
Cost:									
As of Jan. 1, 2025	$349,807	$11,305,581	$11,893,551	$37,779	$132,527	$593,570	$8,820	$2,269,847	$26,591,482
Additions	-	5,135	125,361	245	11,597	7,125	-	4,021,900	4,171,363
Disposals	-	-	(44,023)	(160)	(767)	-	-	-	(44,950)
Other changes	18,556	517,008	3,576,799	6,827	2,368	39,270	-	(4,160,828)	-
Exchange differences	14,392	6,056	(180,867)	(213)	1,115	(6,890)	-	69,963	(96,444)
As of Dec. 31, 2025	$382,755	$11,833,780	$15,370,821	$44,478	$146,840	$633,075	$8,820	$2,200,882	$30,621,451

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Land	Buildings	Machinery and equipment	Transportation equipment	Office equipment	Other equipment	Lease improvement	Construction in progress and equipment to be examined (including prepayment for equipment)	Total
Cost:									
As of Jan. 1, 2024	$-	$7,096,433	$9,555,568	$28,672	$70,524	$463,033	$8,820	$1,325,663	$18,548,713
Additions	-	1,036,144	229,647	1,894	2,921	77,647	-	5,606,750	6,955,003
Disposals	-	-	(324,835)	(598)	(311)	(20,690)	-	-	(346,434)
Other changes	349,807	2,803,694	1,930,092	6,400	56,091	50,230	-	(4,742,069)	454,245
Exchange differences	-	369,310	503,079	1,411	3,302	23,350	-	79,503	979,955
As of Dec. 31, 2024	$349,807	$11,305,581	$11,893,551	$37,779	$132,527	$593,570	$8,820	$2,269,847	$26,591,482
Depreciation and impairment:									
As of Jan. 1, 2025	$-	$2,537,146	$5,871,708	$26,864	$77,478	$465,966	$8,820	$-	$8,987,982
Depreciation	-	531,700	1,005,819	3,465	21,853	81,500	-	-	1,644,337
Impairment loss	-	-	4,924	-	-	137	-	-	5,061
Disposals	-	-	(28,092)	(155)	(767)	-	-	-	(29,014)
Exchange differences	-	(26,651)	(80,274)	(308)	300	(6,319)	-	-	(113,252)
As of Dec. 31, 2025	$-	$3,042,195	$6,774,085	$29,866	$98,864	$541,284	$8,820	$-	$10,495,114
Depreciation and impairment:									
As of Jan. 1, 2024	$-	$2,048,027	$5,117,752	$23,860	$62,530	$370,677	$8,820	$-	$7,631,666
Depreciation	-	373,390	760,800	2,375	11,775	85,875	-	-	1,234,215
Impairment loss	-	-	11,325	-	-	240	-	-	11,565
Disposal	-	-	(305,718)	(598)	(288)	(11,572)	-	-	(318,176)
Exchange differences	-	115,729	287,549	1,227	3,461	20,746	-	-	428,712
As of Dec. 31, 2024	$-	$2,537,146	$5,871,708	$26,864	$77,478	$465,966	$8,820	$-	$8,987,982
Net carrying amount as of:									
Dec. 31, 2025	$382,755	$8,791,585	$8,596,736	$14,612	$47,976	$91,791	$-	$2,200,882	$20,126,337
Dec. 31, 2024	$349,807	$8,768,435	$6,021,843	$10,915	$55,049	$127,604	$-	$2,269,847	$17,603,500

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(A) For the year ended December 31, 2025 and 2024, NT$5,061 thousand and NT$11,565 thousand impairment loss represented the write down of certain property, plant and equipment to the recoverable amount. This has been recognized in the statement of comprehensive income.

(B) Significant Components of building include main building structure, and additional expansion construction, which are depreciated over useful 16~30 years and 20 years, respectively.

(C) Please refer to Note 8 for more details on property, plant and equipment under pledge.

(7) Intangible assets

	Computer software	Technology expertise	Goodwill	Other	Total
Cost:					
As of January 1, 2025	$94,007	$13,487	$62,244	$4,330	$174,068
Additions – acquired separately	18,305	-	-	-	18,305
Derecognized upon retirement	(11,702)	-	-	-	(11,702)
Exchange differences	549	(264)	-	178	463
As of December 31, 2025	$101,159	$13,223	$62,244	$4,508	$181,134
As of January 1, 2024	$42,794	$10,556	$62,244	$-	$115,594
Additions – acquired separately	52,420	-	-	4,330	56,750
Derecognized upon retirement	(3,079)	-	-	-	(3,079)
Exchange differences	1,872	2,931	-	-	4,803
As of December 31, 2024	$94,007	$13,487	$62,244	$4,330	$174,068

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Computer software	Technology expertise	Goodwill	Other	Total
Amortization and impairment:					
As of January 1, 2025	$45,081	$10,040	$40,018	$72	$95,211
Amortization	23,792	1,560	-	427	25,779
Derecognized upon retirement	(11,702)	-	-	-	(11,702)
Exchange differences	615	(149)	-	27	493
As of December 31, 2025	$57,786	$11,451	$40,018	$526	$109,781
As of January 1, 2024	$30,534	$7,390	$30,018	$-	$67,942
Amortization	15,804	2,216	-	68	18,088
Impairment loss	-	-	10,000	-	10,000
Derecognized upon retirement	(3,079)	-	-	-	(3,079)
Exchange differences	1,822	434	-	4	2,260
As of December 31, 2024	$45,081	$10,040	$40,018	$72	$95,211
Net carrying amounts as of:					
December 31, 2025	$43,373	$1,772	$22,226	$3,982	$71,353
December 31, 2024	$48,926	$3,447	$22,226	$4,258	$78,857

Amortization of intangible assets is as follows:

	For the years ended December 31,	
	2025	2024
Operating costs	$2,413	$2,267
Operating expenses	23,366	15,821
Total	$25,779	$18,088

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(8) Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to two cash-generating units, for impairment testing as follows:

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Subsidiary-CHENG CHONG TECHNOLOGY CO., LTD	$22,226	$22,226
Subsidiary-CHIANAN TECHNOLOGY CO., LTD.	-	-
Total	$22,226	$22,226

(A) The recoverable amount of CHENG CHONG TECHNOLOGY CO., LTD cash-generating unit is NT$38,818 thousand as of December 31, 2025. This recoverable amount has been determined based on a value in use calculation using cash flow projections from financial budgets approved by management covering a five-year period. The projected cash flows have been updated to reflect the change in demand for product. The pre-tax discount rate applied to cash flow projections is 17.59% and cash flows beyond the five-year period are extrapolated using a 2.10% growth rate. As a result of the updated analysis, management did not identify an impairment for goodwill of NT$2,159 thousand which is allocated to this cash-generating unit.

Key assumptions used in value-in-use calculations

The calculation of value-in-use for both electronics and fire prevention equipment units are most sensitive to the following assumptions:

(a) Gross margin
(b) Discount rates
(c) Growth rate used to extrapolate revenue beyond the budget period.

Gross margins – Gross margins are estimated based on the value achieved in prior year and referencing the future market trends.

Discount rates – Discount rates reflect the current market assessment of the risks specific to each cash generating unit (including the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted). The discount rate was estimated based on the weighted average cost of capital (WACC) for the Group, taking into account the particular situations of the Group and its operating segments. The WACC includes both the cost of liabilities and cost of equities. The cost of equities is derived from the expected returns of the Group's investors on capital, where the cost of liabilities is measured by the interest-bearing loans that the Group has obligation to settle.

Growth rate estimates of revenue – Rates is estimated based on past experience, the long- term average growth rate has been adjusted based on the economic environment.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of CHENG CHONG TECHNOLOGY CO., LTD, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

(B) The recoverable amount of CHIANAN TECHNOLOGY CO., LTD. cash-generating unit has been determined based on a value in use calculation. The projected cash flows have been updated to reflect changes in demand for related products. The Company assessed that adverse changes have occurred in the market and other relevant factors affecting CHIANAN TECHNOLOGY CO., LTD. Based on the results of this analysis, management recognized an impairment loss of NT$37,859 thousand.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(9) Other non-current assets

Details of other non-current assets are as follows:

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Refundable deposits	$45,941	$21,081
Long-term prepaid expenses	19,279	6,628
Total	$65,220	$27,709

(10) Short-term loans

(A) Details of short-term loans are as follows:

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Unsecured bank loans	$4,121,501	$7,858,490
Secured bank loans	223,580	130,036
Total	$4,345,081	$7,988,526
Interest Rates (%)		
Unsecured bank loans	2.10%~6.50%	2.95%~7.15%
Secured bank loans	1.40%~3.00%	1.70%~3.30%

(B) The Group's unused short-term lines of credits amounts to NT$7,109,337 thousand and NT$4,429,980 thousand as of December 31, 2025 and 2024, respectively.

(C) Please refer to Note 8 for more details regarding certain partial notes payable for secured bank loans.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(11) Other payables

Details of other payables are as follows:

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Accrued expenses	$1,202,680	$1,368,923
Dividends payables	4	-
Accrued interest	29,096	18,324
Payables to equipment suppliers	1,864,753	3,705,102
Total	$3,096,533	$5,092,349

(12) Long-term loans

(A) Details of long-term loans as of December 31, 2025 and 2024 are as follows:

Lenders	As of Dec. 31, 2025	Interest Rate (%) (Note2)	Maturity and terms of repayment
Agricultural Bank of China－Kunshan Branch－Credit loans (Note1)	$2,788,943	The benchmark interest rate of the Peoples' Bank of China for a period of over five years – LPR 0.2%	After the grace period expires, the following terms are defined as every six months since then. The principle is repayable in installments of equal amount for eight years.
Fubon Bank－Unsecured bank loans	2,162,805	LPR+45BP for one year	5% repayment of principal is made every six months from the date of each withdraw. 20% repayment in the 30th month and 60% repayment in the 36th month.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Lenders	As of Dec. 31, 2025	Interest Rate (%) (Note2)	Maturity and terms of repayment
Bank of Shanghai Co., Ltd.－ Unsecured bank loans	1,106,723	Between LPR+43BP and 45BP for one year	The first installment shall be paid upon 6 month after the first withdraw, and the principal shall be repaid every 6 months. The repayment schedule is based on the total drawdown amount, 1% of the principal should be repaid in the first term to the third term, 13.5% should be repaid in the fourth term and the fifth term, and the remaining outstanding balance should be repaid in full in the sixth term.
China Everbright Bank － Unsecured bank loans	758,832	LPR+20BP for one year	The principal is to be repaid in four installments. The principle of $100,000 should be repaid in the first term to third term every 6 months, and the remaining outstanding balance should be repaid in full in the fourth term.
China Industrial Bank － Unsecured bank loans	178,864	LPR for one year	The first installment shall be paid upon 6 months after the first withdrawal, and thereafter every 6 months as a term to repay the principal. Each installment will be calculated based on the total withdrawal amount, 1% of the principal should be repaid in the first term to the third term, 13.5% of the principal should be repaid in the fourth term and the fifth term, and the remaining outstanding balance should be repaid in the sixth term.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Lenders	As of Dec. 31, 2025	Interest Rate (%) (Note2)	Maturity and terms of repayment
Hankou Bank－Unsecured bank loans	447,161	LPR for one year	Repayments shall be made semiannually. 5% of the principal should be repaid in the first term to the fourth term, 40% of the principal should be repaid in the fifth term and sixth term.
Bank SinoPac Co., Ltd.－Unsecured bank loans	690,189	CNH HIBOR+100BP for six months	The first installment shall be paid upon 18 months after the first withdrawal, and thereafter every 6 months as a term, a total of 4 terms. 10% of the principal of the credit line for withdrawal should be repaid in the first term to the third term, 70% should be repaid in the fourth term.
Bank of Shanghai Co., Ltd.－ Unsecured bank loans	848,606	Higher of 1MTAIFX or 3MTAIFX+80BP	The grace period is 12 months upon first usage. After the grace period expires, principal is repayable in installments of the equal amount quarterly. Pay interest quarterly.
SinoPac Bank and the other four banks－Credit loans	2,699,551	CNH HIBOR+135BP-1BP for three months	The first installment shall be paid upon 24 months after the first withdraw, and thereafter every 3 months as a term. 5% of the principle should be repaid in the fitsr term to the twelfth term, 40% of the principle should be repaid on the due day of the credit limit.
Less: Current portion of long-term loans	(1,211,029)		
Non-current portion of long-term loans	$10,470,645		

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Lenders	As of Dec. 31, 2024	Interest Rate (%) (Note2)	Maturity date and terms of repayment
Agricultural Bank of China－Kunshan Branch－Credit loans (Note1)	$2,938,878	The benchmark interest rate of the Peoples' Bank of China for a period of over five years - LPR-0.2%	After the grace period expires, the following terms are defined as every six months since then. The principle is repayable in installments of equal amount for eight years.
Bank SinoPac Co., Ltd.－Unsecured bank loans	470,482	CNH HIBOR+100BP for six months	The first installment shall be paid upon 18 months after the first withdrawal, and thereafter every 6 months as a term, a total of 4 terms. 10% of the principal of the credit line for withdrawal should be repaid in the first term to the third term, 70% should be repaid in the fourth term.
Bank of Shanghai Co., Ltd.－Unsecured bank loans	294,162	Higher of 1MTAIFX or 3MTAIFX+80BP	The grace period is 12 months upon first usage. After the grace period expires, principal is repayable in installments of the equal amount for eight terms. Pay interest quarterly.
Less: Current portion of long-term loans	(141,343)		
Non-current portion of long-term loans	$3,562,179		

Note1: Please refer to Note 8 for more details regarding certain property, plant and equipment pledged for secured bank loans.

Note2: Interest rates of long-term loans are as follows:

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Interest rate (%)	2.8%~5.02%	3.95%~5.69%

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(B) On November 22, 2022, the Group has entered into a 3-year agreement of syndicated loans in credit line of USD 60,000 thousand, with Shanghai Bank and 3 other banks for the purpose of settling the unpaid loan balance mentioned above and replenishing operating capital. The Group has repaid all of the bank loans ahead of schedule in June 2024.

On June 12, 2024, the Group has entered into a 3-year agreement of syndicated loans in credit line of CNY 340,000 thousand, with Shanghai Bank for the purpose of repaying the unpaid loan balance mentioned above and replenishing mid-term operating capital. The Group has repaid all of the bank loans ahead of schedule in August 2024.

On January 15, 2025, the Group has entered into a 3-year agreement of syndicated loans in credit line of CNY 490,000 thousand, with Fubon Bank for the purpose of paying capital expenditure. The Group has utilized the loan facility as of December 31, 2025.

On May 27, 2025, the Group has entered into a 5-year agreement of syndicated loans in credit line of USD 85,000 thousand, with SinoPac Bank and 4 other banks for the purpose of paying capital expenditure. The Group has utilized the loan facility as of December 31, 2025.

According to the above joint loan contract requirement, the Company's annual consolidated financial statements are subject to restrictions such as the debt ratio, interest coverage ratio and revenue. The Company is required to maintain specific financial ratios each year during the loan term. The Company's annual financial ratios all comply with the restrictions stipulated by the aforementioned financial ratios.

(13) Refund liabilities

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Refund liabilities	$416,556	$376,538

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(14) Long-term deferred revenue

Government grants

	For the years ended December 31,	
	2025	2024
Beginning balance	$634,997	$589,994
Received during the period	71,664	69,035
Released to the statement of comprehensive income	(54,308)	(53,540)
Exchange differences	(14,090)	29,508
Ending balance	$638,263	$634,997

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Non-current deferred revenue - related to assets	$638,263	$634,997

Government grants have been received for purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to the grants.

(15) Post-employment benefits

Defined contribution plan

The Company and its domestic subsidiaries adopt a defined contribution plan in accordance with the Labor Pension Act of the R.O.C. Under the Labor Pension Act, the Company and its domestic subsidiaries will make monthly contributions of no less than 6% of the employees’ monthly wages to the employees’ individual pension accounts. The Company and its domestic subsidiaries have made monthly contributions of 6% of each individual employee’s salaries or wages to employees’ pension accounts.

Subsidiaries located in the People’s Republic of China will contribute social welfare benefits based on a certain percentage of employees’ salaries or wages to the employees’ individual pension accounts.

Pension benefits for employees of overseas subsidiaries and branches are provided in accordance with the local regulations.

Expenses under the defined contribution plan for the years ended December 31, 2025 and 2024 amounted to NT$1,423 thousand and NT$1,334 thousand, respectively.

Additional pension expenses recognized for the executives commissioned by the Group amounted to NT$217 thousand and NT$224 thousand, for the years ended December 31, 2025 and 2024.

(16) Equities

(A) Common stock

As of December 31, 2025 and 2024, the Company's authorized capital were both NT$4,000,000 thousand, and the issued share capital were NT$2,835,746 thousand and NT$2,776,746 thousand , each share at par value of NT$10, divided into 283,574,584 shares and 277,674,584 shares. Each share has one voting rignt and a right to receive dividends.

On October 27, 2025, the Company's board of directors meeting resolved to proceed with a cash capital increase by issuing 5,900 thousand new shares at a price of NT$105 per share. This has been approved and declared effective by the FSC with Order No. Financial-Supervisory-Securities-Corporate-1140362569. The record date for the cash capital increase was set at December 26, 2025.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(B) Capital surplus

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Additional paid-in capital	$1,737,057	$1,176,745
Conversion premium of convertible bonds	1,943	1,943
Treasury share transactions	34,946	34,946
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control	1,967,343	68,088
Gain on sale of assets	155	155
Employee share option	12,392	6,528
Share options	77,687	77,687
Merger by share exchange	1,621,622	1,621,622
Total	$5,453,145	$2,987,714

According to the Company Act, the capital reserve shall not be used except for making good the deficit of the Company. When a company incurs no loss, it may distribute the capital reserves related to the income derived from the issuance of new shares at a premium or income from endowments received by the company. The distribution could be made either in cash or in the form of share dividend to its shareholders in proportion to the number of shares being held by each of them.

(C) Retained earnings and dividend policies

(a) According to the Company's articles of association, when allocating the current year's earnings, if any, after having paid all taxes and dues, shall first set aside 10% of said profits as legal reserve. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply; the rest shall be set aside as special surplus or reversal according to laws or the regulations of the competent authority; if there is any remaining portion, the board of directors shall, along with the accumulated undistributed earnings, submit a surplus distribution proposal to the shareholders meeting for a resolution to distribute shareholder dividends. The Company may, in accordance with Articles 240 and 241 of the Company Act, authorize the board of directors to issue cash dividends and bonuses by special resolutions, and distribute in cash the above-mentioned dividends or capital reserve or/and legal reserve in compliance with the Company Act and shall report the distribution in the most recent shareholders' meeting.

(b) Dividend policy

The Company's dividend policy is based on the expansion of business scale, considering the Company's capital expenditure and operating turnover needs and the degree of dilution of earnings per share to moderately distribute stock dividends or cash dividends, but cash dividends are paid at a rate not lower than the current 10% of total annual dividends.

(c) According to the Company Act, the Company shall set aside legal reserve from earnings unless where the amount of legal reserve reaches the total authorized capital. The legal reserve can be used to make good the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal reserve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by shareholders.

(d) Special reserve

The special surplus reserve shall be set aside at the time of the assignment of the distributable surplus, on the basis of the difference between the balance of the special surplus reserve at the time of the first IFRS application and the net amount of other equity deductions. For any subsequent use, disposal or reclassification of related assets, the company can reverse the special reserve by proportion and transfer to retained earnings.

Following the adoption of T-IFRS, the FSC on March 31, 2021 issued Order No. Financial-Supervisory-Securities-Corporate-1090150022, which sets out the following provisions for compliance: On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders’ equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, Dynamic Electronics (Taoyuan) shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, Dynamic Electronics (Taoyuan) can reverse the special reserve by proportion and transfer to retained earnings.

As of January 1, 2013, special reserve set aside for the first-time adoption of T-IFRS amounted to NT$349,310 thousand. Furthermore, Dynamic Electronics (Taoyuan) has reversed special reserve in the amount of NT$49,644 thousand to retained earnings during the year ended December 31, 2013 due to the use, disposal or reclassification of related assets. As of December 31, 2025 and 2024, special reserve set aside for the first-time adoption of T-IFRS reduced to NT$299,666 thousand accordingly.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(e) The appropriations of earnings for the years 2025 and 2024 were approved through the Board meeting and stockholders' meeting held on March 6, 2026 and May 22, 2025, respectively. The details of the distributions are as follows.

	Appropriation of earnings		Dividend per share (in NT$)	
	2025	2024	2025	2024
Legal reserve	$74,898	$105,074		
Special reserve	-	(90,287)		
Cash dividend	306,261	416,512	$1.08	$1.5
Total	$381,159	$431,299		

Please refer to Note 6(21) for details on employees' compensation and remuneration to directors and supervisors.

(D) Non-controlling interests

	For the years ended December 31,	
	2025	2024
Beginning balance	$192,934	$156,899
Profit attributable to non-controlling interests	32,305	24,800
Exchange differences arising from translation of foreign operations	57,603	11,094
Cash capital increase by the subsidiary	3,473,423	-
Acquisition of new shares in a subsidiary not in proportionate to ownership interest	(1,898,152)	-
Issuance of employees share options by the subsidiary	24	141
Ending Balance	$1,858,137	$192,934

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(17) Share-based payment plans

(a) Share-based payment plan for employees of the parent entity

Capital increase by cash

Certain employees of the Company are entitled to share-based payment as part of their remunerations; services are provided by the employees in return for the equity instruments granted. These plans are accounted for as equity-settled share-based payment transactions.

On October 27, 2025, the Company's board of directors meetings resolved to proceed with a cash capital increase by issuing new shares, with a portion resorved for employee subscription. And the record date for the cash capital increase was set at December 26, 2025.

A.Information on the employee stock option plan for Cash Capital Increase is summarized as follow:

	For the years ended December 31, 2025	
	Option (in thousand)	Weighted-average Exercise Price per Share (NT$/Share)
Outstanding at beginning of period	-	$-
Granted	590	105.00
Exercised	(65)	105.00
Expired	(525)	105.00
Outstanding at end of period	-	
Weighted-average fair value of options granted during the period (in NT$)	$11.17	

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

B.The Company uses the Black-Scholes evaluation model to increase the stock rights of employees with cash capital, and the parameters used in the evaluation model are as follows:

	2025.12.09
Stock market price	$116.00
Exercised price	$105.00
Expected volatility (%)	30.40%
Expected life (Years)	0.04 years
Expected dividend yield (%)	0%
Risk free interest rate (%)	1.1663%

The expected volatility is based on the Company's stock price over 14 trading days.

The expense arising from equity-settled share-based payment transactions recognized in amount of NT$6,590 thousand.

(b) Share-based payment plan for employees of the subsidiary

Dynamic Electronics Co., Ltd. (Huangshi), the subsidiary of the Group, conducted a cash capital increase for the year ended December 31, 2022, of which 8,252 thousand shares are held by the platform of employee stock ownership in accordance with the Employee Stock Ownership Management Measures of Dynamic Electronics Co., Ltd. (Huangshi). For the year ended December 31, 2025 and 2024, the number of shares transferred by employees of the shareholding platform were 57 thousand and 328 thousand shares, and the expenses recognized were NT$1,127 thousand and NT$6,559 thousand.

(18) Operating revenues

	For the years ended December 31,	
	2025	2024
Revenue from contracts with customers		
Sale of goods	$19,445,963	$17,782,187
Operating revenues	6,998	4,817
Total	$19,452,961	$17,787,004

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Analysis of revenue from contracts with customers for the years ended December 31, 2025 and 2024 are as follows:

(A) Disaggregation of revenue

For the year ended December 31, 2025

	PCB Segment	Mock-up Segment	Total
Sales of goods	$19,379,345	$66,618	$19,445,963
Other	6,998	-	6,998
Total	$19,386,343	$66,618	$19,452,961
The timing for revenue recognition:			
At a point in time	$19,386,343	$66,618	$19,452,961

For the year ended December 31, 2024

	PCB Segment	Mock-up Segment	Total
Sales of goods	$17,729,345	$52,842	$17,782,187
Others	4,817	-	4,817
Total	$17,734,162	$52,842	$17,787,004
The timing for revenue recognition:			
At a point in time	$17,734,162	$52,842	$17,787,004

(B) Contract balances

(a) Contract liabilities - current

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Sales of goods	$2,234	$850

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The significant changes in the Group's balances of contract liabilities for the year ended December 31, 2025 are as follows:

	Sales of goods
The opening balance transferred to revenue	$(850)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	2,234

The significant changes in the Group's balances of contract liabilities for the year ended December 31, 2024 are as follows:

	Sales of goods
The opening balance transferred to revenue	$(23,132)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	850

(19) Expected credit losses (gains)

	For the years ended December 31,	
	2025	2024
Operating expenses – Expected credit losses (gains)		
Accounts receivable	$(3,593)	$(349)

Please refer to Note 12 for more details on credit risk.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The Group measures the loss allowance of its trade receivables (including notes receivable and accounts receivable) at an amount equal to lifetime expected credit losses. The assessment of the Group's loss allowance as of December 31, 2025 and 2024 are as follow:

(A) The historical credit loss experience for trade receivables shows that different customer segments do not have significantly different loss patterns. Therefore, the loss allowance of trade receivables is measured at an amount equal to lifetime expected credit losses and with no distinction between groups, details are as follows:

As of December 31, 2025

		Past due					
	Not yet due (Note)	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	Total
Gross carrying amount	$6,750,591	$99,362	$3,666	$982	$1	$630	$6,855,232
Loss ratio	-%	10%	100%	100%	100%	100%	
Lifetime expected credit losses	-	(9,936)	(3,666)	(982)	(1)	(630)	(15,215)
Carrying amount of trade receivables	$6,750,591	$89,426	$-	$-	$-	$-	$6,840,017

As of December 31, 2024

		Past due					
	Not yet due (Note)	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	Total
Gross carrying amount	$5,519,546	$145,821	$9,124	$3,803	$716	$1,549	$5,680,559
Loss ratio	-%	3%	100%	100%	100%	100%	
Lifetime expected credit losses	-	(4,278)	(9,124)	(3,803)	(716)	(1,549)	(19,470)
Carrying amount of trade receivables	$5,519,546	$141,543	$-	$-	$-	$-	$5,661,089

Note: All the Group's notes receivables were not past due.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(B) The movement in the provision for impairment of note receivable and accounts receivable for the years ended December 31, 2025 and 2024 are as follows:

	Notes receivable	Accounts receivable
Beginning balance as of January 1, 2025	$-	$19,470
Addition/(reversal) for the current period	-	(3,593)
Write-off as unrecoverable	-	-
Effect of exchange rate changes	-	(662)
Ending balance as of December 31, 2025	$-	$15,215
Beginning balance as of January 1, 2024	$-	$18,634
Addition/(reversal) for the current period	-	(349)
Write-off as unrecoverable	-	-
Effect of exchange rate changes	-	1,185
Ending balance as of December 31, 2024	$-	$19,470

(20) Leases

(A) Group as a lessee

The Group leases various properties, including real estate such as land and buildings, machinery and equipment and transportation equipment. The lease terms range from 2 to 50 years. The Group is not allowed to loan, sublease or sell without obtaining the consent from the lessors.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The Group's leases effect on the financial position, financial performance and cash flows are as follow:

(a) Amounts recognized in the balance sheet

a. Right-of-use assets

The carrying amount of right-of-use assets

	Land	Buildings	Machinery and equipment	Transportation equipment	Total
Cost:					
As of January 1, 2025	$473,563	$1,226	$4,730	$6,992	$486,511
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Exchange differences	(9,263)	(24)	(93)	(23)	(9,403)
As of December 31, 2025	$464,300	$1,202	$4,637	$6,969	$477,108
Cost:					
As of January 1, 2024	$450,137	$1,158	$4,496	$7,138	$462,929
Additions	-	1,226	-	5,854	7,080
Disposals	-	(1,218)	-	(6,056)	(7,274)
Exchange differences	23,426	60	234	56	23,776
As of December 31, 2024	$473,563	$1,226	$4,730	$6,992	$486,511
Depreciation and impairment:					
As of January 1, 2025	$80,763	$306	$4,730	$2,331	$88,130
Depreciation	9,009	583	-	2,168	11,760
Disposals	-	-	-	-	-
Exchange differences	(1,303)	12	(93)	(1)	(1,385)
As of December 31, 2025	$88,469	$901	$4,637	$4,498	$98,505

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Land	Buildings	Machinery and equipment	Transportation equipment	Total
Depreciation and impairment:					
As of January 1, 2024	$67,765	$868	$3,372	$6,201	$78,206
Depreciation	9,264	597	1,157	2,174	13,192
Disposals	-	(1,218)	-	(6,056)	(7,274)
Exchange differences	3,734	59	201	12	4,006
As of December 31, 2024	$80,763	$306	$4,730	$2,331	$88,130
Net carrying amount as at:					
December 31, 2025	$375,831	$301	$-	$2,471	$378,603
December 31, 2024	$392,800	$920	$-	$4,661	$398,381

Please refer to Note 8 for more details on right-of-use assets under pledge.

b. Lease liabilities

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Lease liabilities	$2,759	$5,495
Current	$2,443	$2,719
Non-current	316	2,776
Total	$2,759	$5,495

Please refer to Note 6(22)(D) for the interest on lease liabilities recognized during the years ended December 31, 2025 and 2024 refer to Note12(5) Liquidity Risk Management for the maturity analysis for lease liabilities as of December 31, 2025 and 2024.

(b) Income and costs relating to leasing activities

	For the years ended December 31,	
	2025	2024
The expenses relating to short-term leases	$68,680	$82,450

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of December 31, 2025 and 2024, the portfolio of short-term leases of the Group to which it is committed at the end of the reporting period is dissimilar to the portfolio of short-term leases to which the short-term lease expense disclosed above and the amount of its lease commitments is NT$0.

(c) Cash outflow relating to leasing activities

For the years ended December 31, 2025 and 2024, the Group's total cash outflows for leases amounting to NT$71,435 thousand and NT$86,610 thousand, respectively.

(21) Summary of employee benefits, depreciation and amortization expenses by function is as follows:

Function / Nature	For the years ended December 31,					
	2025			2024		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Salaries	$1,806,318	$1,226,764	$3,033,082	$1,642,865	$1,192,476	$2,835,341
Labor and health insurance	1,607	2,430	4,037	1,354	2,150	3,504
Pension	313	1,327	1,640	259	1,299	1,558
Other employee benefits	214	1,535	1,749	236	1,119	1,355
Depreciation	1,410,357	245,740	1,656,097	1,088,108	159,299	1,247,407
Amortization	2,413	23,366	25,779	2,267	15,821	18,088

According to the Articles of Incorporation approved through the shareholders’ meeting held on May 22, 2025, if there is profit in the year, no less than 0.1% shall be allocated as employee compensation (of the aforementioned employee remuneration amount, no less than 1% shall be set aside as remuneration for entry-level employees) and no more than 3% as director remuneration. However, when there are accumulated losses, the profit shall be used to cover the losses first. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees’ compensation in the form of shares or in cash; and in addition thereto, a report of such distribution is submitted to the shareholders’ meeting. Information on the Board of Directors’ resolution regarding the employees’ compensation and remuneration to directors and supervisors can be obtained from the “Market Observation Post System” on the website of the TWSE.

Based on profit of the years ended December 31, 2025 and 2024, the Company estimated the amounts of the employees’ compensation and remuneration to directors and supervisors for the years ended December 31, 2025 and 2024 to be not lower than 0.1% and not higher than 3% of profit of the current year, respectively, recognized as employee benefits expense. As such, employees’ compensation and remuneration to directors and supervisors for the year ended December 31, 2025 amounted to NT$6,264 thousand and NT$11,973 thousand, respectively; for the year ended December 31, 2024 amounted to NT$6,862 thousand and NT$16,455 thousand, respectively. A resolution was passed at a board meeting to distribute in the form of stocks as employees’ compensation; the number of stocks distributed was calculated based on the closing price one day before the date of resolution. If there is a discrepancy between the estimated number and the actual distribution amount determined by the board of directors, it will be recognized as a gain or loss in the following year.

No material differences existed between the actual distribution amount of the employee compensation and remuneration to directors and supervisors and the amount expensed in the financial statements for the year ended December 31, 2025.

No material differences exist between the actual distribution amount of the employee compensation and remuneration to directors and supervisors and the amount expensed in the financial statements for the year ended December 31, 2024.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(22) Non-operating income and expenses

(A) Interest income

	For the years ended December 31,	
	2025	2024
Interest income		
Financial assets measured at amortized cost	$15,267	$37,095

(B) Other income

	For the years ended December 31,	
	2025	2024
Other income－others	$77,255	$105,985
Other income－gain on government grants	159,151	144,143
Total	$236,406	$250,128

(C) Other gains and losses

	For the years ended December 31,	
	2025	2024
Gain (loss) on disposal of property, plant and equipment	$4,864	$(2,455)
Foreign exchange (loss) gain, net	228,551	266,002
Gain (loss) on financial assets and liabilities at fair value through profit or loss	-	(823)
Impairment loss	(5,061)	(21,565)
Other losses－others	(15,347)	(32,594)
Total	$213,007	$208,565

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(D) Finance costs

	For the years ended December 31,	
	2025	2024
Interest on bank loans	$564,025	$465,275
Interest on lease liabilities	77	121
Total	$564,102	$465,396

(23) Components of other comprehensive income (loss)

For the year ended December 31, 2025

	Arising during the period	Reclassification during the period	Subtotal	Income tax benefit (expense)	OCI, Net of tax
May be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on translation of foreign operations	$118,693	$-	$118,693	$-	$118,693

For the year ended December 31, 2024

	Arising during the period	Reclassification during the period	Subtotal	Income tax benefit (expense)	OCI, Net of tax
May be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on translation of foreign operations	$507,487	$-	$507,487	$-	$507,487

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(24) Income tax

(A) The major components of income tax expense (income) are as follows:

Income tax expense (income) recognized in profit or loss

	For the years ended December 31,	
	2025	2024
Current income tax expense (income):		
Current income tax charge	$161,952	$183,354
Adjustments in respect of current income tax of prior periods	1,615	3,839
Deferred tax expense (income):		
Deferred tax expense (income) relating to origination and reversal of temporary differences	115,565	304,856
Total income tax expense	$279,132	$492,049

(B) A reconciliation between income tax expense and income before tax at the Company's applicable tax rates is as follows:

	For the years ended December 31,	
	2025	2024
Income before tax	$1,060,418	$1,567,588
Tax at the domestic rates applicable to profits in the country carcerned	$566,789	$743,978
Other adjustments according to the Tax Law	(435,871)	(244,963)
Tax on undistributed earnings	31,034	21,312
Tax effect of deferred tax assets/liabilities	115,565	(32,117)
Adjustments in respect of current income tax of prior periods	1,615	3,839
Total income tax expense recognized in profit or loss	$279,132	$492,049

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(C) Deferred tax assets (liabilities) relate to the following:

For the year ended December 31, 2025

	Beginning balance as of January 1, 2025	Recognized in profit or loss	Exchange adjustment	Ending balance as of December 31, 2025
Temporary differences				
Bad debts loss	$1,122	$(71)	$(24)	$1,027
Unrealized loss on inventory valuation	9,244	4,424	(45)	13,623
Investments accounted for using the equity method	(974,119)	(229,169)	2,339	(1,200,949)
Unrealized exchange loss (gain)	(337)	293	-	(44)
Sales returns and allowances	1,667	-	-	1,667
Loss carryforwards	-	106,754	3,281	110,035
Gain on government grants	95,158	2,204	(1,794)	95,568
Deferred tax income (expense)		(115,565)	3,757	
Net deferred tax assets (liabilities)	$(867,265)			$ (979,073)
Reflected in balance sheet as follows:				
Deferred tax assets	$107,191			$221,920
Deferred tax liabilities	$(974,456)			$(1,200,993)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

For the year ended December 31, 2024

	Beginning balance as of January 1, 2024	Recognized in profit or loss	Exchange adjustment	Ending balance as of December 31, 2024
Temporary differences				
Bad debts loss	$54	$1,042	$26	$1,122
Unrealized loss on inventory valuation	8,349	450	445	9,244
Investments accounted for using the equity method	(664,756)	(302,921)	(6,442)	(974,119)
Unrealized exchange loss (gain)	-	(337)	-	(337)
Sales returns and allowances	6,771	(5,104)	-	1,667
Gain on government grants	88,493	2,014	4,651	95,158
Deferred tax income (expense)		$(304,856)	$(1,320)	
Net deferred tax assets (liabilities)	$(561,089)			$(867,265)
Reflected in balance sheet as follows:				
Deferred tax assets	$103,667			$107,191
Deferred tax liabilities	$(664,756)			$(974,456)

(D) Unrecognized deferred tax assets

As of December 31, 2025 and 2024, deferred tax assets that have not been recognized amounted to NT$230,239 thousand and NT$187,443 thousand, respectively.

(E) As of December 31, 2025, the Company's unused net operating loss carryforwards and expiration periods are as follows:

Year incurred	Unused net operating loss	Expiration year
2022	$22,202	2032
2025 (proposed)	79,042	2035
Total	$101,244	

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of December 31, 2025, the Group's Taiwan subsidiaries' unused net operating loss carryforwards and expiration periods are as follows:

Year incurred	Unused net operating loss	Expiration year
2018	$52,504	2028
2019	198,948	2029
2023	7,566	2033
2024	36,998	2034
2025 (proposed)	3,021	2035
Total	$299,037	

As of December 31, 2025, the Group's China subsidiaries' unused net operating loss carryforwards and expiration periods are as follows:

Year incurred	Unused net operating loss	Expiration year
2018	$82,614	2028
2020	300,624	2030
2021	163,367	2031
2022	271,591	2032
2023	125,166	2033
Total	$943,362	

(F) The assessment of income tax returns

As of December 31, 2025, the assessment status of income tax returns of the Company and subsidiaries are as follows:

	The assessment of income tax returns
The Company	Assessed and approved up to 2023
Subsidiary - Dynamic Electronics (Taoyuan) Co., Ltd.	Assessed and approved up to 2023
Subsidiary - CHIANAN TECHNOLOGY CO., LTD.	Assessed and approved up to 2023
Subsidiary - CHENG CHONG TECHNOLOGY CO., LTD.	Assessed and approved up to 2023

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(25) Earnings per share

Basic earnings per share are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity (after adjusting any influences) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	For the years ended December 31,	
	2025	2024
(A) Basic earnings per share		
Net income available to common shareholders of the parent (in thousand NT$)	$748,981	$1,050,739
Weighted average number of common stocks outstanding (in thousand shares)	277,772	277,675
Basic earnings per share (in NT$)	$2.70	$3.78
(B) Diluted earnings per share		
Net income available to common shareholders of the parent (in thousand NT$)	$748,981	$1,050,739
Net income available to common shareholders of the parent after dilution (in thousand NT$)	$748,981	$1,050,739

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	For the years ended December 31,	
	2025	2024
Weighted average number of common stocks outstanding (in thousand shares)	277,772	277,675
Effect of dilution:		
Employee bonus (compensation) - stock (in thousand shares)	71	130
Weighted average number of common stocks outstanding after dilution (in thousand shares)	277,843	277,805
Diluted earnings per share (in NT$)	$2.70	$3.78

There were no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date the financial statements were authorized for issue.

(26) The changes of the ownership interests in subsidiaries

Did not subscribe to the new shares issued by the subsidiary in porportion to shareholding

Dynamic Electronics Co., Ltd. (Huangshi) issued new shares in a capital increase on October 15, 2025. The Group did not subscribe according to its shareholding ratio, resulting in its ownership decreasing to 86.0989%. The cash amount the Group received was from the capital increase NT$3,473,423 thousand. The carrying amount of Dynamic Electronics Co., Ltd. (Huangshi)'s net assets was NT$9,293,179 thousand. The related decrease in Group's equity in Dynamic Electronics Co., Ltd. (Huangshi) includes the increase in non-controlling interests:

Additional cash received from the offerrings	$3,473,423
Increase to non-controlling interests	(1,575,271)
Difference recognized in capital surplus within equity	$1,898,152

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(27) Subsidiary that has material non-controlling interests

Financial information of subsidiary that has material non-controlling interests is as below:

Proportion of equity interest held by non-controlling interests:

		As of December 31,	
Name	Country	2025	2024
Dynamic Electronics Co., Ltd. (Huangshi)	China	13.9011%	2.1459%

	As of December 31,	
	2025	2024
Accumulated balances of material non-controlling interest:		
Dynamic Electronics Co., Ltd. (Huangshi)	$1,848,945	$184,725

	For the year ended December 31,	
	2025	2024
Profit/(loss) allocated to material non-controlling interest:		
Dynamic Electronics Co., Ltd. (Huangshi)	$31,322	$25,666

The summarized financial information of this subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Dynamic Electronics Co., Ltd. (Huangshi) summarized information of profit or loss for the years ended December 31, 2025 and 2024 were as follows:

	For the year ended December 31,	
	2025	2024
Operating revenue	$15,311,888	$13,876,717
Profit/loss from continuing operation	1,132,729	1,222,765
Total comprehensive income	1,268,240	1,354,413

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Dynamic Electronics Co., Ltd. (Huangshi) summarized information of financial position is as follows:

	As of December 31,	
	2025	2024
Current assets	$9,549,817	$6,813,366
Non-current assets	19,498,924	17,959,398
Current liabilities	8,264,084	12,497,439
Non-current liabilities	7,483,947	3,667,050

Dynamic Electronics Co., Ltd. (Huangshi) summarized cash flow information is as follows:

	For the year ended December 31,	
	2025	2024
Operating activities	$1,064,126	$2,034,279
Investing activities	(2,986,478)	(4,273,905)
Financing activities	3,500,229	2,064,508
Net increase/(decrease) in cash and cash equivalents	1,577,877	(175,118)

7. Related party transactions

Significant transactions with related parties

Key management personnel compensation

	For the years ended December 31,	
	2025	2024
Short-term employee benefits	$40,519	$64,717
Post-employment benefits	498	530
Total	$41,017	$65,247

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

8. Assets pledged as collateral

As of December 31, 2025 and 2024, the assets pledged for the Group's loans are as follows:

Item	Book value	Purpose of pledge
As of December 31, 2025		
Financial assets measured at amortized cost	$44,716	Secured loans
Property, plant and equipment – Land	356,840	Secured loans
Property, plant and equipment – Buildings	6,244,257	Secured loans
Property, plant and equipment – Machinery and equipment	595,208	Secured loans
Property, plant and equipment – Other equipment	1,409	Secured loans
Right-of-use assets	351,923	Secured loans
Total	$7,594,353	
As of December 31, 2024		
Property, plant and equipment – Buildings	$2,724,099	Secured loans
Property, plant and equipment – Machinery and equipment	776,859	Secured loans
Property, plant and equipment – Other equipment	1,437	Secured loans
Right-of-use assets	367,487	Secured loans
Notes receivable	130,036	Secured loans
Total	$3,999,918	

9. Significant contingencies and unrecognized contract commitments

(1) As of December 31, 2025, the Group's outstanding contracts relating to purchased property, plant and equipment are as follows:

Type of Asset	Total Amount	Amount paid	Amount unpaid
Machinery and construction contracts	$3,309,730	$1,799,819	$1,509,911

Amount paid was recorded under construction in progress and equipment to be examined.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

10. Losses due to major disasters

None.

11. Significant subsequent events

None.

12. Others

(1) Categories of financial instruments

Financial assets

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Financial assets measured at amortized cost:		
Cash and cash equivalents (excluding cash on hand)	$5,524,702	$2,847,685
Financial assets measured at amortized cost	44,716	-
Notes receivable	478,967	408,424
Accounts receivable	6,361,050	5,252,665
Other receivables	167,105	171,451
Refundable deposits	45,941	21,081
Total	$12,622,481	$8,701,306

Financial liabilities

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Financial liabilities measured at amortized cost:		
Short-term loans	$4,345,081	$7,988,526
Payables	7,460,209	8,944,882
Leased liabilities (including current portion with maturity less than 1 year)	2,759	5,495
Long-term loans (including current portion with maturity less than 1 year)	11,681,674	3,703,522
Total	$23,489,723	$20,642,425

(2) Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activates. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before the Group enters into significant transactions, the Board of Directors and Audit Committee must carry out due approval process based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk, interest rate risk and other price risk (such as equity risk).

In practice, it is rarely the case that a single risk variable will change independently from other risk variables. There are usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

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

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

When NTD strengthens/weakens against USD by 1%, the profit for the years ended December 31, 2025 and 2024 is decreased/increased by NT$45,029 thousand and NT$38,245 thousand, respectively.

When NTD strengthens/weakens against RMB by 1%, the profit for the years ended December 31, 2025 and 2024 is increased/decreased by NT$147,792 thousand and NT$145,788 thousand, respectively.

When NTD strengthens/weakens against THB by 1%, the profit for the years ended December 31, 2025 and 2024 is increased/decreased by NT$10,490 thousand and NT$15,915 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's loans and receivables at variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with variable interest rates and interest rate swaps. At the reporting date, a change of 0.1% of interest rate in a reporting period could cause the profit for the years ended December 31, 2025 and 2024 to decrease/increase by NT$10,582 thousand and NT$8,924 thousand, respectively.

Equity price risk

As of December 31, 2025 and 2024, the Group does not hold equity securities at fair value; therefore the Group is not subject to equity price risk.

(4) Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for accounts receivables and notes receivables) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to credit risk management. Credit limits are established for all counter parties based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria etc. Certain counter parties' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment or insurance.

As of December 31, 2025 and 2024, accounts receivable from top ten customers represent 54.27% and 62.81% of the total accounts receivables of the Group, respectively. The credit concentration risk of other accounts receivables is insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating. Consequently, there is no significant credit risk for these counter parties.

The Group adopted IFRS 9 to assess the expected credit losses. Except for the loss allowance of trade receivables is measured at lifetime expected credit losses, the remaining debt instrument investments which are not measured at fair value through profit or loss, low credit risk for these investments is a prerequisite upon acquisition and by using their credit risk as a basis for the distinction of categories.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, bank borrowings and finance leases. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial liabilities

	< 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
As of Dec. 31, 2025					
Loans	$6,032,522	$7,810,543	$3,373,702	$-	$17,216,767
Payables	7,460,209	-	-	-	7,460,209
Lease liabilities	2,494	249	81	-	2,824
As of Dec. 31, 2024					
Loans	$8,406,447	$1,836,751	$1,768,897	$342,062	$12,354,157
Payables	8,944,882	-	-	-	8,944,882
Lease liabilities	2,751	2,698	203	-	5,652

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the year ended December 31, 2025:

	Short-term loans	Long-term loans	Refundable deposits	Lease liabilities	Total liabilities from financing activities
As of January 1, 2025	$7,988,526	$3,703,522	$76,272	$5,495	$11,773,815
Cash flows	(3,643,445)	8,004,179	16,912	(2,755)	4,374,891
Non-cash changes					
Interest expense	-	-	-	77	77
Foreign exchange movement	-	(26,027)	-	(58)	(26,085)
As of December 31, 2025	$4,345,081	$11,681,674	$93,184	$2,759	$16,122,698

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Reconciliation of liabilities for the year ended December 31, 2024:

	Short-term loans	Long-term loans	Refundable deposits	Lease liabilities	Total liabilities from financing activities
As of January 1, 2024	$3,906,953	$4,349,069	$141,437	$2,574	$8,400,033
Cash flows	4,081,573	(871,880)	(65,165)	(4,160)	3,140,368
Non-cash changes					
Lease modification	-	-	-	6,875	6,875
Interest expense	-	-	-	121	121
Foreign exchange movement	-	226,333	-	85	226,418
As of December 31, 2024	$7,988,526	$3,703,522	$76,272	$5,495	$11,773,815

(7) Fair values of financial instruments

(A) The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

(a) The carrying amount of cash and cash equivalents, accounts receivables, accounts payable and other current liabilities approximate their fair value due to their short maturities.

(b) For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.

(c) Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities)

(d) Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taipei Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

(e)The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

(B) Fair value of financial instruments measured at amortized cost

The carrying amount of the Group's financial assets and liabilities measured at amortized cost approximate their fair value.

(C) Fair value measurement hierarchy for financial instruments

Please refer to Note 12(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Fair value measurement hierarchy

(A) Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

(B) Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a recurring basis and non-recurring basis of December 31, 2025 and 2024, respectively.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(9) Significant assets and liabilities denominated in foreign currencies (in thousand dollars)

Information regarding the significant assets and liabilities denominated in foreign currencies is as follows (in thousand dollars):

	As of					
	December 31, 2025			December 31, 2024		
	Foreign currencies	Foreign exchange rate	NTD	Foreign currencies	Foreign exchange rate	NTD
Financial assets						
Monetary items:						
USD	$202,443	31.43	$6,362,791	$152,567	32.78	$5,000,776
RMB	$1,146,642	4.47	$5,127,333	$693,982	4.56	$3,164,387
THB	$95,727	1.00	$95,909	$248,510	0.96	$239,142
Financial liabilities:						
Monetary items:						
USD	$59,170	31.43	$1,859,882	$35,919	32.75	$1,176,270
RMB	$4,451,762	4.47	$19,906,516	$3,897,536	4.56	$17,743,142
THB	$1,142,747	1.00	$1,144,913	$1,902,372	0.96	$1,830,662

The above information is disclosed based on the carrying amount of foreign currency (after conversion to functional currency).

Since there were varieties of foreign currency transactions of the Group, the Group was unable to disclose foreign exchange gain (loss) towards each foreign currency with significant impact. The Group recognized exchange gain (loss) amounted to NT$228,551 thousand and NT$266,002 thousand for the years ended December 31, 2025 and 2024, respectively.

(10)Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Other disclosures

(1) Information on significant transactions:

(A) Financing provided to others: None.

(B) Endorsement/Guarantee provided to others: Please refer to Attachment 1.

(C)Marketable securities held as of December 31, 2025 (excluding investments in subsidiaries, associates and joint ventures): None.

(D) Related party transactions with purchases and sales amounts of at least NT$100 million or 20 percent of the paid-in capital for the year ended December 31, 2025: None.

(E) Receivables from related parties of at least NT$100 million or 20 percent of the paid-in capital as of December 31, 2025: None.

(F)Inter Group relationships and significant inter Group transactions for the year ended December 31, 2025: Please refer to Attachment 6.

(2) Information on investees:

(A) Name, locations and related information of investees (excluding investees in Mainland China): Please refer to Attachment 2.

(B) Investees over which the Company exercises control shall be disclosed of information under Note 13(1):

(a) Financing provided to others: Please refer to Attachment 3.

(b) Endorsement/Guarantee provided to others: Attachment 1.

(c) Marketable securities held as of December 31, 2025 (excluding investments in subsidiaries, associates and joint ventures): None.

(d) Related party transactions with purchases and sales amounts of at least NT$100 million or 20 percent of the paid-in capital for the year ended December 31, 2025: Please refer to Attachment 4.

(e) Receivables from related parties of at least NT$100 million or 20 percent of the paid-in capital as of December 31, 2025: Please refer to Attachment 5.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(3) Information on investments in Mainland China:

(A) Investee company name, main businesses and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, net income (loss) of investee company, percentage of ownership, investment income (loss), carrying value of investments, cumulated inward remittance of earnings and limits on investment in Mainland China:

Investee company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of Jan. 1, 2025	Investment Flow		Accumulated Outflow of Investment from Taiwan as of Dec. 31, 2025	Net income (loss) of investee company	Percentage of Ownership	Investment income (loss) recognized	Carrying Value as of Dec. 31, 2025	Accumulated Inward Remittance of Earnings as of Dec. 31, 2025	Accumulated Outflow of Investment from Taiwan as of Dec. 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
					Outflow	Inflow									
Dynamic Electronics (Kunshan) Co., Ltd.	Manufac-turing and selling of PCB	$2,514,400 (Note 2, 3)	(Note 11)	$2,260,265	$-	$-	$2,260,265	$173,219 (Note 2)	86.0989%	$176,873 (Note 2, 4, 5 and 12)	$3,126,047 (Note 2, 4 and 12)	$1,895,418 (Note 2)	$2,260,265	$- (Note 11)	$6,483,236

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Investee company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of Jan. 1, 2025	Investment Flow		Accumulated Outflow of Investment from Taiwan as of Dec. 31, 2025	Net income (loss) of investee company	Percentage of Ownership	Investment income (loss) recognized	Carrying Value as of Dec. 31, 2025	Accumulated Inward Remittance of Earnings as of Dec. 31, 2025	Accumulated Outflow of Investment from Taiwan as of Dec. 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
					Outflow	Inflow									
Dynamic Electronics Co., Ltd. (Huangshi)	Manufac-turing and selling of PCB	$2,063,442 (Note 2, 6,7, 8 ,9and 10)	(Note 1)	$504,167	$-	$-	$504,167	$1,132,729 (Note 2)	86.0989%	$822,463 (Note 2, 4, 5 and 12)	$11,451,765 (Note 2, 4 and 12)	$-	$504,167	$3,397,582	$6,483,236

Note 1: Investment in Mainland China through WINTEK (MAURITIUS) CO., LTD. and Dynamic Holding Pte. Ltd., companies established in the third area.

Note 2: Foreign currencies were converted into New Taiwan dollars based on exchanged rate of balance sheet date.

Note 3: Total amount of paid-in capital is USD 80,000 thousand.

Note 4: The investment income (loss) recognized under equity method and by calculation was based on audited financial statements.

Note 5: It includes the share of profit or loss of associates and joint ventures accounted for using the equity method, as well as unrealized gain or loss with associates and other adjustments at the beginning and end of the period.

Note 6: The difference between investments remitted from Taiwan in amount of USD 69,500 thousand and the received paid-in capital of USD 80,000 thousand was cash capital increase of USD 10,500 thousand made by WINTEK (MAURITIUS) CO., LTD.

Note 7: The difference between investments remitted from Taiwan in amount of USD 16,060 thousand and the paid-in capital of USD 50,000 thousand is an indirect investment of USD 33,940 thousand made by WINTEK (MAURITIUS) CO., LTD. by using cash dividends received from Dynamic Electronics (Kunshan) Co. Ltd.

Note 8: Dynamic Electronics Co., Ltd. (Huangshi) passed the resolution of the board of directors on August 4, 2022 to reduce the capital of USD 73,000 thousand, which was booked under capital surplus. In addition, on September 2, 2022, the board of directors approved a cash capital increase of RMB 35,000 thousand of which RMB 8,888 thousand (equivalent to USD 1,250 thousand) was booked as capital, and the remaining RMB 26,112 thousand was booked as capital surplus.

Note 9: The Company's subsidiary, Dynamic Electronics Co., Ltd. (Huangshi), was officially listed on the Shanghai Stock Exchange on October 24, 2025. And the board of directors approved to proceed a cash capital increase by issuing 52,500 thousand shares at a price of RMB 17.08 per share of which RMB 52,500 thousand (USD 7,402 thousand) was booked as capital, and the remaining RMB 750,662 thousand was booked as capital surplus.

Note 10: Total amount of paid-in capital is RMB 437,029 thousand(USD 65,652 thousand).

Note 11: The Company previously indirectly invested in its China subsidiary, Dynamic Electronics (Kunshan) Co. Ltd., through Dynamic Electronics Holding Pte. Ltd. The Company now indirectly invests in Dynamic Electronics (Kunshan) Co. Ltd., through Dynamic Electronics Co., Ltd. (Huangshi).

Note 12: Transactions between consolidated entities are eliminated in the consolidated financial statements.

(B) Significant transactions with investees in Mainland China:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, please refer to attachment 6 for details.

14. Segment information

(1) For management purposes, the Group is organized into business units based on their products and services and has three reportable operating segments as follows:

PCB segment: The segment is primarily responsible for the manufacturing of PCBs and selling them to electronic producers.

Mock-up segment: This segment is responsible for mock-up manufacturing and sales to electronic product manufacturers.

No operating segments have been aggregated to form the above reportable operating segments.

The Group’s operating segments adopts the same accounting policies as the ones in Note 4. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured based on accounting policies consistent with those in the consolidated financial statements.

Transfer prices between operating segment are on an arm’s length basis in a manner similar to transactions with third parties.

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	PCB Segment	Mock-up Segment	Subtotal	Adjustments and eliminations (Note 1)	Consolidated
For the year ended 2025					
Revenues					
External customers	$19,386,343	$66,618	$19,452,961	$-	$19,452,961
Inter-segment	17,546,192	4,963	17,551,155	(17,551,155)	-
Interest income	53,293	83	53,376	(38,109)	15,267
Total	$36,985,828	$71,664	$37,057,492	$(17,589,264)	$19,468,228
Segment income (loss)	$778,010	$3,276	$781,286	$-	$781,286
For the year ended 2024					
Revenues					
External customers	$17,734,162	$52,842	$17,787,004	$-	$17,787,004
Inter-segment	17,215,842	-	17,215,842	(17,215,842)	-
Interest income	98,913	97	99,010	(61,915)	37,095
Total	$35,048,917	$52,939	$35,101,856	$(17,277,757)	$17,824,099
Segment income (loss)	$1,078,425	$(2,886)	$1,075,539	$-	$1,075,539

Note1: Inter-segment revenues are eliminated upon consolidation and recorded under the "adjustments and eliminations" column.

Details of operational asset-related information as of December 31, 2025 and 2024 are as follows:

	PCB Segment	Mock-up Segment	Subtotal	Adjustments and eliminations	Consolidated
Segment assets as of Dec.31, 2025	$38,626,336	$47,561	$38,673,897	$(29,102)	$38,644,795
Segment assets as of Dec.31, 2024	$31,016,382	$39,351	$31,055,733	$(153,399)	$30,902,334

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(2) Geographical information

(A) Revenues from external customers (Note):

	For the years ended December 31,	
	2025	2024
Taiwan	$1,808,816	$1,001,490
China	7,089,989	6,432,253
Mexico	1,211,939	1,449,890
Korea	1,047,192	1,097,394
Malaysia	1,190,935	1,076,201
Germany	835,627	797,969
Other countries	6,268,463	5,931,807
Total	$19,452,961	$17,787,004

Note: The revenue information above is based on the location of the customer.

(B) Non-current assets:

	As of	
	Dec. 31, 2025	Dec. 31, 2024
Taiwan	$30,033	$33,655
China	10,259,923	10,921,498
Thailand	10,351,556	7,153,294
Total	$20,641,512	$18,108,447

(3) Information about major customers

	For the years ended December 31,	
	2025	2024
Customer A	$2,373,926	$2,552,989

English Translation of Consolidated Financial Statements Originally Issued in Chinese

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

Endorsement/Guarantee Provided to Others

For the Year Ended December 31, 2025

Attachment 1

(In Thousands of New Taiwan Dollars)

No.	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note 3)	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement/ Guarantee secured by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Worth per Latest Financial Statements	Maximum Endorsement/ Guarantee Amount Allowed (Note 3)	Endorsement provided by parent company to subsidiaries (Note 4)	Endorsement provided by subsidiaries to parent company (Note 4)	Endorsement provided to entities in China (Note 4)
(Note 1)	Name	Name	Relationship (Note2)										
0	Dynamic Holding Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	2	$10,805,393	$3,133,315	$1,117,750	$1,106,573	$-	10.34%	$10,805,393	Y	N	Y
0	Dynamic Holding Co., Ltd.	Dynamic Technology Manufacturing (Thailand) Co., Ltd.	2	$10,805,393	$6,374,220	$6,374,220	$4,236,558	$-	58.99%	$10,805,393	Y	N	N
1	Dynamic Electronics (Taoyuan) Co., Ltd.	Dynamic Technology Manufacturing (Thailand) Co., Ltd.	2	$10,421,360	$313,800	$313,800	$313,800	$-	2.90%	$10,421,360	N	N	N

Note 1: Dynamic Holding Co., Ltd. and subsidiaries are coded as follows:

1. Dynamic Holding Co., Ltd. is coded "0".
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note2：The relationship between the guarantor of the endorsement and the object to be guaranteed is as follows:

1. A company with which it does business.
2. A company in which the public company directly and indirectly holds more than 50 percent of the voting shares.
3. A company that directly and indirectly holds more than 50 percent of the voting shares in the public company.
4. A company in which the public company holds, directly or indirectly, 90 percent or more of the voting shares.
5. A company that fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
6. A company whose co-investment relationship is endorsed by all shareholders in proportion to their shareholding ratio.
7. Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: According to the procedures of Endorsement and Guarantee, the external endorsement or guarantee provided by the Company and its subsidiaries shall not exceed 120% of the current net value of the Company.

Also, the limitation of endorsement or guarantee provided for any single entity shall not exceed the current net value of the Company.

If the total amount of endorsements and guarantees provided by the Company and its subsidiaries reaches 50% or more of the current net value of the Company, the necessity and reasonableness of such endorsements and guarantees shall be explained at the shareholders' meeting.

The current net value shall be based on the most recent audited or reviewed financial statements.

Note 4: A "Y" should be filled in for endorsements or guarantees provided by a listed parent company for its subsidiary, by a subsidiary for its listed parent company, or originating from mainland China.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

Name, locations and related information of investees (excluding investees in Mainland China)

As of December 31, 2025

Attachment 2

(In Thousands of Foreign Currency / New Taiwan Dollars)

Investor	Investee	Address	Main Business and Product	Original Investment Amount		Balance as of December 31, 2025			Net Income (Loss) of the Investee	Share of Income (Loss) of the Investee	Note
				As of December 31, 2025	As of December 31, 2024	Shares	%	Carrying Value			
Dynamic Holding Co., Ltd.	Dynamic Electronics (Taoyuan) Co., Ltd.	33846 6F., No. 50, Minquan Rd., Luzhu Dist., Taoyuan City , Taiwan	Investing activities	$6,148,342	$6,148,342	467,074,889	100.00%	$10,421,359	$860,484	$860,484	Note 1
Dynamic Holding Co., Ltd.	CHIANAN TECHNOLOGY CO., LTD.	24257 2F, No. 649, Zhongzheng Road, Xinzhuang District, New Taipei City, Taiwan	Mockup manufacture	$16,428	$16,428	7	70.00%	$6,639	$1,585	$1,109	Note 1
Dynamic Holding Co., Ltd.	CHENG CHONG TECHNOLOGY CO., LTD	24260 2F, No. 649-1, Zhongzheng Road, Xinzhuang District, New Taipei City, Taiwan	Mockup manufacture	$33,533	$33,533	7	70.00%	$37,034	$1,691	$1,184	Note 1
Dynamic Electronics (Taoyuan) Co., Ltd.	WINTEK (MAURITIUS) CO., LTD.	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius	Investing activities	$2,788,141	$2,788,141	8,596,000	100.00%	$11,455,271	$1,065,958	$1,065,958	Note 1
WINTEK (MAURITIUS) CO., LTD.	Dynamic Electronics Holding Pte. Ltd.	151 CHIN SWEE ROAD, #04-8C, MANHATTAN HOUSE, SINGAPORE(169876)	Investing activities	$1,564,061	$1,564,061	142,067,000	100.00%	USD 364,437	USD 34,153	USD 34,153	Note 1
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Electronics Co., Ltd. (Seychelles)	Office 1, 1st Floor, DEKK Complex, Plaisance, Mahé, Republic of Seychelles	PCB and business which relates to import and export	$82,967	$82,967	50,000	100.00%	CNY 547,290	CNY 214,274	CNY 214,274	Note 1
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Overseas Investment	151 CHIN SWEE ROAD, #04-8D, MANHATTAN HOUSE, SINGAPORE(169876)	Management operations services	$5,629,014	$3,788,900	179,050,000	100.00%	CNY 1,050,089	(CNY 217,827)	(CNY 217,827)	Note 1
Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Technology (Thailand)	106 Moo 7 Thatoom, Srimahaphot, Prachinburi 25140	Manufacture and sale of PCB	$-	$-	2	0.01%	USD 0	(USD 30,314)	USD 0	Note 1
Dynamic Overseas Investment	Dynamic Technology (Thailand)	106 Moo 7 Thatoom, Srimahaphot, Prachinburi 25140	Manufacture and sale of PCB	$5,619,338	$3,779,224	60,999,998	99.99%	USD 145,325	(USD 30,314)	(USD 30,314)	Note 1

Note 1: Transactions are eliminated when preparing the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

Financing provided to others

For the Year Ended December 31, 2025

Attachment 3

(In Thousands of New Taiwan Dollars)

NO. (Note1)	Lender	Counter-party	Financial accounting account	Related Party	Maximum balance for the period	Ending balance	Actual amount provided	Interest rate	Nature of financing (Note 2)	Amount of sales to (purchases from) counter-party	Reason for financing	Loss Allowance	Collateral		Limit of financing amount for individual counter-party	Limit of total financing amount
													Item	Value		
1	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	Other receivables	Yes	$1,182,480	$1,162,460	$1,162,460	3.00%~3.45%	2	$-	Business turnover	$-	-	$-	$1,954,510 (Note 3)	$1,954,510 (Note 3)
2	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Technology Manufacturing (Thailand) Co., Ltd.	Other receivables	Yes	$914,975	$878,640	$878,640	0.00%~5.81%	2	$-	Business turnover	$-	-	$-	$1,468,358 (Note 4)	$1,468,358 (Note 4)

Note 1: Dynamic Holding Co., Ltd. and subsidiaries are coded as follows:

1. The Company is "0".

2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Nature of financing is coded as follows:

1.Need for operating is coded "1".

2.Need for short term financing is coded "2".

Note 3: Limit of total financing amount shall not exceed 60% of the lender's net assets of value as of December 31, 2025. Limit of financing amount for individual counter-party shall not exceed 60% of the lender's net assets value as of December 31, 2025.

Note 4: Limit of total financing amount shall not exceed 60% of the lender's net assets of value as of December 31, 2025. Limit of financing amount for individual counter-party shall not exceed 60% of the lender's net assets value as of December 31, 2025.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

Related party transactions with purchases and sales amounts of at least NT$100 million or 20 percent of the paid-in capital

For the Year Ended December 31, 2025

Attachment 4

(In Thousands of Foreign Currency)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% to Total	Payment/ Collection Term	Unit Price	Payment/ Collection Term	Ending Balance	% to Total	
Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Seychelles)	Subsidiary	Sales	RMB 895,368	62.19%	90 days after monthly closing.	Specs of goods sold are different from others. Cannot be reasonably compared.	Non relative parties are 60~150 days after monthly closing.	Accounts receivable RMB 406,109	64.07%	Note 1
Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	Subsidiary	Sales	RMB 134,255	9.33%	90 days after monthly closing.	Specs of goods sold are different from others. Cannot be reasonably compared.	Non relative parties are 60~150 days after monthly closing.	Accounts receivable RMB 70,689	11.15%	Note 1
Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	Subsidiary	Purchases	RMB 578,469	53.79%	90 days after monthly closing.	Specs of goods purchased are different from others. Cannot be reasonably compared.	Non relative parties are 90~120 days after monthly closing.	Accounts payable RMB 42,333	16.61%	Note 1
Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Technology Manufacturing (Thailand) Co., Ltd.	Subsidiary	Purchases	RMB 63,719	5.92%	90 days after monthly closing.	Specs of goods purchased are different from others. Cannot be reasonably compared.	Non relative parties are 90~120 days after monthly closing.	Accounts payable RMB 11,771	4.62%	Note 1
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Electronics (Kunshan) Co., Ltd.	Subsidiary	Purchases	RMB 134,255	6.04%	90 days after monthly closing.	Specs of goods purchased are different from others. Cannot be reasonably compared.	Non relative parties are 90~120 days after monthly closing.	Accounts payable RMB 70,689	9.56%	Note 1
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Electronics (Kunshan) Co., Ltd.	Subsidiary	Sales	RMB 578,469	16.89%	90 days after monthly closing.	Specs of goods sold are different from others. Cannot be reasonably compared.	Non relative parties are 120 days after monthly closing.	Accounts receivable RMB 42,333	4.05%	Note 1
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Electronics Co., Ltd. (Seychelles)	Subsidiary	Sales	RMB 2,030,226	59.29%	90 days after monthly closing.	Specs of goods sold are different from others. Cannot be reasonably compared.	Non relative parties are 120 days after monthly closing.	Accounts receivable RMB 545,030	52.12%	Note 1

English Translation of Consolidated Financial Statements Originally Issued in Chinese

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

Related party transactions with purchases and sales amounts of at least NT$100 million or 20 percent of the paid-in capital

For the Year Ended December 31, 2025

Attachment 4

(In Thousands of Foreign Currency)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% to Total	Payment/ Collection Term	Unit Price	Payment/ Collection Term	Ending Balance	% to Total	
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Technology Manufacturing (Thailand) Co., Ltd.	Subsidiary	Purchases	RMB 258,219	11.62%	90 days after monthly closing.	Specs of goods purchased are different from others. Cannot be reasonably compared.	Non relative parties are 90~120 days after monthly closing.	Accounts payable RMB 34,701	4.69%	Note 1
Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Electronics Co., Ltd. (Huangshi)	Subsidiary	Purchases	USD 283,378	68.43%	90 days after monthly closing.	Not comparable.	No non-related parties to be compared with.	Accounts payable USD 77,333	56.03%	Note 1
Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Electronics (Kunshan) Co., Ltd.	Subsidiary	Purchases	USD 124,948	30.17%	90 days after monthly closing.	Not comparable.	No non-related parties to be compared with.	Accounts payable USD 57,567	41.71%	Note 1
Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Technology Manufacturing (Thailand) Co., Ltd.	Subsidiary	Purchases	USD 5,731	1.38%	90 days after monthly closing.	Not comparable.	No non-related parties to be compared with.	Accounts payable USD 3,122	2.26%	Note 1
Dynamic Technology Manufacturing (Thailand) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	Subsidiary	Sales	THB 1,184,184	66.46%	90 days after monthly closing.	Specs of goods sold are different from others. Cannot be reasonably compared.	No non-related parties to be compared with.	Accounts receivable THB 154,872	54.65%	Note 1
Dynamic Technology Manufacturing (Thailand) Co., Ltd.	Dynamic Electronics (Kunshan) Co., Ltd.	Subsidiary	Sales	THB 317,919	17.84%	90 days after monthly closing.	Specs of goods sold are different from others. Cannot be reasonably compared.	No non-related parties to be compared with.	Accounts receivable THB 52,398	18.49%	Note 1
Dynamic Technology Manufacturing (Thailand) Co., Ltd.	Dynamic Electronics Co., Ltd. (Seychelles)	Subsidiary	Sales	THB 186,043	10.44%	90 days after monthly closing.	Specs of goods sold are different from others. Cannot be reasonably compared.	No non-related parties to be compared with.	Accounts receivable THB 75,772	26.74%	Note 1

Note1: Transactions are eliminated when preparing the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

Receivables from related parties of at least NT$100 million or 20 percent of the paid-in capital

As of December 31, 2025

Attachment 5

(In Thousands of Foreign Currency)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Ratio	Overdue		Amount Received in Subsequent Periods	Loss Allowance
					Amount	Action Taken		
Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd (Seychelles)	Subsidiary	RMB 406,109 (Note 1 and 2)	2.29	$-	-	RMB 146,112	$-
Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	Subsidiary	RMB 70,689 (Note 1 and 2)	2.57	$-	-	RMB 14,848	$-
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Electronics Co., Ltd (Seychelles)	Subsidiary	RMB 545,030 (Note 1 and 2)	4.10	$-	-	RMB 163,815	$-
Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Electronics (Kunshan) Co., Ltd.	Subsidiary	RMB 42,333 (Note 1 and 2)	4.35	$-	-	RMB 40,000	$-
Dynamic Technology Manufacturing (Thailand) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	Subsidiary	THB 154,872 (Note 1 and 2)	14.54	$-	-	THB 91,217	$-
Dynamic Technology Manufacturing (Thailand) Co., Ltd.	Dynamic Electronics (Kunshan) Co., Ltd.	Subsidiary	THB 52,398 (Note 1 and 2)	12.13	$-	-	THB 34,895	$-

Note1: Accounts receivable.

Note2: Transactions are eliminated when preparing the consolidated financial statements.

<u>English Translation of Consolidated Financial Statements Originally Issued in Chinese</u>

DYNAMIC HOLDING CO., LTD. AND SUBSIDIARIES

Inter Group relationships and significant inter Group transactions

Attachment 6

(In Thousands of Foreign Currency / New Taiwan Dollars)

No. (Note 1)	Company Name	Counter-Party	Nature of Relationship (Note 2)	Intercompany Transaction				
				Financial Statement Account	Amount		Terms	Percentage to Consolidated Net Revenue or Total Assets (Note 3)
	For the year Ended December 31, 2025							
1	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Electronics (Kunshan) Co., Ltd.	3	Purchases	USD	124,948	90 days after monthly closing	20.19%
1	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Electronics (Kunshan) Co., Ltd.	3	Accounts payable	USD	57,567	90 days after monthly closing	4.68%
1	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Electronics Co., Ltd. (Huangshi)	3	Purchases	USD	283,378	90 days after monthly closing	45.79%
1	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Electronics Co., Ltd. (Huangshi)	3	Accounts payable	USD	77,333	90 days after monthly closing	6.29%
1	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Overseas Investment	3	Other managing expenses	USD	46	-	0.01%
1	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Technology (Thailand)	3	Purchases	USD	5,731	90 days after monthly closing	0.93%
1	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Technology (Thailand)	3	Accounts payable	USD	3,122	90 days after monthly closing	0.25%
1	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Technology (Thailand)	3	Other managing expenses	USD	2,741	-	0.44%
1	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Technology (Thailand)	3	Other receivables (financing)	USD	28,000	-	2.28%
1	Dynamic Electronics Co., Ltd. (Seychelles)	Dynamic Technology (Thailand)	3	Other interest income	USD	144	-	0.02%
2	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	3	Purchases	RMB	578,469	90 days after monthly closing	13.30%
2	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	3	Accounts payable	RMB	42,333	90 days after monthly closing	0.49%
2	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	3	Other receivables	RMB	4,183	-	0.05%
2	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	3	Other receivables (financing)	RMB	260,000	-	3.01%
2	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	3	Other interest income	RMB	7,750	-	0.18%
2	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	3	Accounts receivable	RMB	70,689	90 days after monthly closing	0.82%
2	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Electronics Co., Ltd. (Huangshi)	3	Sales	RMB	134,255	90 days after monthly closing	3.09%
2	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Technology (Thailand)	3	Purchases	RMB	63,719	90 days after monthly closing	1.46%
2	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Technology (Thailand)	3	Accounts payable	RMB	11,771	90 days after monthly closing	0.14%
2	Dynamic Electronics (Kunshan) Co., Ltd.	Dynamic Technology (Thailand)	3	Other receivables	RMB	7,068	-	0.08%
3	Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Technology (Thailand)	3	Purchases	RMB	258,219	90 days after monthly closing	5.94%
3	Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Technology (Thailand)	3	Accounts payable	RMB	34,701	90 days after monthly closing	0.40%
3	Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Technology (Thailand)	3	Other payables	RMB	18,697	90 days after monthly closing	0.22%
3	Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Technology (Thailand)	3	Accounts receivable	RMB	1,392	90 days after monthly closing	0.02%
3	Dynamic Electronics Co., Ltd. (Huangshi)	Dynamic Technology (Thailand)	3	Sales	RMB	3,230	90 days after monthly closing	0.07%
4	CHIANAN TECHNOLOGY CO., LTD.	CHENG CHONG TECHNOLOGY CO., LTD	3	Other income	TWD	1,800	-	0.01%
4	CHIANAN TECHNOLOGY CO., LTD.	CHENG CHONG TECHNOLOGY CO., LTD	3	Sales	TWD	4,963	90 days after monthly closing	0.03%

Note 1: Dynamic Holding Co., Ltd. and subsidiaries are coded as follows:

1. Dynamic Holding Co., Ltd. is coded "0".
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Transactions are categorized as follows：

1. Investor to investee.
2. Investee to investor.
3. Investee to investee.

Note 3: The percentage base with respect to the total consolidated revenue-weighted average (about income statement accounts) or total assets (about balance sheet accounts).

Note 4: Foreign currencies were converted into New Taiwan dollars based on exchanged rate of balance sheet date.

Dynamic Holding Co., Ltd.

Chairman : Ken Huang

Dynamic
Holding