Stock Code: 8033

THUNDER TIGER CORP.

2025 Annual Report

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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Overseas Securities Exchange
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I.Letter to Shareholders

1.1 Foreword

Since its establishment, the Company has focused on the manufacturing, research and development, and sales of radio-controlled models and unmanned systems, becoming the world's first publicly listed enterprise with this core business. Upholding a spirit of innovation, we have continuously invested in R&D in response to market dynamics, while steadily expanding our business portfolio.

With "precision metal machining" as our technological cornerstone, the Company has become a key leader in Taiwan's drone industry. Over the past year, we have actively refined our operational strategies, concentrating on strengthening our model and medical product lines, while comprehensively enhancing the quality and functionality of both commercial and military unmanned systems. We remain committed to a "Made in Taiwan" priority, demonstrating the strength of local manufacturing.

In the aseptic packaging sector, the Company has established a preform production base in the Dapumei Industrial Park in Chiayi and integrated existing bottle cap manufacturing processes to offer a one-stop product portfolio. This integration has effectively improved supply efficiency and market competitiveness, with operational benefits gradually materializing.

In the unmanned systems segment, our R&D achievements continue to break new ground and expand into international markets. The Company's self-developed Overkill FPV loitering munition drone series has officially received the Blue UAS Cleared certification from the U.S. Department of Defense's Defense Innovation Unit (DIU), making us the first company in Taiwan's drone industry to obtain this internationally recognized cybersecurity and military-grade certification. This milestone signifies that our products meet U.S. defense standards in cybersecurity, supply chain transparency, and military application compatibility, and formally places the Company within the U.S. military procurement supply chain, significantly enhancing our global competitiveness.

The Overkill FPV series features a highly lightweight design, extended endurance, and superior maneuverability. It can be integrated with advanced technologies such as AI-based targeting systems, anti-electronic interference positioning, and fiber-optic control, making it suitable for high-risk missions including precision strikes, battlefield reconnaissance, and border defense. The acquisition of Blue UAS certification not only facilitates entry into U.S. and NATO markets, but also significantly strengthens the Company's competitiveness in domestic defense procurement, injecting strong momentum into future growth.

In addition, the Company is actively advancing the development of unmanned surface vehicles (USVs). Our self-developed "Seashark 800" unmanned attack vessel has successfully completed real-sea trials, demonstrating key capabilities such as long-range navigation, integrated communications, and AI-based target tracking. We are also planning the mass production model "Seashark TT600" and actively pursuing domestic large-scale USV procurement opportunities. To enhance production capacity and manufacturing efficiency, the Company is investing in an aluminum shipbuilding facility and introducing integrated stamping technologies to establish high-efficiency mass production capabilities in response to future large-scale orders.

Furthermore, in response to regional security needs and the trend toward asymmetric warfare, the Company has launched the "Iron Triangle" PapaDELTA drone series. By combining aluminum alloy stamping mass production technology with Blue UAS compliance advantages, we are delivering highly mobile and cost-effective operational solutions, further strengthening our overall product portfolio.

Supported by government policies and resources, the Company continues to undertake projects such as the Ministry of Economic Affairs' dual-use drone T-400 program and military micro-drone development initiatives, and has successfully completed industrial upgrading projects under the "leading large enterprises with smaller partners" framework. To further enhance technological self-sufficiency, the Company has partnered with leading domestic semiconductor manufacturers to promote a "key drone chip and module development subsidy program," with tangible results expected to emerge in the coming years.

In the capital markets, the Company successfully completed a cash capital increase in the first quarter of 2025, issuing 10 million new shares and raising NT$498 million, effectively strengthening our financial structure and supporting R&D, capacity expansion, and market development. Furthermore, on February 24, 2026, the Board approved an additional cash capital increase through the issuance of 12 million common shares, which was officially declared effective by the competent authority on March 23, 2026, with completion expected in the second quarter of 2026. The proceeds will be primarily used for: (1) equipment procurement for aseptic packaging production line expansion; (2) land, plant, and equipment investments for unmanned system capacity expansion; and (3) working capital. Through continuous enhancement of our capital structure and resource allocation, the Company will accelerate capacity expansion and strengthen overall operational flexibility and market competitiveness.

Looking ahead to 2026, the Company will continue to focus on expanding operational scale and improving profitability, guiding subsidiaries to enhance production efficiency, strengthen cost control, and accelerate new product development. At the same time, amid evolving geopolitical conditions and rapidly growing demand for unmanned systems, the Company will actively seize industry opportunities, deepen its global presence, and continue to create long-term value.

Finally, we would like to express our sincere gratitude to all shareholders for your long-standing support and trust. The Company remains committed to delivering sustainable growth and innovation, and we look forward to working together with our shareholders to reach new heights.

1.2 2025 Annual operating report

1.2.1 Results of Business Plan Implementation

In fiscal year 2025, the Group's consolidated revenue reached NT$1,424,123 thousand, with a net income after tax of NT$78,760 thousand. Earnings per share (EPS) after tax amounted to NT$0.58. Compared to fiscal year 2024, revenue increased by 14.37%, primarily due to the full-scale commissioning of the bottle preform production line, which resulted in a significant increase in revenue. As a result, net income after tax increased by NT$3,072 thousand compared to the previous year. Looking ahead to fiscal year 2026, the management team expects stable operational performance across all subsidiaries and will actively pursue the development of new products and business lines, with the goal of achieving full-year profitability for the Group.

Parent Company　　　　　　　　　　　　　Unit: NTD thousand

Year / Item	2025	2024	Increase (Decrease) amount	Increase (Decrease)%
Sales Revenue	385,564	141,054	244,510	173.34%
Cost of Goods Sold	288,686	111,638	177,048	158.59%
Gross profit	96,878	29,416	67,462	229.34%
Net Income (Loss)	87,643	71,759	15,884	22.14%

Consolidated　　　　　　　　　　　　　Unit: NTD thousand

Year / Item	2025	2024	Increase (Decrease) amount	Increase (Decrease)%
Sales Revenue	1,424,123	1,245,153	178,970	14.37%
Cost of Goods Sold	892,421	716,153	176,268	24.61%
Gross profit	531,702	529,000	2,702	0.51%
Net Income (Loss)	78,760	75,688	3,072	4.06%
Profit attributable to parent company owner	87,643	71,759	15,884	22.14%

1.2.2 Budget execution status in 2025

There was no financial forecast for the year 2025, so there is no information on the achievement of the budget.

1.2.3 Financial income and expenditure analysis and profitability analysis.

1.2.3.1 Financial Income and Expenditure

Unit: NTD thousand

Item	Parent Company	Consolidated
Sales Revenue	385,564	1,424,123
Gross profit	96,878	531,702
Operating Expenses	(116,200)	(36,499)
Profit (Loss) before Income Tax	91,059	84,993
Net Income	87,643	78,760
EPS (Dollar)	0.58	0.58

Note: Includes both owners of the parent company and non-controlling interests.

1.2.3.2 Profitability analysis

Item	Individual ratio (%)	Consolidated ratio (%)
Return on Assets (ROA)	4.44	3.49
Return on Equity (ROE)	5.53	4.97
Operating Income to Capital Stock	(7.61)	(2.39)
Profit Before Tax to Capital Stock	5.97	5.57
Net Income Margin	22.73	5.53
Earnings per share (NT$)	0.58	0.58

1.2.4 Research and Development (R&D) Status.

1.2.4.1 R&D expenses incurred in the latest fiscal year.:

Unit: NTD thousand

Item	2025 Parent Company	2025 Consolidated
Research and Development (R&D) Expenses	107,492	170,768
Net Sales	385,564	1,424,123
Research and Development Expenses to Net Sales. (%)	27.88%	11.99%

1.2.4.2 Research and development (R&D) products

(i) The current products and services offered by the company.

Item	Product	Description
1	Remote Control Models (R/C)	<u>Remote Control Cars</u> Remote control cars are the largest market for R/C products, accounting for approximately 60-70% of the overall industry. Our company offers a diverse range of

Item	Product	Description
		products, including on-road cars, off-road cars, monster trucks, and racing trucks, among others. These products come in different sizes, including 1/8, 1/10, 1/12, 1/16, 1/18, and other levels. The power source is mainly electric. We have recently added realistic models featuring Toyota, Ford, Monster Sport, and Hoonigan Mustang brands. Helicopters In recent years, the entire series of electric helicopters have greatly improved their power with BLDC motors, which has become the main power source for electric helicopters. Remote Control Boats BLDC electric speedboats and racing boats, as well as high-end realistic racing sailboats that are also popular among non-RC enthusiasts.
2	Large-size helicopters and multi-rotor unmanned aerial vehicles (UAVs).	We provide large-scale intelligent helicopters that are not only applicable in the aerial photography market, but also continue to develop towards specific purposes, such as AI inspection of offshore wind turbine blades, disaster prevention and rescue communication base stations, thermal imaging search and rescue, transportation of medical supplies, and military-civilian dual-use markets, in order to expand market niches.
3	Large unmanned aerial vehicles (UAVs), T200, T-235AH、T-250AH, and T-400 helicopters.	We provide services for telecommunication relay, firefighting and police use, land conservation, national defense surveillance, power tower inspection, wind turbine blade inspection, port transportation services, and bridge inspection.
4	Micro unmanned aerial vehicles TM-450 & TM-450 HORNET、FPV and catapult-launched fixed-wing drones, as well as	(A)The micro UAV is a military-commercial product that combines Israeli military optical technology with a commercial quadcopter. The TM-450 is suitable for individual soldiers to carry and is equipped with night vision, reconnaissance, and positioning capabilities, allowing for short-range reconnaissance beyond the line of sight. (B)The TM-450 HORNET can carry items weighing less

Item	Product	Description
	engines for drones.	than 500g during flight. (C) FPV immersive drones can use low cost to strike high-value targets. (D) The catapult-launched C-230 and C-400 fixed-wing drones can fly 30 km and 100 km respectively. (E) The 250cc and 175cc horizontally opposed engines developed specifically for fixed-wing drones enable long-endurance flights exceeding 100 km.
5	Eight-axis submarines and AUV intelligent underwater vehicles (Seawolf 400).	Combining the experience of brushless motors and electronic systems, we have expanded our aerial application opportunities to underwater applications, which is a specialized field that few companies have ventured into. We have developed cost-effective ROV products with high competitiveness, using quad-HD imaging technology and open-source control technology, allowing computer operation and joystick control. We aim to explore commercial and military opportunities in the underwater market up to 200 meters deep.
6	Water-based mobility platforms, aquatic performance platforms, and unmanned surface vehicles (including the Seashark 800 and Seashark 600).	Combining a complete navigation computer automatic control system with a feature-rich water quality monitoring device enhances the added value of the product. The open source system design allows for connection with various sensors and the integration of 4G transmission data, providing real-time monitoring of environmental vehicles. It can also be used for defense and mine sweeping purposes.
7	Medical Products	Dental, physiotherapy, and ophthalmology-related products.
8	Aseptic cold fill packaging materials	Sterile packaging materials and products related to beverage bottle caps, bottle preforms, and tethered caps.

(ii) New product/service under development：

A. Medium to large-sized unmanned helicopter series：

a. CX-180 Emergency Wireless Communication Base Station：

The CX-180 Emergency Wireless Communication Base Station is equipped with an 11KW generator, allowing it to provide uninterrupted wireless communication in disaster areas for an extended period at high altitudes. It has undergone environmental testing with different communication equipment in collaboration with Chunghwa Telecom and Industrial Technology Research Institute (ITRI). It is capable of operating in conditions with wind speeds up to level 6.

b. T-200 Industrial Helicopter Series：

The T-200 Industrial Helicopter Series can be equipped with a Communication Point of Entry (CPE) adapter and a high-magnification optical zoom and infrared thermal imaging camera gimbal. It serves as a remotely operated aerial vehicle for transmitting real-time visual imagery and supporting specialized applications. It is capable of providing immediate assistance in disaster zone search and rescue missions, as well as performing group flight communication tasks.

c. T- 235 AH Engine Unmanned Helicopter：

The T-235AH unmanned helicopter features a lightweight airframe and high-performance lithium ternary battery, allowing for a flight time of over 70 minutes. It can be used for ship-based takeoff and landing as well as long-distance reconnaissance missions.

d. T-250 AH Large Engine Unmanned Helicopter：

The T-250 Large Engine Unmanned Helicopter is equipped with a powerful 120CC engine, allowing it to overcome limitations on long-duration flights. It is currently in the flight testing phase, where its performance and capabilities are being evaluated.

e. T-400 Military-Civilian Multi-purpose Engine Unmanned Aircraft：

The T-400 Military-Civilian Multi-purpose Engine Unmanned Aircraft is specifically designed to extend flight duration, with a flight time of up to 4 to 6 hours or more. It has a payload capacity of 50kg, making it capable of fulfilling various special mission requirements for military purposes in the future.

f. Command Tower：

The Command Tower integrates Chunghwa Telecom's 4G and 5G networks with satellite signals. It can simultaneously coordinate several to dozens of Thunder Tiger Technology (T200) relay-type drones, which are equipped with telecom repeaters to form a MESH communication network in the air. This expands temporary communication and command networks during wartime and disasters. Additionally, the Command Tower can be equipped with a T-type AESA (Active Electronically Scanned Array) radar system, capable of detecting low-altitude small drones invading the airspace, locking onto their positions, and shooting them down if necessary.

g. Vertical Take-Off and Landing (VTOL) multirotor drone.

h. Fiber-optic drone

B. Micro unmanned aerial vehicles/ FPV drone：

a. The TM-450 and TM-450 HORNET are military-grade, commercially available products：

They are portable unmanned aircraft systems designed for individual soldiers, equipped with Israeli military optical payloads, and capable of night vision, reconnaissance, and positioning for short-range beyond-line-of-sight operations.

b. 5-inch /7-inch /10-inch immersive FPV drones：

Operated intuitively using first-person-view goggles, these drones are characterized by their ability to strike high-value targets at low cost. They have now evolved to include fiber-optic–controlled drone systems.

c. C-230/C-400 catapult-launched fixed-wing drones：

These can fly up to 30 km and 100 km respectively, and are capable of carrying 2 kg and 10 kg of payloads for loitering attack missions.

C. Unmanned underwater vehicle (UUV)：

a. The Seadragon underwater submarine is equipped with a high-definition HDMI transmission system. It incorporates open-source kits and operates with six to eight propulsion motors, allowing for fast movement and maneuverability in water. It is equipped with a high-definition HDMI camera, enabling real-time video transmission for computer processing. The transmission is done through Ethernet network. The Seadragon submarine can reach depths of up to a hundred meters, making it suitable for underwater photography applications.

b. The Seawolf400 AUV (Autonomous Underwater Vehicle) for marine use is equipped with a sonar system, enabling it to perform mine sweeping missions. It utilizes open-source kits and operates with five propulsion motors, allowing for wireless movement and control underwater. It is also equipped with a camera, enabling it to be used for autonomous underwater navigation and exploration.

c. The Seadragon underwater submarine is equipped with a robotic arm：

In conjunction with the a. or b. solutions, the addition of a robotic arm allows for underwater exploration and execution of various tasks.

d. The SEAWOLF 400 AUV (Autonomous Underwater Vehicle) is a medium-to-large underwater drone, currently under development. Measuring up to 4 meters in length, it is designed to operate in swarms underwater. Its applications include hydrographic scanning, mapping, and military defense tasks such as mine sweeping and deploying intelligent mobile mines for deterrence and asymmetric warfare.

D. Unmanned Drone Water Show Platform

The Unmanned Drone Water Show Platform is specifically designed for water-based group performances. It utilizes high-performance batteries for efficient charging, ensuring long mission durations. By incorporating monitoring chips and communication coordination technology, it can be integrated into an air traffic control system to regulate the positioning of multiple vehicles and control the audio and lighting systems, achieving synchronized performances for water-based group shows. It can be configured with 4G or 5G transmission based on mission requirements, offering high flexibility in mission planning. This platform allows for centralized control of multiple vehicles on the water's surface, with each vehicle's position and mission requirements monitored through the air traffic control system, making the execution of show performances seamless and efficient.

E. Drone engines

The 250cc and 175cc horizontally opposed engines, specifically developed for fixed-wing drones, enable long-endurance flights exceeding 100 km.

F. Car Model

a. ELEMEMT Series

1. CR10 SENDERO Black RTR (Ready to run)
2. CR10 ECTO Black RIT

b. RC10 Racing Series

c. Hoonigan Series

1. Hoonitruck KIT
2. Hoonicorn KIT

G. Remote-Controlled Helicopter：

Medium-to-large industrial and rescue helicopters, including the upgraded MD300 and helicopter series equipped with GPS-compatible flight control systems.

H. Various types of OEM (Original Equipment Manufacturing) business.
(Including sterile packaging materials and silicone injection molded products.)

I. Medical product-related OEM business.

1.3 Summary of the 2026 business plan

1.3.1 Business Policy：

In fiscal year 2026, the Company will focus its core strategy on "scaling production capacity and standardizing supply chain compliance." It will continue to deepen its dual-engine development in unmanned systems and medical biotechnology, strengthen the operational performance of each business unit, and enhance overall revenue and profitability. The Company also aims to build an internationally competitive industrial ecosystem to achieve the Group's goal of steady and sustainable earnings growth.

1.3.2 Expected sales quantities and their basis：

This year, the Group's sales focus is primarily on military and commercial unmanned vehicles (UAVs, USVs, and UGVs), FPV single-use attack drones, sterile packaging products including bottle preforms and caps, medical device products, as well as radio-controlled platforms and related components.

The projected sales volume is based on historical sales performance, order visibility, the launch of new products, and forecasts of future market conditions, with the aim of driving revenue growth for the Thunder Tiger Group.

1.3.3 Group's Production and Sales Division Policy:：

(1)TT：Headquarters of the Group; R&D, manufacturing, and marketing center for military and civilian unmanned aerial vehicles (UAVs), unmanned surface vessels (USVs), remotely operated underwater vehicles (ROVs), unmanned ground vehicles (UGVs), and key UAV components such as flight controllers, motors, engines, and gimbal cameras.

(2)Associated Electrics：Responsible for the R&D, design, and global marketing of AE, Reedy, and Element brand products, with continuous expansion into the North American and European markets.

(3)TTBIO：R&D center for the TTBIO medical brand and production base for precision key components.

(4)TTS：OEM design center for remote-controlled models and assembly center for UAVs.

(5)TTMT：Responsible for brand channel operations, e-commerce platforms, and sales deployment across Taiwan, Asia, and Australia.

(6)Cancam：Serves as an aluminum hull manufacturing base, responsible for the production and sales of both manned vessels and unmanned surface vehicles (USVs).

1.4 Future company development strategy

1.4.1 Defense and Unmanned Vehicle Industry Strategy

The Group will continue to strengthen its presence in the defense market, actively participate in domestic and international tenders, and promote the industrial-scale mass production of unmanned systems. Key initiatives for FY2026 include: mass production and delivery of FPV drones, ongoing participation in testing and optimization of unmanned surface vehicles (USVs), and the refinement and market expansion of medium-to-large unmanned platforms (such as T-235, T-250, and T-400). The Group will also establish a "production capacity equals combat capability" supply system to enhance sustainable supply capability.

1.4.2 Manufacturing Technology Upgrade and Capacity Expansion

The Group will expand its aluminum alloy stamping production lines and establish standardized, modular, and scalable manufacturing processes. These will be applied across drones, USVs, and related platforms to achieve cross-product line economies of scale.

1.4.3 International Market Development and Strategic Partnerships

The Group will continue to deepen cooperation with the United States, Japan, and other democratic countries, strengthen its "non-red supply chain" strategy, and leverage Blue UAS compliance advantages to expand into international defense and commercial markets.

1.4.4 Growth of Medical Biotechnology Business

The Group will expand shipments of dental equipment and precision components, strengthen partnerships with international customers, and enhance product value-added and gross margins.

1.4.5 Expansion of Sterile Packaging Business

With completed production lines for bottle preforms and caps, the Group will continue to increase penetration in food and medical packaging markets, contributing stable revenue and cash flow.

1.4.6 Capital and Financial Strategy

In response to capacity expansion and order demand, the Group will, depending on market conditions, consider capital raising through cash issuance, private placement, or syndicated loans to strengthen working capital and optimize its financial structure.

1.5 Effects of external competitive environment, the legal environment, and the overall business environment

The Group's industries are significantly influenced by overall economic conditions, industrial structural changes, and international political and economic developments, all of which may affect operating performance to a certain extent.

In terms of industry dynamics, traditional remote-control model products belong to the recreational consumer market, with demand closely linked to economic conditions, disposable income, and leisure activity trends. In recent years, the rise of digital entertainment and the "home economy" has shifted participation in outdoor activities, placing pressure on demand for certain product lines and affecting their growth momentum. At the same time, driven by technological advancement and expanding applications, the Group has progressively extended its core technologies into industrial, commercial, and defense unmanned vehicle markets to align with industry transformation trends.

From a market and competitive perspective, geopolitical risks have increased in recent years, leading to rising defense budgets across countries and significantly growing demand for military and commercial unmanned systems. Industry competition has also shifted from focusing on single-product performance to emphasizing system integration capabilities, mass production efficiency, and supply chain stability. In addition, stricter requirements for supply chain compliance have emerged globally, with the "non-red supply chain" becoming a key trend, raising the standards for supply chain management and regulatory compliance.

In terms of the macroeconomic environment, the global economy continues to be affected by inflationary pressures, interest rate fluctuations, and exchange rate volatility, which may impact raw material costs, manufacturing expenses, and product pricing, thereby affecting gross margins and overall profitability.

In response to these external uncertainties, the Group will continue to implement diversified operational strategies, adjust its product portfolio, and expand application areas to mitigate market risks. On the manufacturing side, the Group will enhance production efficiency and cost control through industrialized mass production technologies and optimized production processes to meet demand for high cost-performance products. In terms of market positioning, the Group will further increase the proportion of defense and professional application businesses to improve revenue stability and value-added contribution.

Furthermore, the Group will continue to strengthen supply chain management, actively build a supply chain system that complies with international standards, and enhance transparency and resilience to reduce the impact of external fluctuations. Through these initiatives, the Group aims to continuously enhance overall competitiveness and maintain stable and sustainable business development.

THUNDER TIGER CORP.

Chairman: Kwan Zu, Chen

General Manager: Sheng Chieh, Su

II.Corporate Governance Report

2.1 Directors, Supervisors and Management Team

2.1.1 Directors and Supervisors

April 19, 2025

Title	Nationality/ Place of Incorporation	Nane	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	ROC	ChungKuan International Development Corp.	Male 54	2025.06.17	3	2016.06.20	1,002,411	0.66	1,002,411	0.66	-	-	-	-	-	-	-	-	-	-
	ROC	Representative: Kwan Zu, Chen				2013.06.20	-	-	7,710,420	5.05	40,727	0.03	-	-	-Master of The London School of Economics and Political Science -Bachelor's degree in Industrial Management from Carnegie Mellon University -Chairman of IBF VENTURE CAPITAL - Vice Chairman of Central Insurance Co., Ltd. - Overseas Department of China Development Industrial Bank	-Vice Chairman of IBF Securities Co., Ltd. -Chairman of Thunder Tiger Corp.	Director Director	-Guan Chou, Chen -Yu Ying, Hong	-The Second Degree -The First Degree	-
Dire	ROC	ChungKuan International	Mal	2025.06.17	3	2016.06.20	1,002,411	0.66	1,002,411	0.66	-	-	-	-	-	-	-	-	-	-

Title	Nationality/ Place of Incorporation	Nane	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
ctor		Development Corp.	e 55																	
	ROC	Representative: Guan Chou, Chen				2016.06.20	-	-	-	-	-	-	-	-	-Master of The London School of Economics and Political Science	- General Manager of IBF VENTURE CAPITAL -Vice Chairman of Nice Enterprise Co., Ltd.	Chairman Director	-Kwan Zu, Chen -Yu Ying, Hong	-The Second Degree -The First Degree	-
Director	ROC	ChungKuan International Development Corp.	Female, 80	2025.06.17	3	2016.06.20	1,002,411	0.66	1,002,411	0.66	-	-	-	-	-	-	-	-	-	-
	ROC	Representative: Yu Ying, Hong				2019.06.26	-	-	1,363,041	0.89	-	-	-	-	Director of Han Tian Industrial Co., Ltd.	Director of Han Tian Industrial Co., Ltd.	Chairman Director	-Kwan Zu, Chen -Guan Chou, Chen	-The First Degree -The First Degree	-
Director	ROC	Sheng Chieh, Su	Male 57	2025.06.17	3	2013.06.20	3,439,149	2.25	3,439,149	2.25	-	-	-	-	-Master of Business Administration from Boston University School of Management.	-General Manager of Thunder Tiger Corp.	-	-	-	-

Title	Nationality/ Place of Incorporation	Nane	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
															-Chief Investment Officer of the Investment Department at Nice Group's General Administration Office. -Supervisor of Central Insurance Co., Ltd. -Director of Mega Financial Holdings International Securities Co., Ltd.	-Director and General Manager of TTBIO Corp. -Consultant of Janfusun world Co., Ltd.				
Director	ROC	Yu Sin, Lai	Female, 48	2025.06.17	3	2013.06.20	586,591	0. 38	2,197,093	1.44	-	-	-	-	-Department of Visual Communication Design at Ling Tung University. -Director of TTBIO Corp. -Director of TTBIO Healthcare Inc.	-Director of TTBIO Corp. -Director of TTBIO Healthcare Inc.	-	-	-	-
Independent Director	ROC	Wen Sheng, Ko	Male 61	2025.06.17	3	2013.06.20	-	-	-	-	-	-	-	-	-PhD from the University of London -Executive Director of Hota Industrial Mfg. Co., Ltd. -Director of Formosa Flexible Packaging Corp.	-Director of Unitech Printed Circuit Board Corp -Director of Kuotu Motor Co., Ltd.	-	-	-	-

Title	Nationality/ Place of Incorporation	Nane	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
															-Director of Unitech Printed Circuit Board Corp.	-Committee Member of Thunder Tiger Corp.				
Independent Director	ROC	Ru Sen, Wu	Male 50	2025.06.17	3	2022.06.09	-	-	-	-	-	-	-	-	-Master of Business Administration from the University of California, Irvine. -Dual Master's degree in Management and Economics from Carnegie Mellon University. -Chairman of W Energy Investment Corporation	-Chairman of W ENERGY INVESTMENT CORPORATION -Chairman of HELIOS ENERGY CORPORATION	-	-	-	-
Independent Director	ROC	Hsiang Han, Wu	Male 40	2025.06.17	3	2022.06.09	-	-	-	-	-	-	-	-	-Chairman of PRO & PACIFIC CO., LTD. -Chairman of Kingsky Clean-Tech Co., Ltd.	-Chairman of PRO & PACIFIC CO., LTD. -Chairman of Kingsky Clean-Tech Co., Ltd. -Committee Member of Thunder Tiger Corp.	-	-	-	-

2.1.1.1 Major shareholders of the institutional shareholders

March 16, 2026(Record Date)

Name of Institutional Shareholders	Major Shareholders	%
ChungKuan International Development Corp.	Kwan Zu, Chen	99%
	YU FEN, WANG	1%

2.1.1.2 Major shareholders of the Company’s major institutional shareholders:

Name of Institutional Shareholders	Major Shareholders	%
TAIWAN FIRST BIOTECHNOLOGY INC	A.G.V. Products Corporation	40.25%
	PAOLYTA CO., LTD.	7.80%
	JINGTAI DEVELOPMENT CO., LTD	7.80%
	NICE ENTERPRISE CO., LTD.	5.94%
	HEYUAN INVESTMENT CO., LTD.	3.53%
	DATAI INVESTMENT CO., LTD	3.00%
	NICE FINANCE CO., LTD.	1.54%
	THUNDER TIGER CORPORATION	1.30%
	YUN KU.	1.18%
	THUNDER EAGLE SECURITY CO., LTD	1.16%

2.1.1.3 Professional qualifications and independence analysis of directors and supervisors

March 16, 2026

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
ChungKuan International Development Corp. Representative: Kwan Zu, Chen	Education: -Master of The London School of Economics and Political Science -Bachelor's degree in Industrial Management from Carnegie Mellon University Experience: -Chairman of IBF VENTURE CAPITAL and Thunder Tiger Corp. Position: -Chairman of Thunder Tiger Corp. Possessing work experience and expertise in business, finance, accounting, and corporate operations, along with the necessary knowledge and skills in these areas.	There are no circumstances that under the provisions of Article 30 of the Company Law.	-
ChungKuan International Development Corp. Representative: Guan Chou, Chen	Education: -Master of The London School of Economics and Political Science Experience: -Director and Vice General Manager of IBF VENTURE CAPITAL Position: -Director and General Manager of IBF VENTURE CAPITAL Possessing work experience and expertise in business, finance, accounting, and corporate operations, along with the necessary knowledge and skills in these areas.	There are no circumstances that under the provisions of Article 30 of the Company Law.	1

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
ChungKuan International Development Corp. Representative: Yu Ying, Hong	Education: -National Changhua Senior School of Commerce Experience: -Director of Han Tian Industrial Co., Ltd Position: -Director of Han Tian Industrial Co., Ltd Possessing work experience and expertise in business, finance, accounting, and corporate operations, along with the necessary knowledge and skills in these areas.	There are no circumstances that under the provisions of Article 30 of the Company Law.	-
Sheng Chieh, Su	Education: -Master of Business Administration from Boston University School of Management Experience: -Chief Investment Officer of the Investment Department at Nice Group -Director of Mega Financial Holdings International Securities Co., Ltd. Position: - General Manager of Thunder Tiger Corp. and TTBIO Corp. Possessing work experience and expertise in business, finance, accounting, and corporate operations, along with the necessary knowledge and skills in these areas.	There are no circumstances that under the provisions of Article 30 of the Company Law.	-

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Yu Sin, Lai	Education: -Department of Visual Communication Design at Ling Tung University. Experience: -Director of TTBIO Corp. -Director of TTBIO Healthcare Inc. Position: -Director of Thunder Tiger Corp. and TTBIO Corp. Possessing work experience and expertise in business, finance, accounting, and corporate operations, along with the necessary knowledge and skills in these areas.	There are no circumstances that under the provisions of Article 30 of the Company Law.	-

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Wen Sheng, Ko	Education: -PhD from the University of London Experience: -Director of Hota Industrial Mfg. Co., Ltd Unitech Printed Circuit Board Corp., and Kuotu Motor Co., Ltd. Position: -Independent director of Thunder Tiger Corp. Possessing work experience and expertise in business, finance, accounting, and corporate operations, along with the necessary knowledge and skills in these areas.	The director has not served as an employee, director, or supervisor of the company or its affiliated enterprises during the two years prior to appointment and throughout the term of office. The director's spouse and relatives up to the second degree of kinship, or relatives up to the third degree of direct consanguinity, are not employed as employees, directors, supervisors, or managers of the company or its affiliated enterprises. The director, the director's spouse, minor children, or individuals holding zero shares of the company's issued shares. The director does not hold any position as a director, supervisor, or employee in a related company with specific relationships with the company. The director has not received any remuneration from the company or its affiliated enterprises for providing services in business, legal, financial, accounting, or other areas in the past two years. The director has no spousal relationship or kinship within the second degree of consanguinity with any other director, and was not elected pursuant to Article 27 of the Company Act as a representative of the government or a juristic person.	-

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Ru Sen, Wu	Education: -Master of Business Administration from the University of California, Irvine. -Dual Master's degree in Management and Economics from Carnegie Mellon University. Experience: -Chairman of W Energy Investment Corporation Position: -Independent Director of Thunder Tiger Corp. Possessing work experience and expertise in business, finance, accounting, and corporate operations, along with the necessary knowledge and skills in these areas.	The director has not served as an employee, director, or supervisor of the company or its affiliated enterprises during the two years prior to appointment and throughout the term of office. The director's spouse and relatives up to the second degree of kinship, or relatives up to the third degree of direct consanguinity, are not employed as employees, directors, supervisors, or managers of the company or its affiliated enterprises. The director, the director's spouse, minor children, or individuals holding zero shares of the company's issued shares. The director does not hold any position as a director, supervisor, or employee in a related company with specific relationships with the company. The director has not received any remuneration from the company or its affiliated enterprises for providing services in business, legal, financial, accounting, or other areas in the past two years. The director has no spousal relationship or kinship within the second degree of consanguinity with any other director, and was not elected pursuant to Article 27 of the Company Act as a representative of the government or a juristic person.	-

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Hsiang Han, Wu	Education: Business Administration from University of Greenwich Experience: -Chairman of PRO & PACIFIC CO., LTD. Position: -Independent director of Thunder Tiger Corp. Possessing work experience and expertise in business, finance, accounting, and corporate operations, along with the necessary knowledge and skills in these areas.	The director has not served as an employee, director, or supervisor of the company or its affiliated enterprises during the two years prior to appointment and throughout the term of office. The director's spouse and relatives up to the second degree of kinship, or relatives up to the third degree of direct consanguinity, are not employed as employees, directors, supervisors, or managers of the company or its affiliated enterprises. The director, the director's spouse, minor children, or individuals holding zero shares of the company's issued shares. The director does not hold any position as a director, supervisor, or employee in a related company with specific relationships with the company. The director has not received any remuneration from the company or its affiliated enterprises for providing services in business, legal, financial, accounting, or other areas in the past two years. The director has no spousal relationship or kinship within the second degree of consanguinity with any other director, and was not elected pursuant to Article 27 of the Company Act as a representative of the government or a juristic person.	-

2.1.1.4 Diversity and Independence of the Board of Director：

a. Board of Directors Diversification：The management of the Board of Directors of the Company is primarily focused on maximizing shareholder equity and considers corporate governance as a key indicator of operations. Therefore, we respect and adhere to the policy of board diversity, promoting the sound development of board composition and structure to enhance the overall operational performance of the Company.

In the selection of board members, their qualifications and experiences are taken into consideration to ensure they can make the greatest contribution to the Company. Considerations include the age of the directors, their industry expertise and relevant skills, as well as their abilities in management judgment, operational management, strategic planning, and crisis management. Currently, the board of directors includes two female directors. In the future, we will gradually adjust the number of female directors in accordance with the principles of gender equality. The tenure of our independent directors is evenly distributed; one independent director has served for over twelve years, while the other two were elected in 2025. The members of the Board possess diverse backgrounds in the industry, including professionals in financial management, investment, and various management fields. In addition to meeting the basic qualifications and possessing professional knowledge and skills, the directors contribute to the supervision and decision-making in corporate governance, environmental sustainability, corporate social responsibility, compliance with laws and regulations, and protection of human rights through the operation of various functional committees.

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

Management Objectives	Achievement
More than half of the seats are for the Directors, and there should be no spouse or relatives within the second degree of kinship	Achieved
More than five directors	Achieved
The number of Independent Directors should be less than two people, and should not be less than one-fifth of the number of Directors	Achieved
Diverse expertise and skills	Achieved

Implementation of diversity among board members:

Title	Chairman	Director				Independent Director		
Name	Kwan Zu, Chen	Guan Chou, Chen	Yu Ying, Hong	Sheng Chieh, Su	Yu Sin, Lai	Wen Sheng, Ko	Ru Sen, Wu	Hsiang Han, Wu
Age	51-60	51-60	71-80	51-60	41-50	61-70	41-50	31-40
Nationality	ROC							
Server as an employee				V				
Term of Independent Director						Over 12 years	Over 3 years	Over 3 years
Industry Experience								
Accounting and financial	V	V		V			V	V
Industry experience	V		V	V	V	V	V	V
Marketing	V	V		V	V	V	V	V
Professional capabilities								
Operational judgment	V	V	V	V	V	V	V	V
Accounting and financial analysis	V	V	V	V	V	V	V	V
Management	V	V	V	V	V	V	V	V
Crisis management	V	V	V	V	V	V	V	V
Industry knowledge	V	V	V	V	V	V	V	V
International market perspective	V	V	V	V	V	V	V	V
Leadership	V	V	V	V	V	V	V	V
Decision-making	V	V	V	V	V	V	V	V

Independence of the Board of Directors：The Board of Directors of our company consists of eight directors with diverse professional backgrounds, including three independent directors and one director who also serves as a company executive. The proportion of independent directors is 37.5% of the total number of directors. Among the directors, Kwan Zu Chen, Yu Ying Hong, and Guan Chou Chen are relatives within the second degree, but they do not fall under the circumstances specified in Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act.

2.1.2 Directors, Supervisors and Management Team

April 19, 2025

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
General Manager	ROC	Sheng Chieh, Su	Male	2014/05/16	3,439,149	2.25	-	-	-	-	1.Master's degree in the Business Administration from Boston University School of Management. 2.Chief Investment Officer of the Investment Department at Nice Group's General Administration Office. 3.Supervisor of Central Insurance Co., Ltd. 4.Director of Mega Financial Holdings International Securities Co., Ltd.	-Consultant of Janfusun world Co., Ltd. -Director and General Manager of TTBIO Corp	-	-	-	-
Research & Development Dept. Director	ROC	Fu Sen, Yang	Male	2015/11/02	138,369	0.09	-	-	-	-	1.Ph.D. in Mechanical Engineering of Feng Chia University. 2.Engineer at Cycling & Health Tech Industry R&D Center 3.Manager at A-PRO Tech Co., Ltd. Electric Vehicle Business Unit 4.RD Engineer at Thunder Tiger Corp. 5.Vice General Manager of Research and Development Dept. at MARWI Taiwan Industrial Co., Ltd	-	-	-	-	-
Research & Development Dept. Project Director	ROC	Chung-Chi, Tseng	Male	2024/7/15	5,000	0.003	-	-	-	-	1.Director in Foxconn Kunshan Division 2.Chief Engineer in Guangze Automotive Trim Co., Ltd.	-	-	-	-	Note 1

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Financial Dept. Director	ROC	Yi Ju, Cho	Female	1998/06/01	200,896	0.13	-	-	-	-	1.Bachelor's degree in the Business Administration of Providence University 2.Assistant Finance Manager at Thunder Tiger (Ningbo) 3.Finance Manager at Thunder Tiger Corp.	-	-	-	-	-
Research & Development Dept. Manager	ROC	Qun Xiong, Lin,	Male	2014/7/16	7,000	0.004	-	-	-	-	1.Master 's degree in the Design Department of National Taiwan University of Science and Technology 2.Industrial Designer at Asia Optical Co. Inc. 3.Industrial Designer at Chainda Electronics Industry Co., Ltd. 4.Senior Mechanical Engineer at Johnson Health Tech. Co., Ltd. 5.Vice Manager of Research and Development Dept. at XienCi Inc. dba. Reverie 6.Senior Designer at Elephant Design Co., Ltd.	-	-	-	-	-
Administration Dept. Manager	ROC	Chun Zhi, Qiu	Male	2018/5/3	4,056	0.002	-	-	-	-	1.Bachelor's degree in the Accounting of Feng Chia University 2. Manager of Administration Dept. at Bravo Caterer Co., Ltd.	-	-	-	-	-
Supply Chain & OEM Dept. Manager	ROC	Pei-Tien, Lin	Male	2024/6/3	-	-	-	-	-	-	1.Production Line Supervisor / Shipping Center Supervisor, ASE Group – Fulei Electronics 2.Logistics Center Director in Tsann Kuen Enterprise Co., Ltd. 3.Operation Manager, DHL in Taiwan DHL Supply Chain Co., Ltd.	-	-	-	-	Note 2

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
											4.Manager, Biotech Procurement Department, TAIYO Technology Co., Ltd. 5.Procurement Manager, Taiwan Jasdi Chemicals Co., Ltd. 6.Manager, E-commerce Business Development, Taiwantrade Global 7.Operations Supervisor, Cheng Run International Marketing Co., Ltd.					

Note 1: Mr. Chung-Chi Tseng was appointed as Associate Project Director of the Research & Development Dept. on July 15, 2024.

Note 2: Mr. Pei-Tien Lin was appointed as Project Manager of the Supply Chain and OEM Department on June 3, 2024.

2.1.3 The Chairman and General Manager, or equivalent positions (the top executives), are the same person, spouses, or close relatives within the first degree: None.

2.2. Remuneration of Directors, Independent Directors, Supervisors, General Manager, and Vice General Managers

2.2.1 Remuneration of Directors and Independent Directors (Separately list information for directors (non-independent directors) and independent directors)

December 31, 2025；Unit: NT$ thousands

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
																The company		Companies in the consolidated financial statements				
		The company	All companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	Cash	Stock	Cash	Stock	The company	Companies in the consolidated financial statements	
Director	ChungKuan International Development Corp.	3,880	7,007	-	-	-	-	-	-	3,880 4.43	7,007 7.99	-	-	-	-	-	-	-	-	3,880 4.43	7,007 7.99	-
Corporate Director	ChungKuan International Development Corp. Representative Kwan Zu, Chen	-	-	-	-	-	-	45	165	45 0.05	165 0.19	-	-	-	-	-	-	-	-	45 0.05	165 0.19	-
Corporate Director	ChungKuan International Development Corp. Representative Guan Chou, Chen	-	-	-	-	-	-	45	45	45 0.05	45 0.05	-	-	-	-	-	-	-	-	45 0.05	45 0.05	-
Corporate Director	ChungKuan International Development Corp. Representative Yu Ying, Hong	-	-	-	-	-	-	45	45	45 0.05	45 0.05	-	-	-	-	-	-	-	-	45 0.05	45 0.05	-
Director	Sheng Chieh, Su	360	480	-	-	-	-	45	165	405 0.46	645 0.74	2,829	3,789	-	-	-	-	14	-	3,234 3.69	4,448 5.07	-
Director	Yu Sin, Lai	360	480	-	-	-	-	945	1,925	1,305 1.49	2,405 2.74	-	-	-	-	-	-	-	-	1,305 1.49	2,405 2.74	-
Independent Director	Wen Sheng, Ko	600	600	-	-	-	-	85	85	685 0.78	685 0.78	-	-	-	-	-	-	-	-	685 0.78	685 0.78	-
Independent Director	Ru Sen, Wu	600	600	-	-	-	-	75	75	675 0.77	675 0.77	-	-	-	-	-	-	-	-	675 0.77	675 0.77	-
Independent Director	Hsiang Han, Wu	600	600	-	-	-	-	85	85	685 0.78	685 0.78	-	-	-	-	-	-	-	-	685 0.78	685 0.78	-

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The company	All companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
																Cash	Stock	Cash	Stock			

1.Directors and Independent Directors' remuneration policies, procedures, standards and structure, as well as the linkage to responsibilities, risks and time spent:

The remuneration of the Company's directors is determined based on their level of participation in the Company's operations, the value of their contributions, and prevailing industry standards. The Articles of Incorporation stipulate that the total remuneration for directors and supervisors shall not exceed 5% of the Company's annual profit. The distribution is also guided by the Director Performance Evaluation Guidelines. The actual allocation percentage and amount are reviewed by the Compensation Committee and submitted to the Board of Directors for resolution.

2.Further to the disclosure in the above table, the remuneration to the Directors from all companies included in the financial statements for the service rendered (such as consultant, which is not in the capacity as employee): None

Remuneration Range

<table>
<tr><th rowspan="3">Range of Remuneration</th><th colspan="4">Name of Directors</th></tr>
<tr><th colspan="2">Total of (A+B+C+D)</th><th colspan="2">Total of (A+B+C+D+E+F+G)</th></tr>
<tr><th>The company</th><th>Companies in the consolidated financial statements</th><th>The company</th><th>Companies in the consolidated financial statements (I)</th></tr>
<tr><td>Less than NT$ 1,000,000</td><td>Kwan Zu, Chen
Guan Chou, Chen
Yu Ying, Hong
Sheng Chieh, Su
Wen Sheng, Ko
Ru Sen, Wu
Hsiang Han, Wu</td><td>Kwan Zu, Chen
Guan Chou, Chen
Yu Ying, Hong
Sheng Chieh, Su
Wen Sheng, Ko
Ru Sen, Wu
Hsiang Han, Wu</td><td>Kwan Zu, Chen
Guan Chou, Chen
Yu Ying, Hong
Wen Sheng, Ko
Ru Sen, Wu
Hsiang Han, Wu</td><td>Kwan Zu, Chen
Guan Chou, Chen
Yu Ying, Hong
Wen Sheng, Ko
Ru Sen, Wu
Hsiang Han, Wu</td></tr>
<tr><td>NT$1,000,000 ~ NT$1,999,999</td><td>Yu Sin, Lai</td><td></td><td>Yu Sin, Lai</td><td></td></tr>
<tr><td>NT$2,000,000 ~ NT$3,499,999</td><td></td><td>Yu Sin, Lai</td><td>Sheng Chieh, Su</td><td>Yu Sin, Lai</td></tr>
<tr><td>NT$3,500,000 ~ NT$4,999,999</td><td>ChungKuan International Development Corp. (Note)</td><td></td><td>ChungKuan International Development Corp. (Note)</td><td>Sheng Chieh, Su</td></tr>
<tr><td>NT$5,000,000 ~ NT$9,999,999</td><td></td><td>ChungKuan International Development Corp. (Note)</td><td></td><td>ChungKuan International Development Corp. (Note)</td></tr>
<tr><td>NT$10,000,000 ~ NT$14,999,999</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>NT$15,000,000 ~ NT$29,999,999</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>NT$30,000,000 ~ NT$49,999,999</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>NT$50,000,000 ~ NT$99,999,999</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Greater than or equal to NT$100,000,000</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Total</td><td>9</td><td>9</td><td>9</td><td>9</td></tr>
</table>

Note: ChungKuan International Development Corp. appoints three representatives.

2.2.2 Directors and supervisors who have an average pledge ratio exceeding 50 percent in any three months of the most recent fiscal year.

Year/Month	Director	Pledged shares (In thousands)	Pledging ratio	Remuneration
2025/1	Sheng Chieh, Su	2,000	63.74%	-
2025/2	Sheng Chieh, Su	2,400	77.35%	-
2025/3	Sheng Chieh, Su	2,400	69.78%	-
2025/4	Sheng Chieh, Su	2,400	69.78%	-
2025/5	Sheng Chieh, Su	2,400	69.78%	-
2025/6	Sheng Chieh, Su	2,400	69.78%	-
2025/7	Sheng Chieh, Su	2,400	69.78%	-
2025/8	Sheng Chieh, Su	2,400	69.78%	-
2025/9	Sheng Chieh, Su	2,400	69.78%	-
2025/10	Sheng Chieh, Su	2,400	69.78%	-
2025/11	Sheng Chieh, Su	2,400	69.78%	-
2025/12	Sheng Chieh, Su	2,400	69.78%	-

2.2.3 Remuneration of the General Manager and Vice General Managers

December 31, 2025；Unit: NT$ thousands

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%) (Note1)		Remuneration from ventures other than subsidiaries or from the parent company (Note)
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
General Manager	Sheng Chieh, Su	2,829	3,789	-	-	-		-	-	14	-	2,829 3.23	3,803 4.34	-

Range of Remuneration	Name of General Manager and Vice General Managers	
	The company	Companies in the consolidated financial statements
Less than NT$ 1,000,000	-	-
NT$1,000,000 ~ NT$1,999,999	-	-
NT$2,000,000 ~ NT$3,499,999	Sheng Chieh, Su	-
NT$3,500,000 ~ NT$4,999,999	-	Sheng Chieh, Su
NT$5,000,000 ~ NT$9,999,999	-	-
NT$10,000,000 ~ NT$14,999,999	-	-
NT$15,000,000 ~ NT$29,999,999	-	-
NT$30,000,000 ~ NT$49,999,999	-	-
NT$50,000,000 ~ NT$99,999,999	-	-
Greater than or equal to NT$100,000,000	-	-
Total	1	1

2.2.4 Names of managers in charge of employee remuneration and distribution: No distribution for the year 2025, therefore this item is not applicable.

2.2.5 Managerial officers with the top five highest remuneration amounts (disclose their names and remuneration method)

December 31, 2025: Unit: NT$ thousands

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
General Manager	Sheng Chieh, Su	2,829	3,789	-	-	-	-	-	-	14	-	2,829 3.23	3,803 4.34	-
Research & Development Dept. Director	Fu Sen, Yang	1,863	1,863	-	-	-	-	-	-	-	-	1,863 2.12	1,863 2.12	-
Financial Dept. Director	Yi Ju, Cho	1,760	1,760	-	-	-	-	-	-	-	-	1,760 2.01	1,760 2.01	-
Research & Development Dept. Manager	Qun Xiong, Lin,	1,572	1,572	-	-	-	-	-	-	-	-	1,572 1.79	1,572 1.79	-
Administration Dept. Manager	Chun Zhi, Qiu	1,488	1,488	-	-	-	-	-	-	-	-	1,488 1.70	1,488 1.70	-

Note: The distribution of employee bonuses in the subsidiary has not been decided yet and is not included at this time.

2.2.6 Separately Compare and Describe Total Remuneration, as a Percentage of Net Profit Stated in the Financial Reports, as Paid by This Company and by Each Other Company Included in the Consolidated Financial Statements in the Past Two Years to Directors, General Manager and Vice General Managers, etc. and Analyze and Describe Remuneration Policies, Standards, and Packages, the Procedure for Determining Remuneration, and Its Linkage to Operating Performance and Future Risk Exposure

2.2.6.1The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, supervisors, president and vice presidents of the Company, to the net income.

December 31, 2025；Unit: NT$ thousand

Year	2025		2024	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Title	Ratio of Total Amount to Net Profit	Ratio of Total Amount to Net Profit	Ratio of Total Amount to Net Profit	Ratio of Total Amount to Net Profit
Directors	8.87	14.10	12.06	18.38
General Manager and Vice General Managers	3.23	4.34	4.73	6.24

2.2.6.2 Remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure:

(1) Remuneration of directors

The remuneration of the directors is determined based on degree of participation in the Company’s operations, value of contribution, and referring to the industry standard. The Articles of Association clearly stipulated that no more than 5% of the annual profit shall be allocated as the compensation for directors and supervisors. The actual proportion and amount of appropriation shall be reviewed by the Remuneration Committee and submitted to the Board of Directors for approval.

(2) Remuneration of managerial personnels

The remuneration amount of the Company's managerial personnels shall be determined based on their positions, operating performance, and consideration of the Company's long-term and short-term performance, and to be reviewed by the Remuneration Committee and submitted to the Board of Directors for approval.

(3) Remuneration of employees

The Company strives to provide a competitive employee remuneration that considers external market competitiveness, internal fairness, and legal compliance, to retain and motivate employees. The remuneration of the Company's employees includes monthly salaries, bonuses, and pensions. In addition, in accordance with the Articles of Association of the Company, not less than 2% of the annual profit shall be allocated as the compensation for employees. The remuneration of the employees shall be determined based on their job responsibilities and professional skills. While the bonuses and compensation of employees are allocated by taking into consideration individual work performance and contributions.

2.3 Implementation of Corporate Governance

2.3.1 Operations of the Board of Directors

A total of 10 (A) meetings of the Board of Directors were held in the previous period. The attendance of director and independent director were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Chairman	ChungKuan International Development Corp. Representative: Kwan Zu, Chen	10	0	100	Renewal of office on June 17, 2025.
Director	ChungKuan International Development Corp. Representative: Guan Chou, Chen	10	0	100	Renewal of office on June 17, 2025.
Director	ChungKuan International Development Corp. Representative: Yu Ying, Hong	6	4	60	Renewal of office on June 17, 2025.
Director	Sheng Chieh, Su	10	0	100	Renewal of office on June 17, 2025.
Director	Yu Sin, Lai	10	0	100	Renewal of office on June 17, 2025.
Independent director	Wen Sheng, Ko	9	1	90	Renewal of office on June 17, 2025.
Independent director	Ru Sen, Wu	10	0	100	Renewal of office on June 17, 2025.
Independent director	Hsiang Han, Wu	10	0	100	Renewal of office on June 17, 2025.

Other mentionable items:

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:
   (1) Matters referred to in Article 14-3 of the Securities and Exchange Act as follows:
   (2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors: None.

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

Date	Session	Name of Director	Content of the Motions	Reasons for Recusal	Board Resolution
2025/2/11	1st meeting of the Board	Sheng Chieh, Su	Proposal on the 2024 Employee Stock Subscription Terms for Capital Increase in Cash – Recusal Due to Conflict of Interest	Director and General Manager Mr. Sheng-Chieh Su, in accordance with the Board Meeting Rules, recused himself from discussion and voting due to a conflict of interest.	After consulting the remaining attending directors, the Chairman confirmed there were no objections, and the proposal was approved as presented.

3. TWSE/TPEx-listed companies are required to disclose the evaluation cycle and period, scope of evaluation, evaluation method, and evaluation items of the self (or peer) evaluations conducted by the Board of Directors, and to fill out "Implementation Status of Board Evaluations."

Implementation Status of Board Evaluations

	Evaluation method	Evaluation period	Scope of evaluation	Evaluation content	Evaluation result	Notes
1	Self evaluation by directors member	2025/01/01-2025/12/31	Board of Directors	Board of Directors Performance evaluation: Participation in the operation of the Company, the quality of the Board of Directors' decision making, Election and continuing education of the directors, and Internal control.	The attendance rate of the board of directors in our company is high, with only a few directors taking minimal leaves. However, all directors can access and discuss the meeting content before and after the meetings. There is effective communication and decision-making for each agenda, ensuring fairness and transparency in the decision-making process. The board of directors prioritizes internal control and the audit personnel conduct regular audits according to the audit plan. The audit results are reported to the board of directors.	None
2	Self evaluation by directors member	2025/01/01-2025/12/31	Individual Director	Director's self-evaluation: Alignment of the goals and missions of the Company, Awareness of the duties of a director, Participation in the operation of the Company, Management of internal relationship and communication, The director's professionalism and continuing education, and Internal control.	Each individual director has a strong understanding and control over the self-evaluation content, including the company's goals, missions, and responsibilities. They are actively involved in management discussions and communications when necessary. All directors have attended two or more professional development courses. All directors effectively assess and supervise the internal control and risk	None

					management of the company. Some directors participate in the company's operational decision-making management committee.	
3	Self evaluation by directors member	2025/01/01-2025/12/31	Functional Committee	Self-evaluation by members of the functional committee: Participation in the operation of the Company, Awareness of the duties of the functional committee, Improvement of the decision-making quality of functional committees, Makeup of the functional committee and election of its members, and Internal control.	The company has two functional committees: the Operational Decision-making Management Committee and the Compensation Committee. Both committees are held in accordance with regulations and the original plan. During the meetings, there is ample discussion and communication, and the decisions made are tracked and implemented. If necessary, reports are submitted to the Board of Directors for further discussion and execution. The decisions of these functional committees are regularly monitored and executed.	None

4. Measures taken to strengthen the functionality of the board: The Board of Directors has established an Audit Committee and a Remuneration Committee to assist the board in carrying out its various duties.

(1) Enhancing the Functions of the Board of Directors:

a. The company established an Audit Committee at the shareholder meeting in 2022.

b. At the 2025 shareholders' meeting, the Company approved amendments to the Articles of Incorporation to add one additional independent director seat, bringing the total to four independent directors. The shareholders elected three independent directors, all of whom possess expertise in business management and are able to provide professional advice on business supervision and management.

c. The company obtains directors and supervisors' liability insurance annually.

d. The company has disclosed important decisions of the board of directors, as well as the attendance and continuing education records of directors and supervisors, on its website.

(2) Improving Information Transparency:

Based on the results of corporate governance evaluations, the company intends to implement measures to improve information disclosure and transparency.

2.3.2 Operations of the Audit Committee

A total of 6 (A) Audit Committee meetings were held in the previous period. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Independent director	Wen Sheng, Ko	6	0	100	-
Independent director	Ru Sen, Wu	6	0	100	-
Independent director	Hsiang Han, Wu	6	0	100	-

Notes: On June 17, 2025, the Company held a full re-election of its Board of Directors, and the newly constituted Audit Committee was appointed by the Board.

Other mentionable items:

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

2.

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

Meeting Date (Session)	Content of the proposal	Audit Committee's opinions
2025/03/11 1st meeting for the 13th time	1.2024 Business Report and Financial Statements 2.Proposal for 2024 deficit compensation. 3.Proposal for the 2024 Internal Control System Statement. 4.Proposal for Private Placement of Common Shares. 5.Assessment of Independence and Competency of the Company's Certifying CPA. 6.Appointment and Remuneration of the Company's Certifying CPA.	None
2025/05/07 1st meeting for the 14th time	Review of Q1 2025 Financial Report.	None
2025/07/15 2nd meeting for the 1st time	Capital increase subscription plan of subsidiary TTBIO.	None
2025/08/12 2nd meeting for the 2nd time	1.Review of Q2 2025 Financial Report. 2.Cooperative investment project with a company (Tritium) in USA. 3.Capital expenditure proposal for new motor production line in Taichung	None
2025/09/12 2nd meeting for the 3rd time	Participation in Taiwan First Biotechnology Inc.'s Cash Capital Increase within a Limit of NT$41.4Million	None
2025/11/10 2nd meeting for the 4th time	1.Review of Q3 2025 Financial Report. 2.The Company plans to acquire land and factory buildings in Dapumei for unmanned vehicle production. 3.Proposal for Cash Capital Increase via New Share Issuance.	None

	4.Increase its investment in Taiwan First Biotech Co., Ltd. by 500,000 shares.	
2026/02/23 2nd meeting for the 5th time	1.Change of the company's CPAs due to internal rotation of the accounting firm. 2.2025 Business Report and Financial Statements 3.Proposal for 2025 deficit compensation. 4.Proposal for the 2025 Internal Control Statement. 5.Proposal for Cash Capital Increase via New Share Issuance. 6.Assessment of Independence and Competency of the Company's Certifying CPA.	None
2026/03/31 2nd meeting for the 6th time	1.Proposal for private placement of common shares (additional shareholders' meeting agenda item). 2.Amendments to the Company's "Procurement Management Regulations," "Notes Management Regulations," "Seal Management Regulations," and relevant provisions of the "Internal Control System – Authority Delegation Management Regulations".	None

(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

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

4. Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. the material items, methods and results of audits of corporate finance or operations, etc.)

(1) The internal auditors have communicated the result of the audit reports to the members of the Audit Committee periodically, and have presented the findings of all audit reports in the quarterly meetings of the Audit Committee. Should the urgency of the matter require it, the Company's chief internal auditor will inform the members of the Audit Committee outside of the regular reporting. The communication channel between the Audit Committee and the internal auditor has been functioning well.

(2) The Company's CPAs have presented the findings or the comments for the quarterly corporate financial reports, as well as those matters communication of which is required by law, in the regular quarterly meetings of the Audit Committee. Under applicable laws and regulations, the CPAs are required to communicate to the Audit Committee any material matters that they have discovered. The communication channel between the Audit Committee and the CPAs has been functioning well.

2.3.3 Corporate Governance Implementation Status and Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"?	V		The Company has established the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" on 2016/10/7. The information has been disclosed on the Company's website.	No major difference.
2. Shareholding structure & shareholders' rights (1) Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		(1) In addition to the existing hotline and email channels, the Company has established an internal operating procedure, and has designated appropriate departments, such as Investor Relations, Public Relations, Legal Department, to handle shareholders' suggestions, doubts, disputes and litigation.	(1) No major difference.
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		(2) The Finance & Shared Services Division is responsible for collecting the updated information of major shareholders and the list of ultimate owners of those shares.	(2) No major difference.
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	V		(3) Rules are made to strictly regulate the activities of trading, endorsement and loans between the Company and its affiliates. In addition, the "Criteria of Internal Control Mechanism for a Public Company", outlined by the Financial Supervisory Commission when drafting the guidelines for the "Supervision and Governance of Subsidiaries", was followed in order to implement total risk control with respect to subsidiaries.	(3) No major difference.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(4) Does the company establish internal rules against insiders trading with undisclosed information?	V		(4) To protect shareholders' rights and fairly treat shareholders, the Company has established the internal rules to forbid insiders trading on undisclosed information. The Company has also strongly advocated these rules in order to prevent any violations.	(4) No major difference.
3. Composition and Responsibilities of the Board of Directors (1) Does the Board develop and implement a diversified policy for the composition of its members?	V		(1) The board members of the Company have professional background in accounting and diverse professional backgrounds in industry and field. In the future, the Company will strive to implement gender diversity in line with the gender equality policy of our country, increasing female's participation in decision-making processes and improving the board's composition.	(1) No major difference.
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	V		(2) At present, the Company has already set up a Remuneration Committee, and on November 12, 2013, the Board of Directors resolved to establish a Business Decision-making Committee to implement and evaluate the Group's annual plan. Other subsidiaries of the Company are non-listed companies; hence it is not applicable in this context.	(2) No major difference.
(3) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?	V		(3) The Company has conducted the performance evaluation of the Board of Directors for the FY 2025 and submitted it to the Board of Directors on February 24, 2026.	(3) No major difference.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(4) Does the company regularly evaluate the independence of CPAs?	V		(4) The current CPAs of the Company are from Crowe Taiwan, an international accounting firm, which has established procedures and systems to review the independence of CPAs. On May 4, 2017, the Board of Directors adopted the "Measures for Assessment and Evaluation of Accountants", which an annual evaluation and assessment of accountants will be conducted in accordance with the measures in the Q4, and the results will be submitted to the Board of Directors for discussion. Other subsidiaries of the Company are non-listed companies; hence it is not applicable in this context.	(4) No major difference.
4. Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?	V		The Finance Department and Management Department of the Company as well as the entrusted stock transfer agent are accountable for the corporate governance-related matters. The President's Office is responsible for supervising, authorizing, managing, and executing these corporate governance-related matters. The corporate governance-related matters mainly include providing information necessary for directors and supervisors to perform their duties, organizing board meetings and annual general meetings of shareholders as required by law, handling registration of company and alteration of registration, compiling minutes of board meetings and annual general meetings, etc. Other subsidiaries of the Company are non-listed companies; hence it is not applicable in this context.	No major difference.
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social	V		An investor relations section is established on the Company website, and the contact number and e-mail of the spokesperson, deputy spokesperson and stock transfer agent are disclosed on the website, and a complaint mailbox for stakeholders is provided. The relevant business executives establish effective	No major difference.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
responsibilities?			communication channels with stakeholders to respect their legitimate rights and interests. Other subsidiaries of the Company are non-listed companies; hence it is not applicable in this context.	
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company appointed Grand Fortune Securities to handle shareholders' meeting affairs. Other subsidiaries of the Company are non-listed companies, hence it is not applicable in this context.	No major difference.
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		(1) The Company has set up a website to disclose financial and corporate governance-related information, the website address is as follows: www.thundertiger.com. Other subsidiaries of the Company are non-listed companies; hence it is not applicable in this context.	(1) No major difference.
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	V		(2) The Company has implemented a spokesperson system, and the spokesperson discloses relevant information on the MOPS, and a designated person is responsible for the collection and disclosure of company information. Other subsidiaries of the Company are non-listed companies; hence it is not applicable in this context.	(2) No major difference.
(3) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	V		(3) The Company publishes and reports quarterly financial reports and operating statements for each month within specified deadlines. The possibility of announcing annual financial statements in advance is evaluated based on future operating conditions.	(3) For fiscal year 2025, the Company announced and filed its financial statements within two months after the end of the fiscal year in accordance with the requirements of the Ministry of Finance. Going forward, the Company will endeavor to maintain the possibility of early disclosure and filing.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	V		(1) Employee rights, employee wellness: The Company adheres to humane management, in addition to protecting the legitimate rights and interests of employees as required by law, it provides annual employee trips, health examination and monetary gifts/ gifts during festival seasons, etc. (2) Investor relations, supplier relations: Establish an investor relations section on the Company's website, and designated personnels are responsible for properly handling investor and supplier relationships. (3) Directors' and supervisors' continuing education: Please refer to the table below for the continuing education of directors and supervisors of the Company for FY 2025. (4) Implementation of risk management policies and risk evaluation standards: The Company adopts a preventive approach to risk management, in addition to establishing strict internal control system as required by law, internal audits are carried out on a regular and ad hoc basis. Moreover, the Company is insured with relevant insurance such as property insurance and product liability insurance to mitigate risks. (5) Purchasing liability insurance for directors and supervisors: The Company purchases director and officer liability insurance for directors and supervisors every year.	No major difference.
9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures. Following the publication of each annual evaluation result, the Company reviews in detail all items that do not meet the assessment criteria and implements continuous improvements and adjustments to ensure progressive compliance. In terms of information disclosure, the Company has updated and enhanced the content of its annual report and corporate website to improve transparency and reduce information asymmetry.				

2.3.4 Composition, Responsibilities and Operations of the Remuneration Committee

2.3.4.1. Information on members of the Remuneration Committee

<table>
<tr><th>Title</th><th>Criteria
Name</th><th>Professional qualification and experience</th><th>Independence</th><th>Number of other public companies in which the individual is concurrently serving as a remuneration committee member</th></tr>
<tr><td>Independent Director (Convener)</td><td>Wen Sheng, Ko</td><td>Education:
-PhD from the University of London

Experience:
-Director of Hota Industrial Mfg. Co., Ltd Unitech Printed Circuit Board Corp., and Kuotu Motor Co., Ltd.</td><td rowspan="3">The director has not served as an employee, director, or supervisor of the company or its affiliated enterprises during the two years prior to appointment and throughout the term of office.

The director's spouse and relatives up to the second degree of kinship, or relatives up to the third degree of direct consanguinity, are not employed as employees, directors, supervisors, or managers of the company or its affiliated enterprises.

The director, the director's spouse, minor children, or individuals holding zero shares of the company's issued shares.

The director does not hold any position as a director, supervisor, or employee in a related company with specific relationships with the company.

The director has not received any remuneration from the company or its affiliated enterprises for providing services in business, legal, financial, accounting, or other areas in the past two years.

There is no spousal relationship or kinship within the second degree of consanguinity between the director and any other directors, and the director was not elected pursuant to Article 27 of the Company Act as a representative of the government or a juristic person.</td><td>1</td></tr>
<tr><td>Independent Director</td><td>Hsiang Han, Wu</td><td>Education:
-Business Administration from University of Greenwich

Experience:
-Chairman of PRO & PACIFIC CO., LTD.</td><td>1</td></tr>
<tr><td>Other</td><td>Hui Yi, Wu</td><td>Education:
-Completion of the Digital Circuit Workshop at National Taiwan University's Department of Electrical Engineering

Experience:
Chairman of Comlink Electronic Co., Ltd.</td><td>-</td></tr>
</table>

2.3.4.2 Attendance of Members at Remuneration Committee Meetings

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

(2) A total of 2 (A) Remuneration Committee meetings were held from June 17, 2025 to June 16, 2028. The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Convener	Wen Sheng, Ko	2	0	100	Renewal of office on June 17, 2025.
Committee Member	Hsiang Han, Wu	2	0	100	Renewal of office on June 17, 2025.
Committee Member	Hui Yi, Wu	2	0	100	Renewal of office on June 17, 2025.
Other mentionable items: 1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None. 2. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.					

2.3.5 Fulfillment of CSR and Deviations from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies"

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
1. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?		V	The Company has approved the establishment of the Sustainability Development Task Force at the Board meeting on May 7, 2025. The task force is convened by the General Manager and will report to the Board periodically to review its operational effectiveness.	No major difference.
2. Does the company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the board?	V		The Company approved the establishment of a Sustainability Development Task Force at the Board meeting on May 7, 2025. The task force is led by the General Manager as the convener. Going forward, it will conduct risk assessments on environmental, social, and corporate governance (ESG) issues relevant to the Company's operations based on the principle of materiality, and formulate corresponding risk management policies or strategies.	No major difference.
3. Environmental issues				
(1) Does the company establish proper environmental management systems based on the characteristics of their industries?	V		(1) The Company formulates relevant environmental policies based on its industry characteristics, with a view to pursuing beautification, greening, pollution prevention, and ensuring a safe and healthy new environment.	(1) No major difference.
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	V		(2) The Company promotes waste sorting, recycling, and sorting of electronic products and batteries, and strengthens the use of recycling materials and resources to reduce the environmental impact.	(2) No major difference
(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	V		(3) The Company implements an energy-saving and carbon reduction policy to gradually replace the internal T8 lamps with T5 lamps. At the same time, it clearly specifies the timing of the use of air conditioning, and regularly maintains air conditioning equipment to maintain its efficiency, strengthen energy utilization, and reduce the impact on greenhouse gas emissions.	(3) No major difference.

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Explanation</th></tr>
<tr><td>(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?</td><td>V</td><td></td><td>(4) The Company approved the “Greenhouse Gas Inventory and Verification Management Guidelines” at the Board meeting in November 2023 and has been carrying out related tasks according to the planned schedule.

Greenhouse Gas Emissions (metric tons CO_2e)
<table>
<tr><th>Year</th><th>2025</th><th>2024</th></tr>
<tr><td>Scope 1</td><td>91.6256</td><td>92.8112</td></tr>
<tr><td>Scope 2</td><td>2,065.4033</td><td>1,168.9333</td></tr>
<tr><td>Scope 3</td><td>1,718.2992</td><td>1,482.7997</td></tr>
<tr><td>Total</td><td>3,875.3281</td><td>2,744.5442</td></tr>
<tr><td>Emission Intensity (metric tons CO_2e per NT$ million)</td><td>10.05</td><td>19.46</td></tr>
</table>

Water Consumption (thousand cubic meters)
<table>
<tr><th>Year</th><th>2025</th><th>2024</th></tr>
<tr><td>Water Consumption</td><td>13.3530</td><td>8.3290</td></tr>
<tr><td>Water Consumption Intensity (thousand cubic meters per NT$ million)</td><td>0.04</td><td>0.06</td></tr>
</table>

Waste Generation (metric tons)
<table>
<tr><th>Year</th><th>2025</th><th>2024</th></tr>
<tr><td>General Waste</td><td>6.30</td><td>6.00</td></tr>
<tr><td>Mixed Waste Plastics</td><td>9.10</td><td>11.03</td></tr>
</table>

We will continue to integrate environmental management with our corporate business strategies, promote smart and low-carbon</td><td>(4) No major difference.</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			transformation, and advance toward our net-zero target in alignment with international sustainability trends. a. Compliance with Laws and Standards: Strictly comply with domestic and international environmental laws, regulations, and industry standards, while implementing regulatory compliance audits and continuous improvement. b. Low-Carbon Product Development: Incorporate energy-saving, carbon-reduction, and recyclable design principles into product development, and promote the application of low-carbon technologies such as electrification and high-efficiency power systems. c. Green Manufacturing and Resource Management: Optimize production processes to reduce the consumption of energy, water resources, and raw materials, while continuously increasing the use of renewable energy and improving waste recycling rates. d. Greening the Supply Chain: Actively collaborate with local and green suppliers, strengthen raw material traceability and environmental impact assessment mechanisms, and promote sustainable development throughout the supply chain. e. Pollution Prevention and Risk Management: Strengthen the management and monitoring of air emissions, wastewater, and hazardous substances to prevent environmental incidents and reduce potential risks to neighboring communities and the natural environment. 2026: Complete the greenhouse gas inventory for Thunder Tiger's standalone entity, without statutory external assurance. 2027: Complete greenhouse gas inventories for subsidiaries within the consolidated scope. 2028: Conduct external assurance of Thunder Tiger's standalone greenhouse gas inventory. 2029: Conduct external assurance for the entire consolidated scope.	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
4. Social issues (1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		(1) The Company has reported the work rules as required by law and approved by the Labor Affairs Department, and education and training is provide to new employees when on boarding to protect their personal rights and interests. In addition, the "Regulations for Implementing Labor-Management Meeting " has been established and approved by the Labor Affairs Department. The labor-management meetings are regularly held in accordance with the law, where representatives from both labor and management communicate and coordinate on important matters to ensure harmony between the two parties.	No major difference.
(2) Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	V		(2) The Company has established the "Employee Promotion Guidelines" and "Regulations Governing Employee Reward and Punishment", which is appropriately reflected in employee salary/compensation.	No major difference.
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		(3) The Company provides annual employee health examinations as required by law, and regularly organizes fire safety education and training, allowing employees to participate in practical drills to ensure their safety and well-being.	No major difference.
(4) Does the company provide its employees with career development and training sessions?	V		(4) At present, the Company periodically arranges courses and lectures to enhance the professional skills and knowledge of employees.	No major difference.
(5) Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant	V		(5) The Company has established a customer complaint handling mechanism and complies with the regulations of the Consumer Protection Act. All the products of the Company comply with relevant regulations and international standards.	No major difference.

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
consumer protection and grievance procedure policies implemented?				
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.		V	(6) Prior to the Company's dealings with suppliers, the Company will evaluate their corporate philosophy, quality production technology and management and any history of violations of law in accordance with the internal management regulations. At present, the contracts with suppliers do not mention the termination or cancellation of the contract in the event that the supplier violates its corporate social responsibility policies or has a significant adverse impact on the environment and society. However, before engaging with suppliers, their past records is evaluated based on high standards. Moving forward, the Company will strengthen the promotion of the importance of social responsibility and environment to suppliers and observe their operational practices.	The relevant policies will be discussed and formulated in the future.
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit?		V	The Company has not yet established Corporate Social Responsibility Best Practice Principles and prepared a corporate social responsibility report.	In the future, it will be prepared according to the Company's operation and scale, and will be handled, as appropriate.
6. Describe the difference, if any, between actual practice and the corporate social responsibility principles, if the company has implemented such principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies: None.				
7. Other useful information for explaining the status of corporate social responsibility practices: In addition to adhering to the business philosophy of "pursuing value is to fulfill social responsibility", the Company is committed to operating in a manner that benefits not only the Company itself but also society, employees, and shareholders. The Company also actively engages in community development by organizing various activities and promoting legitimate recreational sports. The Company participates in public lectures, welcomes external visits, and shares business management experiences. The Company sponsors social activities to share love and care. As the Company grows and thrives, it strive to contribute to the creation of a harmonious and prosperous society together.				

2.3.6 Climate-Related Information of TWSE/TPEx Listed Company

Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Company's Board of Directors is responsible for overseeing the management team's compliance with legal requirements in promoting sustainable development. In accordance with the "Sustainability Roadmap for TWSE/TPEx-Listed Companies" issued by the Financial Supervisory Commission in March 2022, the Company submitted a greenhouse gas inventory implementation timeline for both the parent and subsidiary companies to the Board in June 2022. By the end of 2023, the Company had also established the "Greenhouse Gas Inventory Operational Management Procedures," which clearly define related tasks, departmental responsibilities, and implementation processes. Progress is reported to the Board on a regular basis.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The Sustainability Development Task Force will carry out the evaluation process. Comprehensive information will be disclosed in the Sustainability Report and reported to the Board of Directors on a regular basis to ensure the effective implementation of the Company's sustainability strategy.
3. Describe the financial impact of extreme weather events and transformative actions.	**Financial Impacts of Extreme Climate Events** Under prolonged high-temperature conditions, there has been an increase in the use of air conditioning and energy consumption within the Company's facilities. Combined with the continuous rise in electricity tariffs, this has led to higher greenhouse gas emissions, resulting in increased operational and carbon reduction costs. The Company will continue to conduct physical risk assessments and strengthen its management and planning in response to extreme climate events. **Financial Impacts of Transition Actions** In response to climate change, the Company faces risks across policy, legal, technological, market, and reputational dimensions. The implementation of carbon

Item	Implementation status
	taxes, rising raw material costs, and the shift toward low-carbon technologies are expected to increase operational expenses. The Company is actively evaluating the use of low-carbon energy sources to improve energy efficiency, reduce greenhouse gas emissions, and mitigate cost increases driven by climate change. The Company's Sustainability Committee has identified, assessed, and incorporated climate-related risks and opportunities as key sustainability issues. Through a comprehensive evaluation of climate and other risks, the Company formulates response and adjustment strategies. These are implemented through a cross-departmental coordination mechanism and reported annually to the Board of Directors to ensure the execution and effectiveness of climate risk management policies.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company's Sustainability Development Committee has incorporated the identification, assessment, and management of climate-related risks and opportunities as a key issue in its sustainability strategy. Through comprehensive analysis of various risks, including climate-related risks, the Company formulates corresponding response measures and strategic adjustments. A cross-functional integration mechanism is in place to facilitate implementation across all departments. The Committee also reports annually to the Board of Directors on implementation progress and outcomes to ensure the effective execution of the climate risk management policy.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	The Company has not yet conducted scenario analysis to assess its resilience to climate change. Such assessments may be carried out in the future as deemed appropriate.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage	The Company has not yet formulated a transition plan.

Item	Implementation status
physical risks and transition risks.	
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Company currently does not use internal carbon pricing as a planning tool.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	The Company currently does not utilize carbon offsets or renewable energy certificates (RECs).
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	(1) Greenhouse Gas Inventory and Assurance The Company has established a greenhouse gas management system and conducts greenhouse gas inventories, disclosures, and continuous improvement in accordance with the international standard ISO 14064-1:2018. In 2025, the Company's total greenhouse gas emissions amounted to 3,875.3281 metric tons CO_2e, including 91.6256 metric tons CO_2e of Scope 1 emissions, 2,065.4033 metric tons CO_2e of Scope 2 emissions, and 1,718.2992 metric tons CO_2e of Scope 3 emissions, with an emission intensity of 10.05 metric tons CO_2e per NT$ million of revenue. Compared with the total emissions of 2,744.5442 metric tons CO_2e in 2024, total emissions increased by 41.2%. Scope 1 emissions were 92.8112 metric tons CO_2e, Scope 2 emissions were 1,168.9333 metric tons CO_2e, and Scope 3 emissions were 1,482.7997 metric tons CO_2e, with an emission intensity of 19.46 metric tons CO_2e per NT$ million of revenue. The increase was mainly attributable to the expansion of operating

Item	Implementation status
	scale and increased electricity demand, which resulted in higher Scope 2 emissions from purchased electricity. In 2025, the Company's standalone operating revenue was NT$385.564 million, representing an increase of approximately 173.3% from NT$141.054 million in 2024. As revenue growth exceeded the increase in greenhouse gas emissions, greenhouse gas emission intensity decreased from 19.46 metric tons CO_2e per NT$ million of revenue in 2024 to 10.05 metric tons CO_2e per NT$ million of revenue in 2025, representing a decrease of approximately 48.4%. This demonstrates that, while the Company's operating scale expanded, its greenhouse gas emission intensity per unit of revenue improved. Currently, the Company discloses its greenhouse gas inventory information after completing internal inventory and review procedures. Going forward, the Company will continue to improve its greenhouse gas inventory processes, data quality, and supporting documentation in accordance with the schedule stipulated by the competent authorities, and will conduct third-party assurance as required. • 2026: Complete the greenhouse gas inventory for Thunder Tiger's standalone entity, without statutory external assurance. • 2027: Complete greenhouse gas inventories for subsidiaries within the consolidated scope. • 2028: Conduct external assurance of Thunder Tiger's standalone greenhouse gas inventory. • 2029: Conduct external assurance for the entire consolidated scope. (2) Greenhouse Gas Reduction Targets To adequately reflect changes in operating growth and energy-use efficiency, the Company has designated 2025 as the base year for carbon reduction and plans to

Item	Implementation status
	reduce greenhouse gas emission intensity by 20% by 2030, compared with the 2025 baseline. The emission intensity is targeted to decrease from 10.05 metric tons CO_2e per NT$ million of revenue to no more than 8.04 metric tons CO_2e per NT$ million of revenue. An average annual reduction of approximately 4% will serve as a reference for annual carbon reduction management, and the Company will review the variance between actual emission intensity and the target reduction pathway on an annual basis. Going forward, the Company will regularly review the reduction targets and their achievement based on operating scale, capacity expansion, energy-use structure, and the actual effectiveness of various carbon reduction measures. Relevant management measures will be adjusted as appropriate in response to changes in operations and the external environment. (3) Reduction Strategies and Specific Action Plans Based on the results of the greenhouse gas inventory, Scope 2 emissions from purchased electricity are currently the Company's primary source of greenhouse gas emissions. Therefore, the Company's current reduction strategy focuses primarily on improving energy efficiency and reducing indirect emissions from purchased electricity, while simultaneously strengthening the management of other emission sources through the following specific actions: A. Strengthening Energy Management The Company will continue to monitor energy consumption at its facilities, including production equipment, air-conditioning systems, lighting, and other major energy-consuming equipment. Through electricity consumption data analysis, the Company will identify major energy-consuming sources and opportunities for energy-saving improvements. B. Improving Energy Efficiency of Equipment

Item	Implementation status
	When replacing existing equipment or evaluating new equipment, the Company will incorporate energy efficiency into equipment selection criteria and gradually introduce high-efficiency and energy-saving equipment to reduce energy consumption per unit of output. C. Implementing Energy-Saving Measures at Facilities The Company will continue to improve the operational management of air-conditioning systems, lighting, production equipment, and office equipment to reduce unnecessary energy consumption and standby power usage, thereby enhancing overall energy efficiency. D. Evaluating the Adoption of Renewable Energy Based on facility conditions, operational requirements, energy policies, and economic benefits, the Company will continue to evaluate the feasibility of solar photovoltaic systems, renewable energy certificates (RECs), green electricity procurement, and other renewable energy solutions to reduce indirect greenhouse gas emissions associated with purchased electricity. E. Establishing Continuous Inventory and Performance Tracking Mechanisms The Company will continue to conduct greenhouse gas inventories annually and track changes in Scope 1, Scope 2, and Scope 3 emissions, total greenhouse gas emissions, and emission intensity. Based on inventory results, the Company will regularly review the effectiveness and implementation of its emission reduction measures. F. Gradually Strengthening Carbon Management Across the Value Chain The Company will continue to collect greenhouse gas emission data related to raw material procurement, transportation, business activities, and other value-chain activities. The Company will enhance the completeness and accuracy of Scope 3 emissions data, gradually identify significant emission sources, and use the findings as

Item	Implementation status
	a basis for subsequent supply chain carbon management, emission reduction measures, and target setting. The Company will continue to implement and review greenhouse gas inventories, energy management initiatives, and various carbon reduction measures. While taking into consideration business growth and capacity development, the Company will progressively improve energy efficiency, reduce greenhouse gas emission intensity, and strengthen its carbon management capabilities across the value chain, thereby advancing sustainable business operations and enhancing climate risk management.

2.3.7 Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"

Evaluation Item	Implementation Status [1]			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(1) Establishment of ethical corporate management policies and programs				
(1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?	V		(1) 1. The Company has formulated the Ethical Corporate Management Best Practice Principles, and the Board of Directors and management comply with the Ethical Corporate Management Best Practice Principles to prevent conflicts of interest and avoid opportunities for personal gain. 2. The "Rules of Procedure for Board of Directors Meetings" of the Company stipulate that directors shall recuse themselves from discussions or voting on matters in which they have a conflict of interest and shall not exercise their voting rights on behalf of other directors.	(1) No major difference.
(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	V		(2) Each reimbursement request must be approved by the authorized supervisor with approval authority, in compliance with laws and internal operational procedures.	(2) No major difference.
(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does	V		(3) New employees receive education and training course, where designated personnels deliver lectures on integrity principles and relevant internal management regulations.	(3) No major difference.

Evaluation Item	Implementation Status [1]			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
the company enforce the programs above effectively and perform regular reviews and amendments?				
(2) Fulfill operations integrity policy (1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	V		(1) The Company verifies the authenticity of customers and suppliers by referring to the website of the Department of Commerce, MOEA at the time of transaction and procurement, and assesses their track record of transactions through credit inquiry channels to confirm their commitment to ethical business practices.	(1) No major difference.
(2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	V		(2) The Company has designated the Director's Secretary as the responsible unit to supervise the execution and report to the Board of Directors on a regular basis.	(2) No major difference.
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		(3) The Company has set up appropriate assessment procedures and properly implemented them.	(3) No major difference.
(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	V		(4) 1. The Company has a strict accounting system and a dedicated department responsible for financial matters, and the financial reports are audited and reviewed by the accountants to ensure the fairness of the financial statements. 2. The Company diligently implements an internal audit system to maintain the effective operation of internal control systems.	(4) No major difference.
(5) Does the company regularly hold internal and external educational trainings on operational	V		(5) The Company periodically organizes education and training and awareness programs to ensure	(5) No major difference.

Evaluation Item	Implementation Status [1]			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
integrity?			that employees are fully aware of the Company's determination to ethical business practices, policies, preventive measures, and the consequences of engaging in dishonest behavior.	
(3) Operation of the integrity channel (1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up? (2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures? (3) Does the company provide proper whistleblower protection?	V V V		(1) The Company has established a whistleblowing and reward and punishment procedures, and set up a Human Resources Committee, whereby the management and labor representatives jointly deliberate on the matter of employee rewards and punishments and publish the relevant rewards and punishments. (2) The "Regulations Governing the Implementation and Management of Human Resources Committee" of the Company stipulate the standard operating procedures and relevant confidentiality mechanisms for the investigation of complaints. (3) Same as (2).	(1) No major difference. (2) No major difference. (3) No major difference.
(4) Strengthening information disclosure Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?	V		1. The business philosophies of ethical business practices are disclosed on the Company's website. 2. The internal rules and regulations of the Company are disclosed on the intranet and are updated by designated personnel in time to facilitate inquiry and compliance at any time. 3. Regular internal publications are issued to keep employees informed about the latest company events.	No major difference.

Evaluation Item	Implementation Status [1]			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(5) If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies, please describe any discrepancy between the policies and their implementation. The Company has established Ethical Corporate Management Best Practice Principles, and complies with Codes of Ethical Conduct, and operates in accordance with the principles, and there are no significant deviations.				
(6) Other important information to facilitate a better understanding of the company's ethical corporate management policies (e.g., review and amend its policies). The Company regularly provides and sends publications on its business activities to internal and external stakeholders to ensure information dissemination. The Company advocates insiders such as directors, supervisors and managers when they assume their positions, and strictly prohibits insiders from using undisclosed information for personal gain.				

2.3.8 Other Important Information Regarding Corporate Governance

1. Whether an employee conduct/ethical standards policy is established: The Company has established "Work Rules" regulate employee behavior during their tenure in the Company.

2. Whether the procedures for handling material inside information is established: The Company has established "Procedures for Handling Material Inside Information and Management of the Prevention of Insider Trading" to ensure consistency and accuracy of the Company's external disclosures and to strengthen the prevention of insider trading.

3.The professional development status of the directors of our company in the fiscal year 2025 is as follows:

Title	Name	Date	Entity	Courses	Hours
Independent director	Wen Sheng, Ko	2025/10/1	Taiwan Corporate Governance Association	Challenges and Strategies for Taiwanese Firms under Trump Policies	3
Independent director	Wen Sheng, Ko	2025/10/1	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations: Regulatory Supervision for Listed Company Executives	3
Independent director	Hsiang Han, Wu	2025/10/31	Securities and Futures Institute	2025 Insider Trading Compliance Seminar	3
Independent director	Ru Sen, Wu	2025/10/1	Taiwan Corporate Governance Association	Challenges and Strategies for Taiwanese Firms under Trump Policies	3

Title	Name	Date	Entity	Courses	Hours
Independent director	Ru Sen, Wu	2025/10/1	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations: Regulatory Supervision for Listed Company Executives	3
Director	Sheng Chieh, Su	2025/10/1	Taiwan Corporate Governance Association	Challenges and Strategies for Taiwanese Firms under Trump Policies	3
Director	Sheng Chieh, Su	2025/10/1	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations: Regulatory Supervision for Listed Company Executives	3
Director	Kwan Zu, Chen	2025/10/1	Taiwan Corporate Governance Association	Challenges and Strategies for Taiwanese Firms under Trump Policies	3
Director	Kwan Zu, Chen	2025/10/1	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations: Regulatory Supervision for Listed Company Executives	3
Director	Yu Sin, Lai	2025/10/1	Taiwan Corporate Governance Association	Challenges and Strategies for Taiwanese Firms under Trump Policies	3
Director	Yu Sin, Lai	2025/10/1	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations: Regulatory Supervision for Listed Company Executives	3
Director	Guan Chou, Chen	2025/8/14	Securities and Futures Institute	Risk Management and Strategic Analysis for Corporate Sustainability	3
Director	Guan Chou, Chen	2025/12/5	Taiwan Corporate Governance Association	Integrity Management and Directors' Fiduciary Duties, with Practical Perspectives on Anti–Money Laundering and Counter-Terrorist Financing	3
Director	Yu Ying, Hong	2025/10/1	Taiwan Corporate Governance Association	Challenges and Strategies for Taiwanese Firms under Trump Policies	3
Director	Yu Ying, Hong	2025/10/1	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations: Regulatory Supervision for Listed Company Executives	3

2.3.9 Internal Control Systems

1.Statement of Internal Control System

Please refer to the Merket Observation Post System:

https://mopsov.twse.com.tw/nas/cont06/c8033114011150311.pdf

The disclosure path is as follows: Market Observation Post System (MOPS) > Corporate Governance > Internal Control Section > Internal Control Statement.

2.If an accountant is appointed to review the internal control system, the accountant's review report should be disclosed: Not applicable

2.3.10 Major Resolutions of Shareholders' Meeting and Board Meetings

1. The material resolutions of the shareholders' meeting are as follows:

Date	Meeting Name	No.	Resolution	Implementation Status
2025/6/17	AGM of Shareholders	1	Financial statements for the FY 2024	They have been announced on the MOPS as required by law following the resolution of the shareholders' meeting.
		2	Appropriation of profit or loss for the FY 2024.	It has been executed accordingly following the resolution of the shareholders' meeting.
		3	Proposal to conduct private placement of common shares.	Following the resolution of the shareholders' meeting, the board of directors has been authorized to proceed with the private placement at an appropriate time. As of the date of publication of the annual report, the private placement has not yet been conducted. The status of implementation will be reported at the shareholders' meeting for the current fiscal year.
		4	Amendment to the company's articles of Incorporation	It has been executed accordingly following the resolution of the shareholders' meeting.
		5	Proposal for the re-election of directors	It has been executed accordingly following the resolution of the shareholders' meeting.
		6	Proposal to lift the non-compete restrictions on the company's newly appointed directors and their representatives	It has been executed accordingly following the resolution of the shareholders' meeting.

2. The material resolutions of the board of directors meeting are as follows:

Date	Meeting Name	No.	Resolution
2025/2/11	1st Board of Directors Meeting	1	Report on the progress of the litigation cases between Zhong Ze Group and Thunder Tiger (Ningbo).
		2	Report on the Execution of the 1st Cash Capital Increase and Operational Plan for 2024
		3	Renewal of Directors' and Officers' Liability Insurance for 2025
		4	Disposal of Short-term Investments
		5	Acquisition of Short-term Investments
		6	2025 Operating Budget for the Parent Company and Subsidiaries

Date	Meeting Name	No.	Resolution
		7	Determination of Pricing and Related Matters for the 2024 Cash Capital Increase
		8	Employee Stock Subscription Standards for the 2024 Cash Capital Increase
		9	Special Performance Bonus for the Group for Fiscal Year 2024
		10	Renewal of Credit Facility with First Commercial Bank
		11	Endorsement Guarantee for Subsidiary AE's Credit Facility Renewal with Mega International Commercial Bank
		12	Endorsement Guarantee for Subsidiary TTBIO's Credit Facility with Shanghai Commercial & Savings Bank
		13	Endorsement Guarantee for Subsidiary TTBIO's Credit Facility Renewal with First Commercial Bank
2025/3/11	2nd meeting of the Board	1	Report on the progress of the litigation cases between Zhong Ze Group and Thunder Tiger (Ningbo).
		2	Report on the Execution of the 1st Cash Capital Increase and Operational Plan for 2024
		3	Report on the Self-Evaluation Results of the Board of Directors and Board Members
		4	Review of the 2024 Business Report and Financial Statements
		5	Proposal for 2024 Earnings Distribution/Loss Offset
		6	2024 Internal Control Statement
		7	Resolution Not to Proceed with the 2020 Capital Reduction Plan
		8	Full Re-election of Directors of the Company
		9	Proposal to Lift Non-Compete Restrictions for Newly Elected Directors and Their Representatives
		10	Proposal for Private Placement of Common Shares
		11	Amendments to the Company's Articles of Incorporation
		12	Planning of the 2025 Annual General Shareholders' Meeting
		13	Establishment of New Credit Facility with DBS Bank (Taiwan)
		14	Renewal of Credit Facility with Mega International Commercial Bank
		15	Renewal of Endorsement Guarantee for Subsidiary TT (USA) in Relation to Mega Bank Credit Facility of Thunder Tiger Corporation
		16	Evaluation of Independence and Suitability of the Attesting CPA
		17	Appointment and Remuneration of the Attesting CPA
2025/5/7	3rd Board of Directors Meeting	1	Report on the progress of the litigation cases between Zhong Ze Group and Thunder Tiger (Ningbo).
		2	Report on the Implementation of the Sound Business Plan for the 2024 First Cash Capital Increase
		3	Report on the Status of Private Placement Securities for 2024
		4	Review of Q1 2025 Financial Statements
		5	Proposal to Amend the Company's Articles of Incorporation
		6	Proposal on the Number of Board Seats
		7	Nomination of Candidates for Directors and Independent Directors
		8	Organizational Restructuring of the Company
		9	Establishment of the "Sustainability Development Best Practice Principles" and Formation of the Sustainability Development Committee
		10	Subscription of Preferred Shares in Takano
		11	Proposal to Purchase Office Space (2nd Floor) at the Company's Existing Taoyuan TTSOLUTIONS, INC. Site

Date	Meeting Name	No.	Resolution
		12	Establishment of New Credit Facility with Cooperative Bank of Taiwan
		13	Renewal of New Credit Facility with Shin Kong Bank
		14	Renewal of Endorsement Guarantee for Subsidiary AE in Relation to Shanghai Commercial & Savings Bank Credit Facility
2025/6/17	4th Board of Directors Meeting	1	Appointment of Members of the Audit Committee
		2	Appointment of Members of the Remuneration Committee
		3	Appointment of Members of the Executive Committee
		4	Establishment of New Credit Facility with Bank SinoPac
2025/7/15	1st Temporary Board of Directors Meeting	1	Subscription to the Cash Capital Increase of Subsidiary TTBIO.
		2	Renewal of Endorsement Guarantee for Subsidiary TTSOLUTIONS, INC. in Relation to First Commercial Bank Credit Facility
2025/8/12	5th Board of Directors Meeting	1	Review of Q2 2025 Financial Statements
		2	Cooperative investment project with a company (Tritium) in USA.
		3	Capital expenditure proposal for new motor production line in Taichung
		4	Drone production planning project in Dapumei.
		5	2024 ESG sustainability report project.
		6	Proposed amendment to the company's internal control system forms.
		7	Renewal of Credit Facility with Shanghai Commercial & Savings Bank
		8	Renewal of Credit Facility with Taishin International Bank
		9	Renewal of Endorsement Guarantee for Subsidiary TTSOLUTIONS, INC. in Relation to Taishin Bank Credit Facility
		10	Endorsement Guarantee for Subsidiary CADCAM MARINE PTY LTD for New Credit Facility with First Commercial Bank
2025/9/12	2nd Temporary Board of Directors Meeting	1	Participation in Taiwan First Biotechnology Inc.'s Cash Capital Increase within a Limit of NT$41.4Million
2025/11/11	6th Board of Directors Meeting	1	Review of Q3 2025 Financial Statements
		2	The Company plans to acquire land and factory buildings in Dapumei for unmanned vehicle production.
		3	Proposal for Cash Capital Increase via New Share Issuance.
		4	Increase its investment in Taiwan First Biotech Co., Ltd. by 500,000 shares
		5	Proposal to Increase Shareholding in Subsidiary TTSOLUTIONS, INC.
		6	2026 Internal Audit Plan of the Company
		7	Increase and Renewal of Credit Facility with Shin Kong Commercial Bank
		8	Establishment of New Credit Facility with CTBC Bank
		9	Endorsement Guarantee for Subsidiary TTSOLUTIONS, INC. in Relation to New Shin Kong Bank Credit Facility
		10	Renewal of Endorsement Guarantee for Subsidiary TTSOLUTIONS, INC. in Relation to Shanghai Commercial & Savings Bank Credit Facility
		11	Renewal of Endorsement Guarantee for Subsidiary TTSOLUTIONS, INC. in Relation to CTBC Bank Credit Facility

Date	Meeting Name	No.	Resolution
		12	Proposed Amendments to the "Fundamental Principles of Internal Control System," "Internal Audit Implementation and Management Regulations," "Payroll Management Regulations," and "Procedures for Handling Material Inside Information"
2025/12/30	3rd Temporary Board of Directors Meeting	1	Participation in the Cash Capital Increase of Investee Company Taiwan Hope Innovation Co., Ltd.
		2	Renewal of Credit Facility with Kings Town Bank
2026/2/24	7th Board of Directors Meeting	1	Change of the company's CPAs due to internal rotation of the accounting firm.
		2	2025 Business Report and Financial Statements
		3	Proposal for 2025 deficit compensation.
		4	Proposal for the 2025 Internal Control Statement.
		5	Planning of the 2026 Annual General Shareholders' Meeting
		6	Assessment of Independence and Competency of the Company's Certifying CPA
		7	Proposal for Cash Capital Increase via New Share Issuance.
		8	Proposal for Special Performance Bonus for the First Quarter of 2026 to Reward the Headquarters Management Team for 2025 Performance and to Incentivize Bid Acquisition in 2026
		9	Increase and Renewal of Credit Facility with First Commercial Bank
		10	Renewal of Credit Facility with Mega International Commercial Bank
		11	Establishment of New Credit Facility with Hua Nan Commercial Bank
		12	Establishment of New Credit Facility with Shin Kong Commercial Bank
		13	Credit Facility with Land Bank of Taiwan
		14	Renewal of Endorsement Guarantee for Subsidiary AE in Relation to Mega International Commercial Bank Credit Facility
		15	Issuance of Standby Promissory Note for Subsidiary TTBIO in Connection with Renewal (and Increase) of Credit Facility with First Commercial Bank
2026/3/31	8th Board of Directors Meeting	1	Proposal for Private Placement of Common Shares
		2	Amendments to the Company's Articles of Incorporation
		3	Planning of the 2026 Annual General Shareholders' Meeting (Additional Agenda Item)
		4	Proposed Amendments to the "Procurement Management Regulations," "Notes Management Regulations," "Seal Management Regulations," and Relevant Provisions of the "Internal Control System – Authority Delegation Management Regulations"
		5	Investment Plan for the Installation of a Solar Photovoltaic System at the Dapumei Aseptic Packaging Plant
		6	Establishment of New Credit Facility with Sunny Bank
		7	Establishment of New Credit Facility with Yuanta Commercial Bank
		8	Establishment of New Credit Facility with Bank of Panshin
		9	Renewal of Credit Facility with Chang Hwa Commercial Bank
		10	Endorsement Guarantee for Subsidiary CADCAM MARINE PTY LTD in Relation to Shanghai Commercial & Savings Bank Credit Facility
		11	Renewal of Endorsement Guarantee for Subsidiary TTBIO in Relation to Shanghai Commercial & Savings Bank Credit Facility

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

2.4 Information Regarding the Company's Audit Fee

Unit: NT$ thousands

<table>
<tr><th>Accounting Firm</th><th>Name of CPA</th><th>Period</th><th>Audit Fee</th><th>Non-audit Fee</th><th>Subtotal</th><th>Remarks</th></tr>
<tr><td rowspan="4">Crowe (TW) CPAs</td><td>Ching-Ling Lee</td><td rowspan="2">2025/1/1-2025/9/30</td><td rowspan="4">2,300</td><td rowspan="4">542 (Note)</td><td rowspan="4">2,842</td><td rowspan="4">Internal rotation mechanism of the accounting firm</td></tr>
<tr><td>Shu-Man Tsai</td></tr>
<tr><td>Tzu-Yun Su</td><td rowspan="2">2025/10/1-2025/12/31</td></tr>
<tr><td>Shu-Man Tsai</td></tr>
</table>

Note: Fees for changing company registration and filing services.

1. Replaced the Audit Firm and the Audit Fee paid to the New Audit Firm Was Less Than the Payment of Previous Year: None

2. If the audit fee decreased by 10% or more from the previous year: None

2.5 Information on Change of Accountant

2.5.1 Regarding the former CPA:

<table>
<tr><td>Date of replacement</td><td colspan="3">2025/12/9</td></tr>
<tr><td>Reason for replacement and explanation</td><td colspan="3">The Company's attesting CPAs are CPA Ching-Ling Lee and CPA Shu-Man Tsai of Crowe (TW) CPAs. Due to internal rotation requirements within the firm, the firm notified the Company in a letter dated December 9, 2025, that, effective from the fourth quarter of 2025, the attesting CPAs will be changed to CPA Tzu-Yun Su and CPA Shu-Man Tsai.</td></tr>
<tr><td rowspan="3">Describe whether the Company terminated or the CPAs terminated or did not accept the engagement</td><td>Parties
Circumstances</td><td>CPAs</td><td>The Company</td></tr>
<tr><td>Terminated the engagement</td><td>-</td><td>-</td></tr>
<tr><td>No longer accepted (discontinued) the engagement</td><td>-</td><td>-</td></tr>
<tr><td>If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons</td><td colspan="3">None.</td></tr>
<tr><td>Disagreement with the Company?</td><td colspan="3">None.</td></tr>
</table>

Other disclosures (Any matters required to be disclosed under sub-items d to g of Article 10.6.A)	None.

2.5.2 Regarding the successor CPA:

Name of accounting firm	Crowe (TW) CPAs.
Names of CPAs	CPA Tzu-Yun Su and CPA Shu-Man Tsai.
Date of engagement	Approved by the Board of Directors on February 24, 2026
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	None.
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	None.

2.5.3 Reply letter from the former accountant on matters set out in paragraphs 6(1) and 2(3) of Article 10 of the Standards: None.

2.6 Information on the chairman, general manager, and manager responsible for the Company's financial or accounting operations, who have worked at the firm of a certified public accountant or its affiliated companies in the most recent year: None

2.7 Transfer of equity and changes in equity pledge of directors, supervisors, managers, and shareholders with a shareholding ratio of more than 10% in the most recent year and as of the date of publication of the annual report

2.7.1 Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders

Unit: Shares

Title	Name	2025		As of March 16, 2026	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Corporate Director	ChungKuan International Development Corp.	200,006		-	-
Legal Representative Director (Chairman)	ChungKuan International Development Corp. Representative: Kwan Zu, Chen	542,067	1,450,000	-	-
Legal Representative Director	ChungKuan International Development Corp. Representative: Guan Chou, Chen	-	-	-	-
Legal Representative Director	ChungKuan International Development Corp. Representative: Yu Ying, Hong	-	-	-	-
Director	Yu Sin, Lai	(178,546)		1,840,502	1,300,000
Director	Sheng Chieh, Su	292,605	400,000	-	(700,000)
Independent director	Wen Sheng, Ko	-	-	-	-
Independent director	Ru Sen, Wu	-	-	-	-
Independent director	Hsiang Han, Wu	-	-	-	-
Financial Dept. Director	Yi Ju, Cho	61,801	-	-	-
Research & Development Dept. Director	Fu Sen, Yang	6,083	-	-	-

2.7.2 Information on the transfer of shareholding where the counterparty is a related party:

Name	Reason for Share Transfer	Transaction Date	Counterparty	Relationship between Counterparty and the Company, Directors, Supervisors, Managers, and Shareholders Holding More Than 10% of Shares	Number of Shares	Transaction Price
Yu Sin, Lai (Director)	Acquired by Gift	2026/1/14	Chun Lin, Lai	Father	1,912,502	-

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

2.8 Shareholding ratio of the top ten shareholders, information on their relationship with each other, spouse, or relatives within the second degree

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		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Kwan Zu, Chen	7,710,420	5.05	40,727	0.03	-	-	Taiwan First Biotechnology Inc. Representative: Guan Han, Chen	Related parties, with the responsible person being a second-degree relative.	-
Zuo Chang, You	6,260,000	4.10	-	-	-	-	-	-	-
Taiwan First Biotechnology Inc. Representative: Guan Han, Chen	3,678,487	2.41	-	-	-	-	Kwan Zu, Chen	Related parties, with the responsible person being a second-degree relative.	-
Sheng Chieh, Su	3,439,149	2.25	-	-	-	-	-	-	-
Jun Yao, Lin	3,380,000	2.21							-
Yu Sin, Lai	2,197,093	1.43	-	-	-	-	-	-	-
Yue Ren, Wu	2,020,633	1.32	-	-	-	-	-	-	-
Centralized Self-Administered Custody Account	1,798,995	1.17	-	-	-	-	-	-	-
Margin Trading Account with MasterLink Securities Corporation	1,624,000	1.06	-	-	-	-	-	-	-
Jin Pen, Lin	1,486,000	0.97	-	-	-	-	-	-	-

2.9 The number of shares held by the Company, its directors, managers, and enterprises directly or indirectly controlled by the Company in the same reinvested enterprise and combined to calculate the comprehensive shareholding ratio

Unit: shares/ %

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
UPTOP LIMITED	50,000	100%	-	-	50,000	100%
GOLDEN MIRAGE CO.	50,000	100%	-	-	50,000	100%
MANFORD INVESTMENTS, LTD.	12,000,000	100%	-	-	12,000,000	100%
THUNDER TIGER (USA) CORP.	10,199,553	100%	-	-	10,199,553	100%
ASSOCIATED ELECTRICS, INC.	5,000	100%	-	-	5,000	100%
THUNDER TIGER INDUSTRIES, INC.	4,600,000	100%	-	-	4,600,000	100%
TTBIO Corp.	18,735,269	62.35%	40,000	0.13%	18,775,269	62.48%
THUNDER TIGER ELECTRIC & ENGINEERING CORP.	300,000	100%	-	-	300,000	100%
TT Media Technology, Inc.	510,000	100%	-	-	510,000	73.68%
TTSOLUTIONS, INC.	147,365,264	73.68%	-	-	147,365,264	73.68%
Hong Kong Thunder Tiger Innovation Co., Limited	100,000	100%	-	-	100,000	100%
Shanghai Thunder Tiger Solutions Trading Co., LTD.	Note	100%	-	-	Note	100%
ASSOCIATED ELECTRICS (Taiwan), INC.	Note	100%	-	-	Note	100%
Taiwan Swarm Innovation Inc.	1,340,168	28.51%	-	-	1,340,168	28.51%
CADCAM MARINE PTY LTD.	15,000,000	60%	-	-	15,000,000	60%

Note : As a limited liability company, no shares have been issued.

III.Capital Overview

3.1 Capital and Shares

3.1.1 Source of Capital

March 16, 2026; Unit: NT$ thousand; Shares

Month/ Year	Par Value (NT$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NT$ thousands)	Shares	Amount (NT$ thousands)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
1979.09	-	-	3,000	-	3,000	Establishment (Cash)	None	Establishment as a Limited Company
1980.11	-	-	5,200	-	5,200	Capital increase in cash	None	-
1982.12	-	-	15,750	-	15,750	Capital increase in cash	None	-
1983.06	1000	15,750	15,750	15,750	15,750	-	None	Change to a Company Limited by Shares
1986.05	1000	28,000	28,000	28,000	28,000	Capital increase in cash	None	-
1990.12	10	400,000	40,000	400,000	40,000	Capital increase in cash	None	Note 1
1992.12	10	600,000	60,000	600,000	60,000	Capital increase in cash, Capital increase in earnings	None	Note 2
1996.11	10	19,500,000	195,000	19,500,000	195,000	Capital increase in cash, Capital increase in earnings or capital surplus	None	Note 3
1997.11	10	60,000,000	600,000	38,060,000	380,600	Capital increase in cash, Capital increase in earnings	None	Note 4
1998.08	10	60,000,000	600,000	40,103,000	401,030	Capital increase in earnings, Employee remuneration allotment of shares	None	Note 5
1999.08	10	60,000,000	600,000	42,330,000	423,300	Capital increase in earnings, Employee remuneration allotment of shares	None	Note 6
2001.06	10	60,000,000	600,000	47,615,700	476,157	Capital increase in earnings, Employee remuneration allotment of shares	None	Note 7
2003.01	10	60,000,000	600,000	53,782,884	537,829	Capital increase in earnings, Employee remuneration allotment of shares	None	Note 8
2003.10	10	60,000,000	600,000	57,460,626	574,606	Capital increase in earnings, Employee remuneration allotment of shares	None	Note 9
2004.08	10	68,500,000	685,000	64,042,225	640,422	Capital increase in earnings,	None	Note 10

Month/ Year	Par Value (NT$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NT$ thousands)	Shares	Amount (NT$ thousands)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
						Employee remuneration allotment of shares		
2005.09	10	125,000,000	1,250,000	71,856 ,948	718,569	Capital increase in earnings, Employee remuneration allotment of shares	None	Note 11
2006.08	10	125,000,000	1,250,000	77,504,622	775,046	Capital increase in earnings, Employee remuneration allotment of shares	None	Note 12
2007.08	10	125,000,000	1,250,000	82,903,479	829,035	Capital increase in earnings, Employee remuneration allotment of shares	None	Note 13
2008.07	10	125,000,000	1,250,000	86,479,075	864,791	Capital increase in earnings, Employee remuneration allotment of shares	None	Note 14
2013.01	10	125,000,000	1,250,000	91,729,075	917,291	Capital increase in Private placement	None	Note 15
2014.06	10	125,000,000	1,250,000	108,729,075	1,087,291	Capital increase in cash	None	Note 16
2015.03	10	200,000,000	2,000,000	128,729,075	1,287,291	Capital increase in cash	None	Note 17
2017.08	10	200,000,000	2,000,000	109,419,775	1,094,198	Capital reduction for cover accumulated deficits	None	Note 18
2019.09	10	200,000,000	2,000,000	112,629,775	1,126,298	Capital increase in Private placement	None	Note 19
2021.07	10	200,000,000	2,000,000	132,629,775	1,326,298	Capital increase in cash	None	Note 20
2022.04	10	200,000,000	2,000,000	142,629,775	1,426,298	Capital increase in cash	None	Note21
2025.03	10	200,000,000	2,000,000	152,629,775	1,526,298	Capital increase in cash	None	Note22

Note 1：Capital increase by cash of NT$12,000,000 has been approved and recorded in the letter with Commercial No. 102555 issued on February 23, 1991.

Note 2：Capital increase by cash of NT 10,000,000 and by retained earnings of NT 10,000,000 has been approved and recorded in the letter with Commercial No.101140 issued on February 9, 1993.

Note 3：Capital increase by cash of NT 111,000,000, by capital surplus of NT 9,500,000 and by retained earnings of NT 14,500,000 has been approved and recorded in the letter with Commercial No.122156 issued on December 21 1996.

Note 4：Capital increase by cash of NT 170,000,000 and by retained earnings of NT 15,600,000 has been approved and recorded in the letter with Commercial No.127405 issued on January 2, 1998.

Note 5：Capital increase by retained earnings of NT 19,030,000 and by employee remuneration of NT 1,400,000 has been approved and recorded in the letter with Commercial No. 087128462 issued on September 18, 1998, and the FSC Approval No. 1100341572.

Note 6：Capital increase by retained earnings of NT 20,051,500 and by employee remuneration of NT 2,218,500 has been approved and recorded in the letter with Commercial No. 088134232 issued on September 15, 1999, and the FSC Approval No. 64545.

Note 7：Capital increase by retained earnings of NT 50,796,000 and by employee remuneration of NT 2,061,000 has been approved and recorded in the letter with Commercial No. 09001379390 issued on September 25, 2001, and the FSC Approval No. 148777.

Note 8：Capital increase by retained earnings of NT 57,138,840 and by employee remuneration of NT 4,533,000 has been approved and recorded in the letter with Commercial No. 09201003250 issued on January 16, 2003, and the FSC Approval No. 0910140658.

Note 9：Capital increase by retained earnings of NT 32,269,730 and by employee remuneration of NT 4,507,690 has been approved and recorded in the letter with Commercial No. 09201281950 issued on October 3, 2003, and the FSC Approval No. 0920132494.

Note 10：Capital increase by retained earnings of NT 57,460,620 and by employee remuneration of NT 8,355,370 has been approved and recorded in the letter with Commercial No. 09301172130 issued on September 15, 2004, and the FSC Approval No. 0930130226.

Note 11：Capital increase by retained earnings of NT 64,042,230 and by employee remuneration of NT 14,105,000 has been approved and recorded in the letter with Commercial No. 09401182780 issued on September 16, 2005, and the FSC Approval No. 0940128697.

Note 12：Capital increase by retained earnings of NT 35,928,470 and by employee remuneration of NT 20,548,270has been approved and recorded in the letter with Commercial No. 09501191380 issued on August 30, 2005, and the FSC Approval No. 0950130392.

Note 13：Capital increase by retained earnings of NT 38,752,310 and by employee remuneration of NT 15,236,260 has been approved and recorded in the letter with Commercial No. 09601214690 issued on August 31, 2006, and the FSC Approval No. 0960032292.

Note 14：Capital increase by retained earnings of NT24,871,040 and by employee remuneration of NT 10,884,920 has been approved and recorded in the letter with Commercial No. 09701153780 issued on July 10, 2008, and the FSC Approval No. 0970034552.

Note 15：Capital increase in Private placement of NT 42,000,000 and recorded in the letter with Commercial No. 09701153780 issued on January 15, 2013.

Note 16：Capital increase by cash of NT 50,796,000 has been approved and recorded in the letter with Commercial No. 10301104330 issued on June 10, 2014, and the FSC Approval No. 1030008555.

Note 17：Capital increase by cash of NT 210,000,000 has been approved and recorded in the letter with Commercial No. 10401047990 issued on March 31, 2015, and the FSC Approval No. 1030045320.

Note 18：Capital reduction for cover accumulated deficits of NT 193,093,000has been approved and recorded in the letter with Commercial No. 10601118390 issued on August 21, 2017, and the FSC Approval No. 1060027238.

Note 19：Capital increase in Private placement of NT3,210,000 and recorded in the letter with Commercial No. 10801112320 issued on September 6, 2019.

Note 20：Capital increase by cash of NT244,000,000 has been approved and recorded in the letter with Commercial No. 11001119730 issued on July 28, 2021, and the FSC Approval No. 1100341572.

Note 21：Capital increase by cash of NT 360,000,000 has been approved and recorded in the letter with Commercial No. 11230062100 issued on April 12, 2023, and the FSC Approval No. 1110368115.

Note 22：Capital increase by cash of NT 498,000,000 has been approved and recorded in the letter with Commercial No. 11430041050 issued on April 8, 2025, and the FSC Approval No. 1130365876.

Type of Stock

March 16, 2026(Record Date)

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Registered common stock	152,629,775	47,370,225	200,000,000	Shares of a listed company

Note: The number of issued shares, including privately placed shares, is 7,672,502 shares.

Information for Shelf Registration

Securities Type	Preparing to Issue Amount		Issued Amount		Purpose and Effect for Issued Shares	Issue Period for Unissued Shares	Remarks
	Total Shares	Authorized Amount (NT$ thousands)	Shares	Price (NT$)			
None							

3.1.2 List of Major Shareholders

List all shareholders with a stake of 5 percent or greater, and if those are fewer than 10 shareholders, also list all shareholders who rank in the top 10 in shareholding percentage, and specify the number of shares and stake held by each shareholder on the list.

March 16, 2026(Record Date) ; Unit: Shares

Shareholder's Name	Shareholding	
	Shares	Percentage
Kwan Zu, Chen	7,710,420	5.05%
Zuo Chang, You	6,260,000	4.10%
Taiwan First Biotechnology Inc. Representative: Guan Han, Chen	3,678,487	2.41%
Sheng Chieh, Su	3,439,149	2.25%
Jun Yao, Lin	3,380,000	2.21%
Yu Sin, Lai	2,197,093	1.43%
Yue Ren, Wu	2,020,633	1.32%
Centralized Self-Administered Custody Account	1,798,995	1.17%
Margin Trading Account with MasterLink Securities Corporation	1,624,000	1.06%
Jin Pen, Lin	1,486,000	0.97%

3.1.3 Dividend Policy and Implementation Status

3.1.3.1 Dividend policy:

The Company operates in a rapidly changing industry environment and is currently in the stable growth stage of its business life cycle. Considering the Company's funding needs and long-term financial planning, after deducting income taxes as required by law, the net profit after tax for the current period shall first be deducted to cover accumulated losses, followed by setting aside 10% of such profits as a legal reserve, and then appropriating another sum as a special reserve and reserves for recapitalization as required by law. If there is any remaining balance, together with the undistributed earnings from the previous year, shall be accumulated as distributable retained earnings. The Board of Directors shall formulate a proposal of surplus earning distribution and submit to the shareholders' meeting for approval. For the surplus earnings distribution proposal formulated by the Board of Directors, the total amount of the shareholders' dividend shall be 10% to 90% of the accumulated distributable retained earnings, of which the cash dividend shall be more than 10% of the total shareholders' dividend.

3.1.3.2 Implementation status

The company's Board of Directors resolved on February 24, 2026, that the company's accumulated deficit at the beginning of fiscal year 2025 was NT$535,031,549. The net profit after tax for the year amounted to NT$87,643,513, and the accumulated deficit at year-end was NT$450,287,159. Due to the fact that the company still has accumulated deficits, no distribution is proposed.

3.1.4 Impact of the proposed gratis allotment of shares at the shareholders' meeting on the Company's operating results and earnings per share

The proposed gratis allotment of shares at the shareholders' meeting will not be distributed and is therefore not applicable.

3.1.5 Employee and Director Remuneration

1. The percentage or scope of employee and directors' remuneration as stipulated in the Company's Articles of Incorporation: See **3.1.3.1** Dividend policy for details.
   Article 26 of the Company's Articles of Incorporation: To motivate employees and the management team, the Company shall, after offsetting accumulated losses, appropriate at least 2% of the annual pre-tax profit before deducting employee compensation and directors' remuneration, if any, as employee compensation, provided that no less than 20% of such employee compensation shall be allocated to entry-level employees. The remuneration to directors shall not exceed 5%.
   Where employee compensation is distributed in the form of shares or cash, such distribution shall be approved by a resolution of the Board of Directors attended by at least two-thirds of all directors and approved by more than half of the directors present, and shall be reported to the shareholders' meeting.
   The recipients of employee compensation distributed in the form of shares or cash may include employees of the Company's subsidiaries who meet certain qualifications.
2. Basis for estimating the total employee and directors' remuneration, basis for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment if the actual amount of distribution differs from the estimated amount: None.
3. Information on any approval by the board of directors of distribution of profit-sharing compensation: It is proposed not to distribute any dividends to employees for the current fiscal year.
4. Actual distribution of employee remuneration and directors' remuneration in the previous year: None

3.1.6 Buy-back of Treasury Stock: None

3.2 Bonds: None

3.3 Special stocks: None

3.4 Global Depository Receipts: None

3.5 Employee Stock Options: None

3.6 New Restricted Employee Shares: None

3.7 Status of New Shares Issuance in Connection with Mergers and Acquisitions: None

3.8 Financing Plans and Implementation

3.8.1 First capital increase by cash in FY 2024:

3.8.1.1. Description of the capital allocation plan:

(1) Approval date and document number of the competent authority: December 27, 2024, FSC_Approval No. 1130365876.

(2) Total amount of funds needed for the plan: NT$ 498,000 thousand.

(3) Source of funds: Capital increase by cash through issuance of 10,000 new shares, with a face value of NT $10 per share and an issue price of NT $49.8 per share, and a total raised amount of NT$ 498,000 thousand.

3.8.1.2. Planned fund utilization plan, utilization schedule and benefits

(1) Plan and execution progress:

Unit: NT$ thousands

<table>
<tr><th>Item</th><th colspan="2">Execution Status</th><th>2025Q3</th><th>Reasons for Progress Ahead or Behind and Improvement Plans</th></tr>
<tr><td rowspan="4">Repayment of Loans</td><td rowspan="2">Amount</td><td>Budget</td><td>323,569</td><td rowspan="12">The repayment plan for financial institution borrowings and the working capital enhancement plan were both completed in the third quarter of 2025, with 100% fund utilization. Execution was satisfactory, with no material abnormalities identified.</td></tr>
<tr><td>Actual</td><td>323,569</td></tr>
<tr><td rowspan="2">Execution Progress (%)</td><td>Budget</td><td>100.00%</td></tr>
<tr><td>Actual</td><td>100.00%</td></tr>
<tr><td rowspan="4">Reinforcement of Operating Funds</td><td rowspan="2">Amount</td><td>Budget</td><td>174,431</td></tr>
<tr><td>Actual</td><td>174,431</td></tr>
<tr><td rowspan="2">Execution Progress (%)</td><td>Budget</td><td>100.00%</td></tr>
<tr><td>Actual</td><td>100.00%</td></tr>
<tr><td rowspan="4">Total</td><td rowspan="2">Amount</td><td>Budget</td><td>498,000</td></tr>
<tr><td>Actual</td><td>498,000</td></tr>
<tr><td rowspan="2">Execution Progress (%)</td><td>Budget</td><td>100.00%</td></tr>
<tr><td>Actual</td><td>100.00%</td></tr>
</table>

(2) Potential benefits

A. Repayment of bank loans

a. Reduction of Interest Expenses and Financial Burden

The Company repaid NT$323,569 thousand of borrowings from financial institutions under this plan. Due to improved operating conditions in the second quarter and inventory preparation needs in the third quarter, part of the originally scheduled second-quarter repayment was deferred to the third quarter to maintain funding flexibility. All borrowings were fully repaid in the third quarter.

Based on the actual repayment amount and interest rates of 2.22%–3.41%, interest savings for 2025 amounted to NT$3,620 thousand, lower than the originally estimated NT$5,671 thousand due to the deferred repayment schedule. Annual interest savings going forward are expected to be NT$8,947 thousand, consistent with the original plan.

Unit: NT$ thousands

Loan Institution	Interest Rate (%)	Actual Repayment Date	Proposed Repayment Amount		Interest Rate Reduction	
			2025Q2	2025Q3	FY2025	Subsequent Fiscal Years
First Bank	2.7150%	114/6/25	10,000	-	136	272
First Bank	2.7150%	114/6/25	40,000	-	543	1,086
SKBank	2.7400%	114/5/14	10,000	-	160	274
SKBank	2.7400%	114/5/14	10,000	-	160	274
SKBank	2.7400%	114/5/14	10,000	-	160	274
King's Town Bank	2.7250%	114/8/14	-	36,000	327	981
Mega Bank	2.4400%	114/9/19	-	40,000	244	976
Chang Hwa Bank	2.5750%	114/8/11	-	10,904	94	281
Chang Hwa Bank	2.5750%	114/8/11	-	6,937	60	179
Bank of Shanghai	3.2200%	114/6/10	50,000	-	805	1,610
SKBank	2.7100%	114/9/26	-	34,348	233	931
SKBank	2.7100%	114/9/26	-	2,547	17	69
Hua Nan Bank	2.2200%	114/9/26	-	33,833	188	751
Bank of Panshin	3.4100%	114/6/20	29,000	-	494	989
Total			159,000	164,569	3,620	8,947

b. Strengthening Financial Structure and Enhancing Debt Repayment Capacity

Item		Before Fundraising (FY2024)	After Fundraising (September, 2025)
Financial Structure	Debt Ratio (%)	35.11	21.20
	Long-term Capital to Property, Plant and Equipment Ratio (%)	877.98	790.67
Solvency	Current Ratio (%)	129.53	302.41
	Quick Ratio (%)	68.90	174.51

After completing the capital raising in the first quarter of FY2025, the Company allocated NT$323,569 thousand out of the total NT$498,000 thousand raised to repay bank borrowings, with the remaining NT$174,431 thousand used to strengthen working capital.

In terms of financial structure, following this capital injection, the debt ratio decreased from 35.11% to 21.20%. The ratio of long-term funds to property, plant, and equipment slightly declined from 877.98% to 790.67%, primarily due to increased investment in machinery and mold equipment.

With respect to solvency, both the current ratio and quick ratio improved significantly, rising from 129.53% and 68.90% to 302.41% and 174.51%, respectively, indicating a substantial enhancement in short-term debt servicing capability.

Overall, after repaying bank loans, the Company has effectively reduced its interest burden. In addition, the Company's financial structure and debt repayment capacity have improved compared to before the repayment. This has effectively strengthened the Company's short-term funding flexibility in response to financial, operational risks, and external environmental changes, and the benefits have already become evident.

3.8.1.3. Execution status of the 2024 cash capital increase operational improvement plan

The following is an explanation of the Company's 2025 budgeted figures and actual performance:

Unit: NT$ thousands

Account	FY2025 (Actual)	FY2025 (Forecast)	Variance between actual and forecast	Achievement rate
Sales revenue	1,424,123	1,540,603	(116,480)	92%
Gross profit from sales	531,702	641,808	(110,106)	83%
Operating expenses	568,201	544,778	23,423	104%
Operating income (operating profit)	(36,499)	97,030	(133,529)	(38%)
Non-operating income and expenses	121,492	7,333	114,159	1,657%
Profit before tax	84,993	104,363	(19,370)	81%
Income tax expense	(6,233)	(27,498)	21,265	23%
Net profit after tax	78,760	76,865	1,895	102%
Net profit attributable to the parent company	87,643	62,154	25,489	141%

Explanation：

The Company's consolidated profit and loss for 2025 showed growth compared to forecast figures, mainly due to gains recognized from the valuation of financial instruments affected by fluctuations in international stock markets. Overall, the variances between the budgeted figures in the operational plan and the actual results are considered reasonable, and no material abnormalities have been identified.

Unit: NT$ thousands；%

Item		FY2024	FY2025
Basic financial information	Current assets	1,542,876	1,718,828
	Current liabilities	762,408	676,326
	Non-current liabilities	405,407	324,388
	Total shareholders' equity	1,288,307	1,883,069
	Total assets	2,631,874	3,066,141
	Net value per share	9.03	12.34
Financial structure (%)	Debt-to-asset ratio	44.37	32.64
	Long-term capital to property, plant and equipment ratio	431.36	434.58
Solvency ratios (%)	Current ratio	202.37	254.14
	Quick ratio	91.24	103.69

In addition, upon reviewing the Company's overall financial position, shareholders' equity increased from NT$1,288,307 thousand to NT$1,883,069 thousand. The cash capital increase has not only provided the Company with the necessary operating funds, but also enhanced the stability of future operations. The Company's overall financial structure and solvency have both improved, which is beneficial to its sustainable operation and long-term development.

3.8.2 First capital increase by cash in FY 2026:

3.8.2.1. Description of the capital allocation plan:

(1) Approval date and document number of the competent authority: March 23, 2026, FSC_Approval No. 1150335208.

(2) Total amount of funds needed for the plan: NT$ 1,320,000 thousand.

(3) Source of funds: Capital increase by cash through issuance of 12,000 new shares, with a face value of NT $10 per share and an issue price of NT $110 per share, and a total raised amount of NT$ 1,320,000 thousand.

3.8.2.2. Planned fund utilization plan, utilization schedule and expected benefits

(1) Plan and execution progress:

Planned project items	Expected completion date	Total required funding	Planned schedule for the use of funds.					
			2025Q4	FY2026				Total
				Q1	Q2	Q3	Q4	
Purchase of machinery and equipment – aseptic packaging expansion line	2026Q4	237,400	—	60,876	8,890	33,290	134,344	237,400
Purchase of land, factory buildings, and machinery and equipment – unmanned vehicle production expansion	2026Q4	887,600	106,500	665,798	38,646	41,656	35,000	887,600
Strengthening working capital	2026Q2	195,000	—	—	195,000	—	—	195,000
Total		1,320,000	106,500	726,674	242,536	74,946	169,344	1,320,000

Note: The factory purchase under this project was contracted in Q4 2025, with a signing payment of NT$106,500 thousand. The tax payment of NT$35,500 thousand was made in Q1 2026, and the ownership transfer was completed before the end of Q1 2026. Due to a timing gap in fund availability, bank loans were temporarily used to finance the related payments. Upon completion of fund raising in Q2 2026, NT$880,710 thousand will be used to repay the portion of the expenses financed through bank borrowing.

(2) Expected benefits

A. Purchase of machinery and equipment – aseptic packaging expansion line

The Company plans to allocate NT$237,400 thousand from the total proceeds of this fundraising plan to purchase machinery and equipment for the production of preforms and bottle caps, in order to meet future customer order demand. The equipment installation and production testing are expected to be completed in Q4 2026, with mass production commencing in Q1 2027. The projected operating revenue and operating profit are shown in the table below.

Unit: NT$ thousands

Item	FY2027	FY2028	FY2029
Operating revenue	223,459	289,900	339,730
Operating profit	51,545	66,943	78,491

B. Purchase of land, factory buildings, and machinery and equipment – unmanned vehicle production expansion

The Company plans to allocate NT$887,600 thousand from the total proceeds of this fundraising plan for the purchase of land, factory buildings, and machinery and equipment for the expansion of its unmanned vehicle production capacity. Of this amount, NT$710,000 thousand will be used for the acquisition of land and factory buildings, and the remaining NT$177,600 thousand will be used for factory renovation and the purchase of machinery and equipment. This investment aims to enhance unmanned vehicle production capacity, strengthen the Company's domestic and international defense industry presence, and reinforce long-term competitiveness.

The acquisition of land and factory buildings is expected to be completed by Q1 2026. The installation of machinery and equipment will be carried out in three phases. Phase I installation and production testing are expected to be completed in Q2 2026, with mass production commencing in Q3 2026. Given that current production capacity for motors and electronic speed controllers is sufficient to meet demand, initial production will focus on small unmanned aerial vehicle assembly.

Phase II involves the establishment of motor production lines, expected to be completed in Q3 2026, further expanding overall UAV production capacity.

Phase III covers the installation of unmanned vessel-related equipment, with acceptance testing beginning in Q3 2026 and completion of installation and production testing in Q4 2026. This is expected to simultaneously drive mass production and shipment progress across multiple product lines.

The expected benefits of this unmanned vehicle expansion project are summarized as follows:

Unit: NT$ thousands

Item	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
Operating revenue	277,037	715,053	786,558	865,214	908,475	953,898
Operating profit	49,867	128,710	141,580	155,738	163,525	171,702

C. Strengthening working capital

The Company plans to allocate NT$195,000 thousand from the total proceeds of this fundraising plan to strengthen working capital in order to support operational needs and replace bank financing. This will not only reduce reliance on bank borrowings and increase the stability of long-term funding sources and financial flexibility, but also, based on the current average borrowing interest rate of 2.69%, is expected to save approximately NT$5,246 thousand in annual interest expenses.

This will moderately reduce the Company's financial burden, prevent interest expenses from eroding profitability, and strengthen the financial structure, thereby contributing to the Company's overall operational development in the future.

3.8.2.3. Status of implementation

Unit: NT$ thousands

Item	Execution Status		2026Q1	Reasons for Progress Ahead or Behind and Improvement Plans
Purchase of machinery and equipment – aseptic packaging expansion line	Amount	Budget	-	As of the end of the first quarter of 2026, the proceeds from the Company's capital increase through new share issuance in 2026 have not yet been utilized. Upon evaluation, the current progress of fund utilization remains within a reasonable timeframe as planned.
		Actual	-	
	Execution Progress (%)	Budget	-	
		Actual	-	
Purchase of land, factory buildings, and machinery and equipment – unmanned vehicle production expansion	Amount	Budget	-	
		Actual	-	
	Execution Progress (%)	Budget	-	
		Actual	-	
Strengthening working capital	Amount	Budget	-	
		Actual	-	
	Execution Progress (%)	Budget	-	
		Actual	-	
Total	Amount	Budget	-	
		Actual	-	
	Execution Progress (%)	Budget	-	
		Actual	-	

3.8.2.4. Evaluation of generated benefits

As of the first quarter of 2026, the Company's cash capital increase and issuance of new shares for 2026 has not yet been fully completed. Therefore, an assessment of the achievement of expected benefits is not applicable at this stage.

IV.Operational Highlights

4.1 Business Activities

4.1.1 Business Scope

1.1.1. Main areas of business operations

A. The business operated by the Company are as follows:

(1) CH01040 Toys Manufacturing.
(2) F111070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
(3) F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
(4) CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing.
(5) CC01060 Wired Communication Equipment and Apparatus Manufacturing.
(6) CC01070 Telecommunication Equipment and Apparatus Manufacturing.
(7) CM01010 Case and Bag Manufacturing.
(8) F113030 Wholesale of Precision Instruments.
(9) F213040 Retail Sale of Precision Instruments.
(10) CQ01010 Mold and Die Manufacturing.
(11) F106030 Wholesale of Mold and Die.
(12) F206030 Retail Sale of Mold and Die.
(13) C802200 Coating, Paint, Dye and Pigment Manufacturing.
(14) F107010 Wholesale of Paints, Coating and Varnishes.
(15) F207010 Retail Sale of Paints, Coating and Varnishes.
(16) CH01010 Sporting Goods Manufacturing.
(17) CH01030 Stationery Goods Manufacturing.
(18) F401010 International trade.
(19) CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing.
(20) CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing.
(21) CF01011 Medical Devices Manufacturing.
(22) F108031 Wholesale of Medical Devices.
(23) F208031 Retail Sale of Medical Devices.
(24) CD01050 Bicycles and Parts Manufacturing
(25) F401021 Restrained Telecom Radio Frequency Equipments and Materials Import.
(26) C805990 Other Plastic Products Manufacturing
(27) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

B. The business operated by the subsidiary, TTBIO are as follows:

(1) CF01011 Medical Devices Manufacturing.
(2) F108031 Wholesale of Medical Devices.
(3) F208031 Retail Sale of Medical Devices.
(4) F401010 International trade.
(5) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

C. The business operated by the subsidiary, Thunder Tiger Electric & Engineering Corp. are as follows:

(1) CB01010 Mechanical Equipment Manufacturing.
(2) CB01990 Other Machinery Manufacturing.
(3) F113010 Wholesale of Machinery.
(4) F113020 Wholesale of Electrical Appliances.
(5) F113110 Wholesale of Batteries.
(6) F113990 Wholesale of Other Machinery and Tools.
(7) F213080 Retail Sale of Other Machinery and Equipment.
(8) F213110 Retail Sale of Batteries.
(9) F213990 Retail Sale of Other Machinery and Equipment.
(10) CP01010 Hand Tools Manufacturing.
(11) CQ01010 Mold and Die Manufacturing.
(12) F401010 International Trade.
(13) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

D. The business operated by the subsidiary, TT Media Technology, Inc. are as follows:

(1) F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
(2) F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
(3) F401010 International Trade.
(4) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

E. The business operated by the subsidiary, Associated Electrics, Inc. are as follows:

Sale and repair of model products

F. The business operated by the subsidiary, TT Solutions, Inc. are as follows:

(1) CH01040 Toy Manufacturing
(2) F106030 Wholesale of Mold and Die
(3) F107010 Wholesale of Paints, Coating and Varnishes
(4) F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
(5) F113030 Wholesale of Precision Instruments
(6) F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
(7) F213040 Retail Sale of Precision Instruments
(8) F401010 International trade
(9) F401021 Restrained Telecom Radio Frequency Equipment and Materials Import
(10) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

G. The business operated by the subsidiary, CADCAM MARINE PTY LTD. are as follows:

(1) CD01010 – Manufacture of Ships and Their Parts
(2) CB01010 – Manufacture of Machinery and Equipment

(3) CQ01010 – Manufacture of Molds

(4) CD01030 – Manufacture of Automobiles and Their Parts

(5) CD01040 – Manufacture of Motorcycles and Their Parts

(6) CD01050 – Manufacture of Bicycles and Their Parts

(7) F113010 – Wholesale of Machinery

(8) F114060 – Wholesale of Ships and Their Parts

(9) F114030 – Wholesale of Automobile and Motorcycle Parts and Accessories

(10) F114040 – Wholesale of Bicycles and Their Parts

(11) F106030 – Wholesale of Molds

(12) F106010 – Wholesale of Hardware

(13) F401010 – International Trade

(14) F601010 – Intellectual Property Business

(15) CD01070 – Minor Ship Repairs in Commercial Port Zones

(16) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

4.1.1.2. Operating weighting

Unit；NT$ thousands

Year / Item	2025	
	Amount	Weighting (%)
Unmanned Vehicle and Remote-Controlled Models (R/C)	734,773	51.60
Dental medical products	369,186	25.92
Aseptic cold fill packaging materials	262,277	18.42
Aluminum Boat	15,440	1.08
Other	42,447	2.98
Total	1,424,123	100.00

4.1.1.3. Main products

Current products of the Company (consolidated revenue from major products)

(1) Current products and services of the Company

Item	Product	Description
1	Remote Control Models (R/C)	<u>Remote Control Cars</u> Remote control cars are the largest market for R/C products, accounting for approximately 60-70% of the overall industry. Our company offers a diverse range of products, including on-road cars, off-road cars, monster trucks, and racing trucks, among others. These products come in different sizes, including 1/8, 1/10, 1/12, 1/16, 1/18, and other levels. The power source is mainly electric. We have recently added realistic models featuring Toyota, Ford, Monster Sport, and Hoonigan Mustang brands.

Item	Product	Description
		Helicopters In recent years, the entire series of electric helicopters have greatly improved their power with BLDC motors, which has become the main power source for electric helicopters. Remote Control Boats BLDC electric speedboats and racing boats, as well as high-end realistic racing sailboats that are also popular among non-RC enthusiasts.
2	Large-size helicopters and multi-rotor unmanned aerial vehicles (UAVs).	We provide large-scale intelligent helicopters that are not only applicable in the aerial photography market, but also continue to develop towards specific purposes, such as AI inspection of offshore wind turbine blades, disaster prevention and rescue communication base stations, thermal imaging search and rescue, transportation of medical supplies, and military-civilian dual-use markets, in order to expand market niches.
3	Large unmanned aerial vehicles (UAVs), 、T-200 、T-235AH 、T-250AH and T-400 helicopters.	We provide services for telecommunication relay, firefighting and police use, land conservation, national defense surveillance, power tower inspection, wind turbine blade inspection, port transportation services, and bridge inspection.
4	Micro unmanned aerial vehicles TM-450 & TM-450 HORNET 、FPV and catapult-launched fixed-wing drones, as well as engines for drones.	(A)The micro UAV is a military-commercial product that combines Israeli military optical technology with a commercial quadcopter. The TM-450 is suitable for individual soldiers to carry and is equipped with night vision, reconnaissance, and positioning capabilities, allowing for short-range reconnaissance beyond the line of sight. (B)The TM-450 HORNET can carry items weighing less than 500g during flight. (C) FPV immersive drones can use low cost to strike high-value targets. (D) The catapult-launched C-230 and C-400 fixed-wing drones can fly 30 km and 100 km respectively. (E) The 250cc and 175cc horizontally opposed engines developed specifically for fixed-wing drones enable long-endurance flights exceeding 100 km.
5	Eight-axis submarines and AUV intelligent underwater vehicles (Seawolf 400).	Combining the experience of brushless motors and electronic systems, we have expanded our aerial application opportunities to underwater applications, which is a specialized field that few companies have ventured into. We have developed cost-effective ROV products with high competitiveness, using quad-HD imaging technology and open-source control technology, allowing computer operation and joystick control. We aim to explore commercial and military opportunities in the underwater market up to 200 meters deep.
6	Water-based mobility platforms, aquatic performance platforms, and	Combining a complete navigation computer automatic control system with a feature-rich water quality monitoring device enhances the added value of the product. The open source system design allows for connection with various sensors and the integration of 4G transmission data,

Item	Product	Description
	unmanned surface vehicles (including the Seashark 800 and Seashark 600).	providing real-time monitoring of environmental vehicles. It can also be used for defense and mine sweeping purposes.
7	Medical Products	Dental, physiotherapy, and ophthalmology-related products.
8	Aseptic cold fill packaging materials	Sterile packaging materials and products related to beverage bottle caps, bottle preforms, and tethered caps.

(2) New products and services planned for development:

A. Medium to large-sized unmanned helicopter series：

a. CX-180 Emergency Wireless Communication Base Station：

The CX-180 Emergency Wireless Communication Base Station is equipped with an 11KW generator, allowing it to provide uninterrupted wireless communication in disaster areas for an extended period at high altitudes. It has undergone environmental testing with different communication equipment in collaboration with Chunghwa Telecom and Industrial Technology Research Institute (ITRI). It is capable of operating in conditions with wind speeds up to level 6.

b. T-200 Industrial Helicopter Series：

The T-200 Industrial Helicopter Series can be equipped with a Communication Point of Entry (CPE) adapter and a high-magnification optical zoom and infrared thermal imaging camera gimbal. It serves as a remotely operated aerial vehicle for transmitting real-time visual imagery and supporting specialized applications. It is capable of providing immediate assistance in disaster zone search and rescue missions, as well as performing group flight communication tasks.

c. T- 235 AH Engine Unmanned Helicopter:

The T-235AH unmanned helicopter features a lightweight airframe and high-performance lithium ternary battery, allowing for a flight time of over 70 minutes. It can be used for ship-based takeoff and landing as well as long-distance reconnaissance missions.

d. T-250 AH Large Engine Unmanned Helicopter:

The T-250 Large Engine Unmanned Helicopter is equipped with a powerful 120CC engine, allowing it to overcome limitations on long-duration flights. It is currently in the flight testing phase, where its performance and capabilities are being evaluated.

e. T-400 Military-Civilian Multi-purpose Engine Unmanned Aircraft：

The T-400 Military-Civilian Multi-purpose Engine Unmanned Aircraft is specifically designed to extend flight duration, with a flight time of up to 4 to 6 hours or more. It has a payload capacity of 50kg, making it capable of fulfilling various special mission requirements for military purposes in the future.

f. Command Tower：

The Command Tower integrates Chunghwa Telecom's 4G and 5G networks with satellite signals. It can simultaneously coordinate several to dozens of Thunder Tiger Technology (T200) relay-type drones, which are equipped with telecom repeaters to form a MESH communication network in the air. This expands temporary communication and command networks during wartime and disasters. Additionally, the Command Tower can be equipped with a T-type AESA (Active Electronically Scanned Array) radar system, capable of detecting low-altitude small drones invading the airspace, locking onto their positions, and shooting them down if necessary.

g. Vertical Take-Off and Landing (VTOL) multirotor drone.

h. Fiber-optic drone

B. Micro unmanned aerial vehicles/ FPV drone：

a. The TM-450 and TM-450 HORNET are military-grade, commercially available products：

They are portable unmanned aircraft systems designed for individual soldiers, equipped with Israeli military optical payloads, and capable of night vision, reconnaissance, and positioning for short-range beyond-line-of-sight operations.

b. 5-inch /7-inch /10-inch immersive FPV drones：

Operated intuitively using first-person-view goggles, these drones are characterized by their ability to strike high-value targets at low cost. They have now evolved to include fiber-optic–controlled drone systems.

c. C-230/C-400 catapult-launched fixed-wing drones：

These can fly up to 30 km and 100 km respectively, and are capable of carrying 2 kg and 10 kg of payloads for loitering attack missions.

C. Unmanned underwater vehicle (UUV)：

a. The Seadragon underwater submarine is equipped with a high-definition HDMI transmission system. It incorporates open-source kits and operates with six to eight propulsion motors, allowing for fast movement and maneuverability in water. It is equipped with a high-definition HDMI camera, enabling real-time video transmission for computer processing. The transmission is done through Ethernet network. The Seadragon submarine can reach depths of up to a hundred meters, making it suitable for underwater photography applications.

b. The Seawolf400 AUV (Autonomous Underwater Vehicle) for marine use is equipped with a sonar system, enabling it to perform mine sweeping missions. It utilizes open-source kits and operates with five propulsion motors, allowing for wireless movement and control underwater. It is also equipped with a camera, enabling it to be used for autonomous underwater navigation and exploration.

c. The Seadragon underwater submarine is equipped with a robotic arm：

In conjunction with the a. or b. solutions, the addition of a robotic arm allows for underwater exploration and execution of various tasks.

d. The SEAWOLF 400 AUV (Autonomous Underwater Vehicle) is a medium-to-large underwater drone, currently under development. Measuring up to 4 meters in length, it is designed to operate in swarms underwater. Its applications include hydrographic scanning, mapping, and military defense tasks such as mine sweeping and deploying intelligent mobile mines for deterrence and asymmetric warfare.

D. Unmanned Drone Water Show Platform

The Unmanned Drone Water Show Platform is specifically designed for water-based group performances. It utilizes high-performance batteries for efficient charging, ensuring long mission durations. By incorporating monitoring chips and communication coordination technology, it can be integrated into an air traffic control system to regulate the positioning of multiple vehicles and control the audio and lighting systems, achieving synchronized performances for water-based group shows. It can be configured with 4G or 5G transmission based on mission requirements, offering high flexibility in mission planning. This platform allows for centralized control of multiple vehicles on the water's surface, with each vehicle's position and mission requirements monitored through the air traffic control system, making the execution of show performances seamless and efficient.

E. Drone engines

The 250cc and 175cc horizontally opposed engines, specifically developed for fixed-wing drones, enable long-endurance flights exceeding 100 km.

F. Car Model

a. ELEMEMT Series

1. CR10 SENDERO Black RTR (Ready to run)
2. CR10 ECTO Black RIT

b. RC10 Racing Series

c. Hoonigan Series

1. Hoonitruck KIT
2. Hoonicorn KIT

G. Remote-Controlled Helicopter：

Medium-to-large industrial and rescue helicopters, including the upgraded MD300 and helicopter series equipped with GPS-compatible flight control systems.

H. Various types of OEM (Original Equipment Manufacturing) business.

(Including sterile packaging materials and silicone injection molded products.)

I. Medical product-related OEM business.

4.1.2 Industry Overview

4.1.2.1 Current status and development of the industry

A. Unmanned vehicles (including vessels) and remote-controlled model products

(A) Unmanned vehicles (including aluminum vessels)

The Company is centered on precision metal machining and electromechanical integration technologies, and has gradually developed a diversified product line of unmanned vehicles covering air, land, and sea applications. These include micro quadrotor drones, medium- to large-sized industrial drones, fixed-wing and vertical take-off and landing (VTOL) aircraft, AI FPV suicide drones, surface unmanned vessels (USVs), and autonomous underwater vehicles (AUVs).

In recent years, driven by the global increase in defense demand, the emergence of asymmetric warfare trends, and government policies strengthening the localization of critical defense supply chains, the unmanned vehicle market has been expanding rapidly. The Company has progressively entered both military and civilian markets and has further extended its aluminum boat business into unmanned vessel manufacturing, thereby forming a comprehensive air–land–sea vehicle portfolio. The following describes global demand for unmanned vehicles and Taiwan's Ministry of National Defense demand for unmanned vehicles (including vessels):

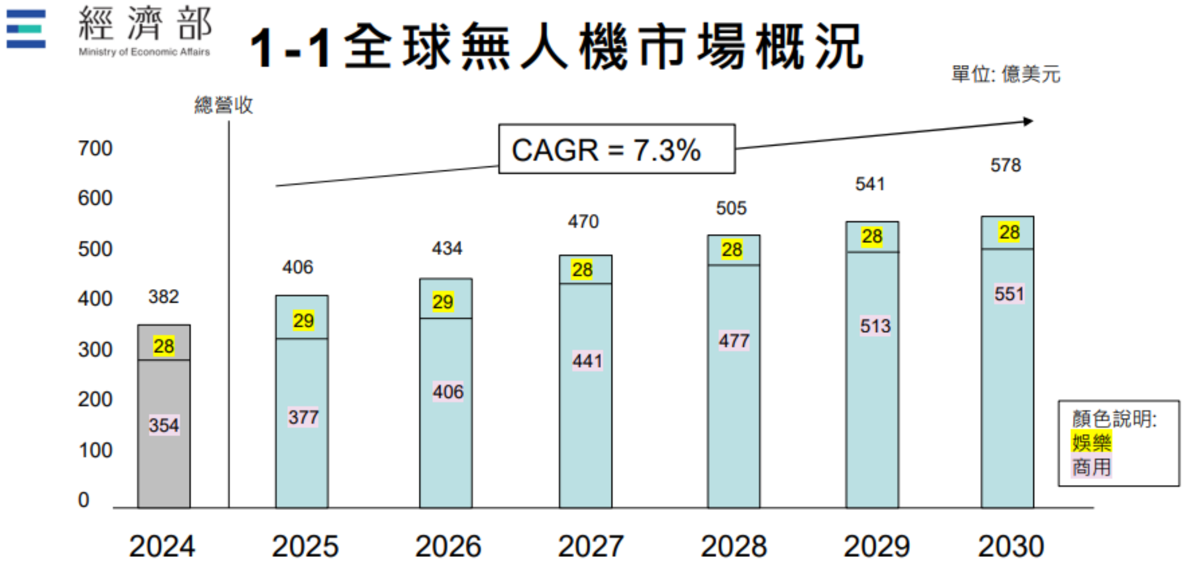
a. Global demand for unmanned vehicles

Military and commercial unmanned vehicles are characterized by high payload capacity and long endurance, enabling the integration of real-time signal transmission, imaging systems, obstacle avoidance, GPS tracking, autonomous positioning, and route planning technologies. They are widely applied in aquaculture, vessel inspection, agriculture, law enforcement, firefighting, communications, disaster relief, and commercial operations.

According to the DII Market Report, the global drone market size reached USD 38.2 billion in 2024 and is expected to reach USD 40.6 billion in 2025, growing at a compound annual growth rate (CAGR) of 7.3%, and is projected to reach USD 57.8 billion by 2030, indicating a positive and optimistic outlook for future development of unmanned vehicles.

In the future, in addition to performance enhancements, increased payload capacity, and extended endurance, drones will become more widely used and will be more closely integrated with artificial intelligence, the Internet of Things (IoT), sensing technologies, big data applications, precision agriculture, mobile devices, edge computing, and logistics systems.

【Global Drone Market Overview (2024–2030)】



Source: DII Market Report, compiled by Metal Industries Research & Development Centre (MIRDC), Ministry of Economic Affairs (September 2025)

B. Taiwan Ministry of National Defense demand (UAVs and unmanned vessels)

In recent years, Taiwan has faced an increasingly complex security environment. In response to its overall defense strategy and asymmetric warfare doctrine, the Ministry of National Defense has gradually promoted large-scale deployment of unmanned combat capabilities.

Unmanned aerial vehicles (UAVs) and unmanned surface vessels (USVs), characterized by low cost, expendability, mass deployability, and dispersed operational capabilities, can effectively dilute enemy firepower, enhance forward reconnaissance capabilities, and improve command and communication resilience. They have therefore become key development priorities for the armed forces in the coming years.

Since 2023, the Armaments Bureau of the Ministry of National Defense has planned a tiered procurement strategy for military and commercial-grade UAVs. Based on operational requirements, UAVs are classified into five categories: Type A micro multi-rotor, Type B advanced multi-rotor, Type C tactical multi-rotor, Type D fixed-wing long-endurance aircraft, and Type E vertical take-off and landing (VTOL) aircraft.

These five categories cover multiple levels of operational needs, including frontline soldier reconnaissance, terrain surveying, real-time urban combat intelligence, brigade- and battalion-level surveillance, mid- to long-range communication relay, long-endurance reconnaissance missions, and even one-way long-range strike capabilities. Together, they establish a multi-layered unmanned reconnaissance and strike architecture ranging from near to far and low to high capabilities.

According to government procurement announcements, the Ministry of National Defense awarded UAV-related contracts totaling NT$6.875 billion in 2024, indicating that government demand for UAVs has transitioned from the planning stage to quantitative procurement and system deployment. Equipment development and deployment are now officially underway.

In addition, according to recent public information compiled by the Economic Daily News, the future procurement scale of military UAVs is estimated to reach approximately NT$50 billion, demonstrating that UAVs remain a key priority in national defense development.

Beyond aerial UAVs, the armed forces are also strengthening unmanned maritime capabilities. Unmanned surface vessels (USVs) have high military value in port defense, maritime patrol, coastal surveillance, mine countermeasure operations, reconnaissance missions, and one-way strike scenarios. Recent international conflict cases have demonstrated that USVs can effectively supplement traditional naval vessels and establish asymmetric deterrence at lower cost.

In this context, the military is promoting the development of aluminum-hull high-speed unmanned vessels equipped with intelligent navigation control systems. Future procurement volume is expected to expand gradually based on operational requirements, thereby strengthening the automation and intelligence capabilities of maritime defense.

【Government Three-Phase Procurement Plan for Unmanned Vehicles】

政府無人載具三階段釋單規劃

階段	負責單位	內容	金額(億元)	時程	主要廠商
軍用無人機	國防部	五款機型、共4萬8,750架，規格重訂中	500	2026年起交付	雷虎、漢翔、長榮航太、中光電、經緯航太等
軍用無人艇	國防部	攻擊型、偵蒐型各類1,500艘，單價1,500萬~5,000萬元	300	近期啓動	台船、龍德、中信造船等
軍民兩用無人機	行政院	警用、消防、農用等商規機，戰時可徵用	200	明年底前釋單	漢翔、雷虎等無人機國家隊成員

資料來源：採訪整理　經濟日報

Source: Economic Daily News (November 2025)

Overall, Taiwan’s Ministry of National Defense demand for unmanned aerial vehicles (UAVs) and unmanned surface vessels (USVs) demonstrates three major trends: large-scale volume, tiered structuring, and localization.

First, under multi-platform and multi-scenario applications, the cumulative demand volume is extremely high. Second, from frontline infantry to strategic reconnaissance levels, each operational tier requires corresponding vehicle specifications. Third, to ensure wartime supply chain resilience, the military has clearly required gradual localization of procurement, and actively supports domestic manufacturers with capabilities in airframe design, avionics integration, metal processing, AI computing, and maritime manufacturing to participate in the supply chain.

(B) Remote-Control Model Products

Radio-controlled (RC) models refer to vehicles, boats, helicopters, or aircraft operated via wireless remote control. This is a long-established recreational activity with diverse user groups, ranging from racing categories to realistic simulation models.

Among them, RC cars account for the largest share of the RC model market. These products include various land-based wireless remote-controlled vehicles such as on-road racing cars, off-road vehicles, monster trucks, racing trucks, and motorcycles. They can also be categorized by scale relative to real vehicles, such as 1/5, 1/8, 1/10, and 1/18.

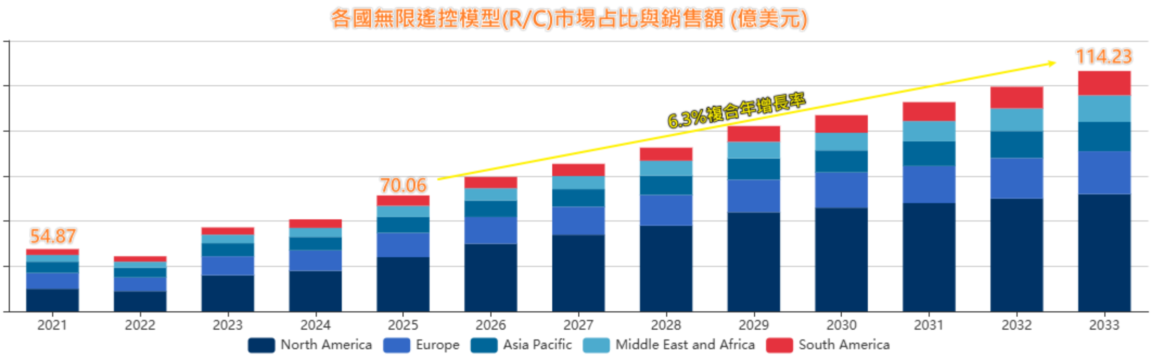
RC boats refer to wireless remote-controlled watercraft, including BLDC electric speedboats, racing boats, and scale model racing sailboats.

RC helicopters refer to rotary-wing wireless remote-controlled aircraft, including both flybar and flybarless systems, electric and fuel-powered helicopters. Based on engine size, they are classified into 30-class, 50-class, 60-class, and 90-class models, with 50-class helicopters being the most in demand.

RC airplanes refer to all fixed-wing wireless remote-controlled aircraft, including balsa wood models, fiberglass models, Park Flyer foam aircraft series, and ABS scale aircraft models.

In recent years, driven by global population growth and rising consumer income, toy consumption has continued to show positive growth. The main drivers include increasing birth rates and rising disposable household income. The global RC model market has shown stable growth momentum. In 2021, the market size reached USD 5.48 billion. According to Cognitive Market Research, the market is expected to grow at a compound annual growth rate (CAGR) of 6.3% from 2025 onward, reaching approximately USD 11.423 billion by 2033. Future development is expected to trend toward electrification and brushless motor systems as mainstream products.

【Global Radio-Control (R/C) Model Market Share and Sales Revenue】



Source: Cognitive market research (2025/8)

B. Dental Medical Device Market

The dental bur machine (also known as a dental handpiece) and its consumables produced and sold by the Company's subsidiaries are among the most commonly used basic medical devices in dental clinical treatments.

The dental handpiece operates on the principle of high-speed rotation to cut, grind, polish, shape, and refine diseased areas of teeth, and can also be used to prepare cavities for filling and to clean teeth.

Generally, each dental treatment chair in a dental clinic is equipped with at least 3 to 5 sets of dental handpieces for treatment use and for replacement during sterilization. Each set includes high- and low-speed handpieces with 3 to 5 different specifications of burs. The service life of these devices is approximately 3 to 5 years.

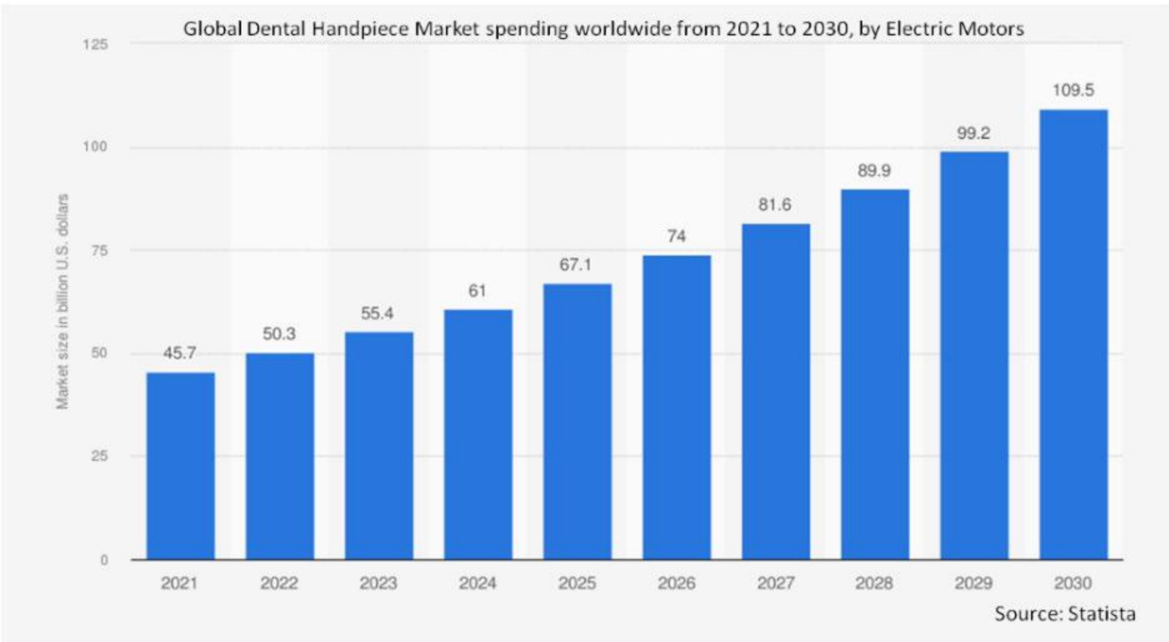
According to a report by Stratistics, the global dental bur machine market size is expected to reach USD 67.1 billion in 2025, representing a 9.1% increase compared to 2024, and is projected to reach USD 109.5 billion by 2030, with a compound annual growth rate (CAGR) of 10.22%.

In addition, according to Fortune Business Insights, in 2024 the global dental bur machine market is primarily dominated by North America and Europe, accounting for 66.7% of the global market share, while the Asia-Pacific region accounts for 23.8%.

However, according to Growth Market Reports, the Asia-Pacific region is expected to record a CAGR of 7.0% from 2025 to 2033, making it the fastest-growing regional market.

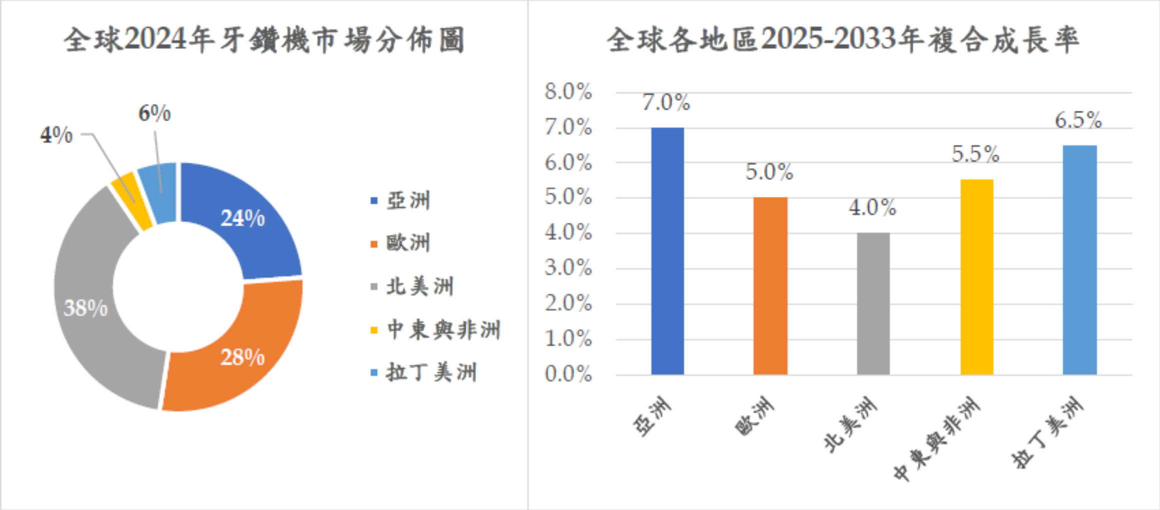
Overall, the regional market structure is expected to remain relatively stable in the future, with the Americas, Europe, and Asia-Pacific continuing to rank as the top three markets globally, and future market growth prospects remain promising.

【Global Dental Bur Machine Market Sales】



Source: Stratistics(2025/10)

【Global Dental Handpiece (Dental Bur Machine) Market – Regional Share and CAGR】



Source: Fortune Business Insight (2025/10)；Growth Markets Reports (2025/11 福邦整理)

C. Aseptic Packaging Industry

In recent years, with the continuous rise in consumers' awareness of health and wellness, sugar-free, low-sugar, and functional beverages have become mainstream in the market. In addition, heightened concerns regarding hygiene and product quality during the pandemic have led to the widespread adoption of aseptic filling processes in global beverage production.

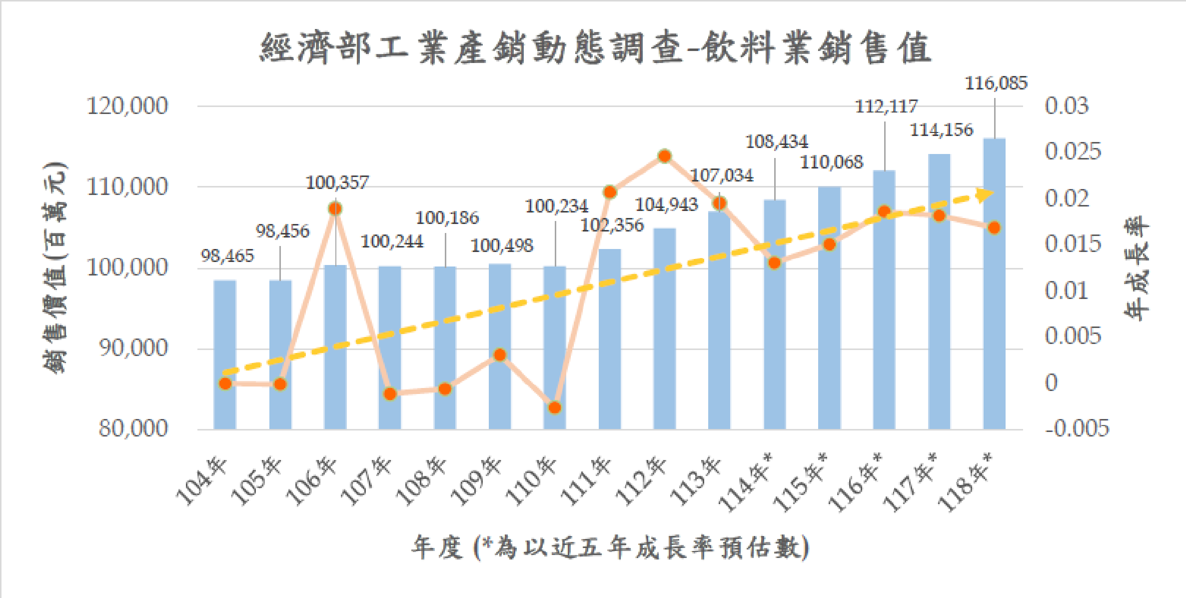
Products such as ready-to-drink tea at ambient temperature, oat-based beverages, and sports functional drinks all require aseptic packaging production lines to ensure product quality and shelf life.

Major domestic bottled beverage brands in Taiwan, including I-Mei Foods, Uni-President Enterprises, HeySong, Taiyen, YEO'S, Vitalon, Taiwan Salt, King Car, and Ve Wong, are key potential sources of demand for bottle caps and preforms.

According to the Industrial Production and Sales Statistics Survey conducted by the Ministry of Economic Affairs, the domestic beverage industry sales value has gradually recovered since 2020. It reached NT$102.3 billion in 2022, representing a 2.07% year-on-year increase, rose further to NT$104.9 billion in 2023, and increased again to NT$107.0 billion in 2024.

This growth has been primarily driven by stable sales of tea beverages, sports drinks, and bottled water. With the recovery of retail promotions and tourism traffic, the beverage market is expected to maintain a stable annual growth rate of approximately 1.3% to 1.9% in the future. Accordingly, aseptic packaging materials and bottle cap products are expected to continue benefiting from this trend.

【Sales of Various Beverage Categories in Taiwan, 2015–2029】

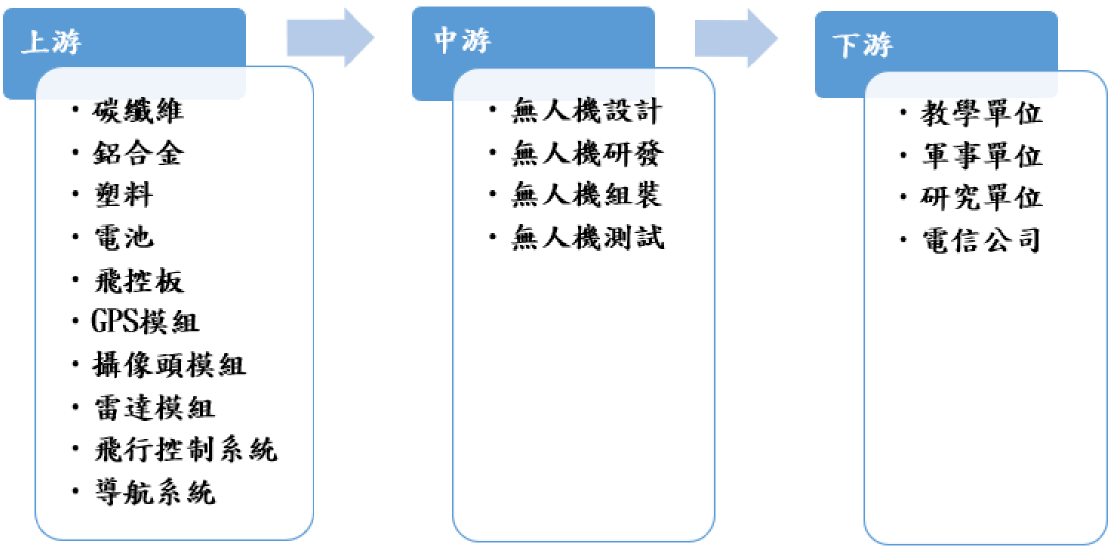


Source: Department of Statistics, Ministry of Economic Affairs (November 2025), compiled by Fortune Securities (Fubon Research)

4.1.2.2 The links between the upstream, midstream, and downstream segments of the industry supply chain

A. Upstream, Midstream, and Downstream Structure of the Unmanned Vehicle (Including Vessels) Industry

(A) Upstream, Midstream, and Downstream of the Unmanned Vehicle (Including Vessels) Industry



(A) Upstream raw materials: The upstream raw materials and components required for radio-controlled (RC) recreational products are diverse; however, most of them comply with general industrial standards.

For electronic assemblies, the main materials and components include microprocessors, power transistors, driver ICs, and tantalum capacitors.

The vehicle body is primarily made of metal, composite materials, or engineering plastics, while engine-powered systems involve precision metal machining components.

(B) Midstream brand manufacturers:

Manufacturers assemble the above electronic components into finished electronic products such as radio transmitters, receivers, and servo actuators.

Together with vehicle bodies made from metal and plastic materials, engines, and other peripheral supporting products, these are integrated into complete finished products, which are then sold to brand owners.

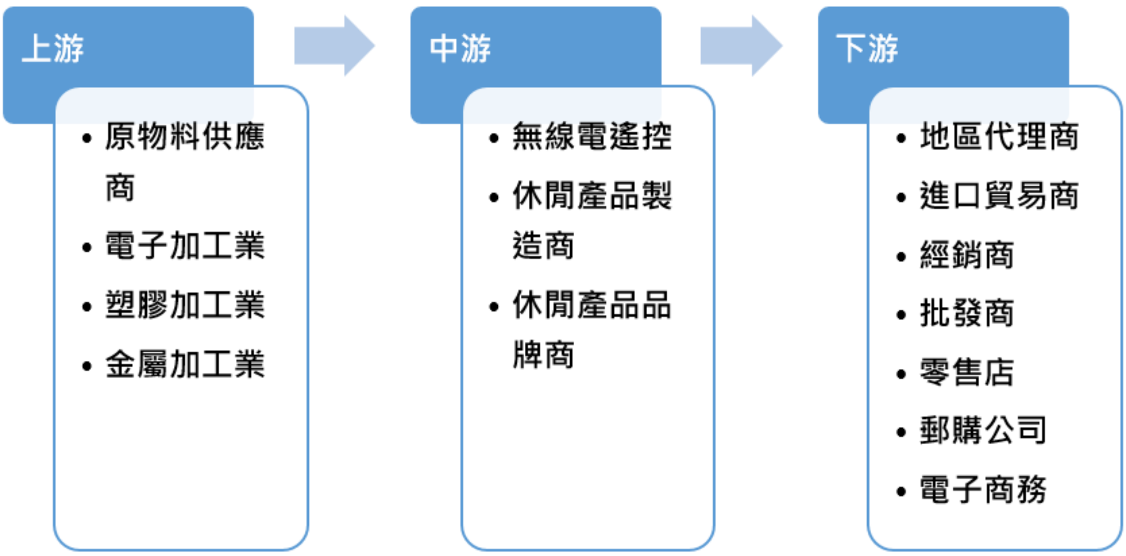
Brand companies subsequently market these products under their own brands and distribute them to downstream wholesalers.

(C) Downstream sales:

Manufacturers of RC recreational products distribute their goods through import traders and regional wholesalers or distributors in various countries. These products are then sold to local model retail stores.

In some cases, products are also sold directly to end users—such as educational institutions, military units, research organizations, and hobby enthusiasts—via mail-order companies or e-commerce platforms.

B. Upstream, Midstream, and Downstream of the Remote-Control (R/C) Model Industry



(A) Upstream raw materials: The upstream raw materials and components required for radio-controlled (RC) recreational products are diverse; however, most of them are general industrial standard components.

The materials and components used in electronic assemblies mainly include microprocessors, power transistors, driver ICs, and tantalum capacitors. The vehicle body is primarily made of metal, composite materials, or engineering plastics. Engine-powered systems are generally composed of precision metal-machined mechanical components.

(B) Midstream brand manufacturers: Manufacturers assemble the above electronic components into finished electronic products such as radio transmitters, receivers, and servo actuators.

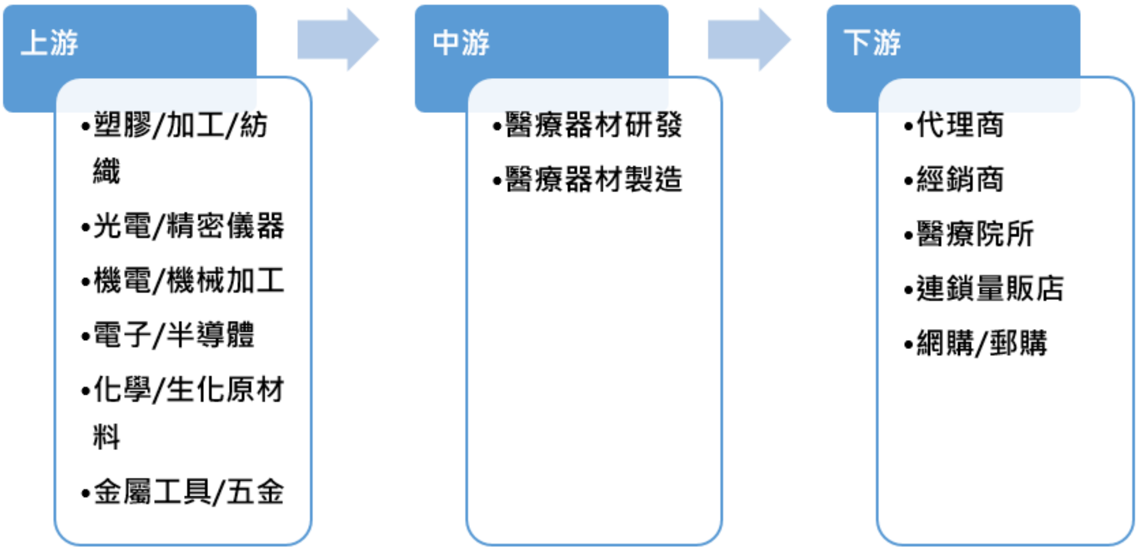
These are then integrated with vehicle bodies made from metal and plastic materials, engines, and other peripheral supporting components to form complete finished products, which are subsequently sold to brand owners.

Brand companies then market these products under their own brands and distribute them to downstream wholesalers.

(C) Downstream sales: Manufacturers of RC recreational products distribute their goods through import traders, regional wholesalers, or distributors in various countries, and sell them to model retail stores in each region.

Part of the products are also sold directly to end consumers through mail-order companies or e-commerce platforms, including educational institutions, military units, research organizations, and hobby enthusiasts.

C. Upstream, Midstream, and Downstream of the Oral Healthcare Industry



(A) Upstream raw materials: From the perspective of dental handpiece (dental bur machine) products, the upstream raw materials and components are primarily electromechanical and precision-machined parts. The instrument system typically includes a foot control pedal used to regulate speed and rotation direction, as well as angled attachments designed for hard-to-reach areas of the teeth.

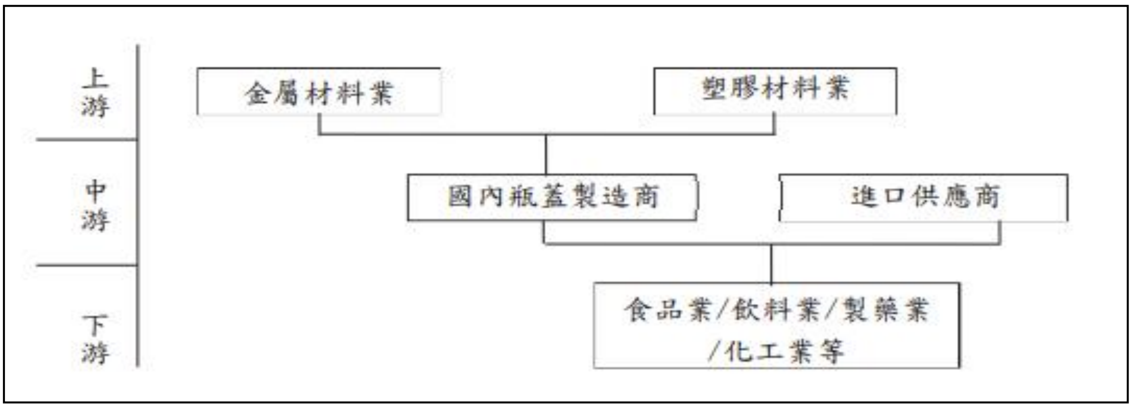
(B) Midstream brand manufacturers: Manufacturers assemble the above electronic components and integrate them into handheld instruments driven by AC electric motors, hydraulic power, pneumatic power, or belt-driven mechanisms.

These finished products are then sold to brand owners, who market them under their own brands and distribute them to downstream wholesalers.

(C) Downstream sales: Dental handpiece manufacturers distribute their products through import traders and regional wholesalers or distributors in various countries, promoting them to local medical institutions and ultimately to end users—dentists.

D. Upstream, middle, and downstream of aseptic packaging materials

Due to the diversity of packaging methods in the aseptic packaging industry, the industry classification is relatively diversified. The Company primarily focuses on bottle caps and preforms; therefore, the upstream, midstream, and downstream analysis is conducted based on bottle caps and preforms.



(A) Upstream raw materials: The upstream raw materials required for the manufacturing of bottle caps and preforms mainly consist of plastic resins, including PP (polypropylene), HDPE (high-density polyethylene), and PET (polyethylene terephthalate). Bottle caps are primarily made of PP to meet requirements for heat resistance and pressure resistance, while preforms are mainly made of PET, which is subsequently used in the blow-molding process. Some products also require the addition of masterbatch for coloring or optical property adjustment purposes.

(B) Midstream bottle cap manufacturers: Midstream operators are responsible for the injection molding of bottle caps and preforms, mold manufacturing, quality inspection, and packaging. Bottle caps are produced using injection molding machines and specialized molds to form various specifications of screw caps and tamper-evident ring structures. Preforms are produced from PET resin through injection molding and are then delivered to beverage manufacturers for blow-molding processes.

In addition to maintaining stable production equipment and mold precision, midstream manufacturers must also comply with food-grade packaging certification requirements and consistent quality inspection standards required by major beverage companies.

(C) Downstream sales: The end users of bottle caps primarily include the food, beverage, pharmaceutical, and chemical industries. Demand for bottle cap specifications varies depending on the type of end product.

4.1.2.3 Development trends for the company's products

A. Unmanned Vehicles (Including Aluminum Vessels) Products

The global unmanned vehicle market is rapidly evolving from early-stage simple remote-control operations into intelligent platforms integrating artificial intelligence (AI), autonomous navigation, satellite communications, and high-efficiency battery systems.

Since the Russia–Ukraine conflict in 2022, the tactical value of unmanned aerial vehicles (UAVs) in reconnaissance, loitering strike missions, and communication relay has significantly increased. This has prompted governments worldwide to strengthen the deployment of unmanned systems for military and public security applications, driving a sharp increase in global demand.

Technological advancements in unmanned vehicles include AI-based visual recognition, autonomous obstacle avoidance, automated route planning, multi-band communication systems, and integration with low-Earth-orbit (LEO) satellite networks. These developments have accelerated the adoption of medium- and large-sized unmanned vehicles in applications such as energy infrastructure inspection, disaster response, offshore wind farm maintenance, agricultural monitoring, and logistics transportation.

In Taiwan, the Ministry of National Defense has significantly expanded its procurement of UAVs and unmanned surface vessels (USVs) since 2023, in line with its asymmetric warfare strategy. A comprehensive force development framework has been established, covering five major UAV categories ranging from micro systems to medium and large VTOL platforms.

Government procurement reached NT$6.875 billion in 2024, indicating that demand for military unmanned systems has officially transitioned from the planning stage into mass production and operational deployment. In addition, USVs have seen notable growth in applications such as port defense, maritime patrol, and energy infrastructure inspection. The integration capability of aluminum alloy high-speed hulls with intelligent navigation control systems has become a key factor in future domestic capacity expansion.

Overall, demand for military and civilian unmanned vehicles is characterized by three major trends: mission diversification, multi-tier specifications, and the formation of localized supply chains. Companies with capabilities in electromechanical integration and avionics systems are expected to continue benefiting from this structural growth trend.

B. Remote-Control (RC) Model Products

The global RC model market is gradually transitioning from traditional hobby-oriented products into a technology-driven entertainment industry that integrates brushless motors, high energy-density batteries, electronic stabilization systems, and AI-enabled functionalities.

According to estimates by Cognitive Market Research, the global market size was USD 5.48 billion in 2021. It is projected to grow at a compound annual growth rate (CAGR) of 6.3% starting from 2025, reaching approximately USD 11.423 billion by 2033.

Key growth drivers include:

(A) Higher-performance products: The widespread adoption of brushless motors, lithium batteries, high-strength composite materials, and modular platform designs.

(B) Aging-up of user demographics and increased purchasing power: Adult enthusiasts with technical expertise have become the primary consumer base.

(C) Global popularity of vintage and re-release model series: Classic model cars and reissued products have gained significant attention from enthusiast communities.

(D) E-commerce and global logistics expansion: Platforms such as Amazon and eBay have reduced cross-border sales barriers and logistics costs.

However, the RC market remains influenced by external factors such as weather conditions and substitution effects from alternative entertainment (e.g., mobile gaming and esports). Despite this, the core enthusiast segment demonstrates strong loyalty and high switching costs.

Overall, the market is expected to maintain steady moderate growth, while manufacturers with strong brand recognition and integrated component platforms continue to hold clear competitive advantages.

C. Oral Healthcare Products

Dental handpieces are indispensable tools in clinical dental practice. Their design direction continues to evolve toward three major aspects: enhanced safety, functional integration, and material advancement.

(A) Enhanced safety: Anti-retraction mechanisms, built-in filters, and improved cooling systems are adopted to reduce infection risks and tissue damage.

(B) Functional integration: Integration with lighting and imaging assistance, or incorporation into advanced dental treatment units, to improve operational precision.

(C) Material advancement and ergonomics: The mainstream development focuses on high torque, low noise, lightweight design, and materials capable of withstanding high-temperature sterilization.

The global market size reached USD 67.1 billion in 2024 and is projected to reach USD 109.5 billion by 2030, with a compound annual growth rate (CAGR) of 10.22%.

North America and Europe are the largest markets, while the Asia-Pacific region—particularly Southeast Asia and China—represents the fastest-growing region.

As dental handpieces must undergo repeated high-temperature sterilization over long periods, durability and precision mechanical design have become key competitive factors. At the same time, global population aging and increasing healthcare demand continue to drive sustained growth in demand for mid- to high-end dental handpieces.

D. Aseptic Packaging Products

Rising global health awareness, expansion of ready-to-drink beverages, and stricter food safety standards have driven the rapid adoption of aseptic filling systems.

Bottle caps and bottle preforms are the most critical packaging components in aseptic production lines, characterized by high certification barriers and stable demand.

Key trends are as follows:

(A) Stable growth in beverage markets driving packaging demand: Taiwan’s beverage market has continued to grow since 2020, reaching NT$107.0 billion in 2024, supporting steady demand for bottle caps and preforms.

(B) Rising material and precision requirements for aseptic packaging: PET (for preforms) and PP (for caps) must comply with food-grade standards, heat resistance requirements, and consistency testing. Supplier switching requires long-term validation, resulting in high market stickiness.

(C) Capacity expansion and customization trends: Beverage manufacturers are introducing new bottle designs, sugar-free beverages, and functional drinks, increasing demand for new preform molds and lightweight design specifications, thereby expanding the OEM/ODM supply chain.

(D) Long-term partnership model with low substitutability: Changing packaging suppliers can significantly impact filling line operations; therefore, short-term substitution of PET bottles by glass bottles or aluminum cans is difficult.

Overall, the aseptic packaging industry is characterized by stable demand growth, high certification barriers, and long-term supply binding relationships. With ongoing expansion of domestic beverage production lines and new product launches, the market is expected to maintain growth potential.

4.1.2.4 Competition for the company's products.

A. Unmanned Vehicles (Including Vessels) and Remote-Control (RC) Model Products

In recent years, the global unmanned vehicle market has grown rapidly due to increasing demand from military and public safety applications. Key competitors include international major players such as Parrot and AeroVironment, national defense systems in various countries, and emerging AI aerospace companies.

In Taiwan, organizations such as the National Chung-Shan Institute of Science and Technology (NCSIST), CHT Intelligent Robotics, and AeroVision Technology hold significant positions in military and government procurement markets.

Against this industry backdrop, the Company focuses on precision machinery, electromechanical integration, and vehicle system R&D capabilities, and has actively developed medium-to-large unmanned aerial vehicles and unmanned surface vessels in recent years, gradually building differentiated competitiveness.

In the aerial vehicle segment, the Company is developing medium-to-large UAV platforms and has conducted verification collaborations with Chunghwa Telecom, the National Communications Commission (NCC), and the Metal Industries Research & Development Centre in applications such as disaster-response communications, long-endurance surveillance, and infrastructure inspection.

Since 2024, the Company has partnered with Auterion (USA) to implement an open architecture flight control system, and in September 2025 obtained Blue UAS certification in the United States, becoming the first UAV supplier from Taiwan to enter the U.S. defense and public safety procurement system. This significantly enhances its competitiveness under the “non-red supply chain” trend and enables cross-border bidding eligibility.

In the maritime unmanned vehicle segment, the aluminum alloy high-speed hull technology of Kejian Aluminum Boat, integrated with Thunder Tiger’s autonomous navigation system, has formed a complete product line of medium-sized USVs (such as Seashark 800), applicable to port security, maritime surveillance, and offshore energy inspection. With relatively limited domestic competitors, the Company holds a first-mover advantage.

In the RC model segment, major global competitors include Traxxas, Arrma, and Kyosho. The Company's AE (Team Associated) brand has strong recognition in competitive RC car racing and maintains stable sales in the North American market.

In recent years, the global resurgence of vintage RC models has enabled the Company to successfully launch multiple reissue versions of classic AE models, driving sales recovery in 2024–2025. Overall, in the highly competitive consumer electronics market, the Company maintains its market position through brand legacy, racing achievements, and a modular parts platform strategy.

B. Dental Medical Products

The global dental handpiece market is primarily dominated by European manufacturers such as KaVo, W&H, and Bien-Air, as well as Japanese companies such as Nakanishi (NSK). The high-end segment is highly concentrated, with technological barriers including high-speed rotor systems, precision bearing structures, thermal cooling design, and high-temperature sterilization resistance, resulting in strong brand loyalty and quality differentiation.

The mid-to-low-end market, however, has been rapidly expanded by Chinese manufacturers leveraging cost advantages, resulting in a three-tier competitive structure: high-end concentration, mid-tier growth, and low-end price competition.

The Company's subsidiary, Thunder Tiger Medical, targets the mid-tier market with a focus on electromechanical integration, stability, and cost-performance ratio, and distributes products globally through its U.S. channel partner, Handpiece Headquarters.

Thunder Tiger Medical also has strong customization capabilities, allowing it to adjust product design and manufacturing according to distributor requirements in different countries, giving it growth potential in the U.S. and emerging Asian markets.

Under competitive pressure from both high-end brand monopolies and low-cost manufacturers, the Company adopts a differentiated positioning strategy of "reliable functionality + competitive pricing."

C. Aseptic Packaging Product

The aseptic packaging market is mainly dominated by large plastic packaging manufacturers such as Hong Quan International and other PET packaging supply chain companies, as well as some multinational OEM bottle preform and cap manufacturers. The key competitive feature of this market is its high certification barrier.

The Company completed the construction of its Dapu, Chiayi bottle preform plant in 2024 and began mass production in Q4. As a result, preform production capacity increased significantly, with output in the first three quarters of 2025 rising by 55% compared to 2024. Production volume is expected to reach 242 million units in 2026.

Its strategic partner, First Biotechnology, adopts a stable production scheduling model, enabling the Company to secure a fixed share within a single aseptic filling supply chain.

In terms of competition, although large players such as Hong Quan dominate the PET packaging market, the Company has successfully secured stable demand from beverage contract manufacturers through its integrated bottle cap and preform supply capability and high customization flexibility. The Company is also actively negotiating with domestic and international beverage brands to further expand its market presence.

4.1.3 Research and Development

4.1.3.1. Annual R&D expenditures in the most recent 5 fiscal years

Unit；NT$ thousands

Item \ Year	2021	2022	2023	2024	2025
R&D Expenditures	65,997	82,141	96,859	126,702	170,768
Operating Revenues	1,183,168	1,089,373	985,135	1,245,153	1,424,123
Ratio of R&D expenditures to operating Revenues	5.58%	7.54%	9.83%	10.18%	11.99%

4.1.3.4 Technologies or products successfully developed in the past five years

Year	Technologies and/or products successfully developed
2021	1. T-200 SkyEye 5G live streaming UAV 2. Underwater AI visual identification 8-axis submarines 3. UAV water-based lighting stage system 4. RC cars PUBG UAZ RTR Reflex sport RTR Jackal V2 RTR HOONITRUCK HOONICORN
2022	1.UAV Defense Command Tower 2.T-200CPE relay communication swarm UAV 3.ROV underwater infrastructure inspection unmanned vehicle 4.RC cars Enduro Bushido RTR Trail Walker - Black Reflex HOONICORN RTR RC8T4e team kit RC10B74.2D HOONITRUCK RTR Apex 2, Datsun 240Z RTR
2023	1.TM-450 micro unmanned aerial vehicle (micro UAV) 2.TETTRON Hornet reconnaissance UAV 3.SeaWolf 400 underwater unmanned vehicle (UUV) 4.RC cars RC10ClassicCEKIT EnduroKnightWalkerRTR ElementEnduroZullRTR ReflexBuggyB74.2Kit ReflexHoonicornRTR MT12MonsterTruckRTR RC10T6.4Kit RC10SC6.4Kit Reflex14MTRTR Reflex14BuggyOngaroRTR

Year	Technologies and/or products successfully developed
	EnduroSenderoHDBlackRTR EnduroZullRTR(Tan)RTR 2021ToyotaTacomaRTR RC10B7Kit RC10B7DKit RC8B4.1UpdateKit RC8B4.1DUpdateKit
2024	1.T-250AH medium-to-large engine-powered unmanned helicopter 2.T-400 dual-use (military and civilian) engine-powered unmanned aerial vehicle 3.Micro UAV: TM-450 Steam Deck edition and TM-450 HORNET (Parrot edition) 4.FPV disposable UAVs: 7-inch, 10-inch, 13-inch, and 15-inch models 5.Seashark unmanned surface vessel (USV) 6.Unmanned surface attack boats: TigerShark-200 / SeaShark-400 / SeaShark-700 / SeaShark-800 7.RC cars Vintage kit Racing kit Non racing kit Element RC RTR RTR (Hoonigan, apex2) Toys
2025	1. AI autonomous attack FPV UAV developed in cooperation with Auterion 2. Swarm AI coordinated attack UAVs 3. C-230 electric catapult-launched fixed-wing UAV 4. C-400 engine-powered catapult-launched fixed-wing UAV 5. Payload-dropping hexacopter hybrid UAV 6. VTOL (vertical take-off and landing) multi-rotor UAV 7. UAV motors for various types of drones 8.RC cars Vintage kit Racing kit Non racing kit Element RC RTR RTR (Hoonigan, apex2) Toys
As of April 2026 (FY 2026).	1. Fiber-optic FPV drone (Fiber Optic UAV) 2. UGV unmanned ground vehicle (unmanned vehicle) 3. 250cc and 175cc horizontally opposed twin-cylinder engine

4.1.4 Long-term and Short-term Development

Short-term plans:

(1) Actively expand the world's major channels and product lines to improve performance and gross profit.

(2) Actively improve operating efficiency and repay bank borrowings to reduce interest expenses.

(3) Cooperate with channel partners to conduct project sales to increase turnover.

Long-term plan:

(1) The R&D of new products is move towards the field of intelligent products, thereby increasing the speed of new products launch to seize market share.

(2) Intended to integrate upstream and downstream resources of the industry supply chain to enhance industry competitiveness.

4.2 Market and Sales Overview

4.2.1 Market Analysis

4.2.1.1. Sales (Service) Region

Unit: NT$ thousands

Region \ Year		2024		2025	
		Amount	Weighting (%)	Amount	Weighting (%)
Taiwan		164,896	13.24	377,298	26.49
Export	Americas	862,082	69.24	705,213	49.52
	Europe	100,835	8.10	148,111	10.40
	Other Area	117,340	9.42	193,501	13.59
	Subtotal	1,081,257	86.76	1,046,825	73.51
Total		1,245,153	100.00	1,424,123	100.00

4.2.2.2. Market share of major products

The Company is a well-known manufacturer in the global radio-controlled (RC) hobby products industry, possessing its own brands and engaging in the production and sales of a full range of RC hobby aircraft, helicopters, cars, boats, and dedicated engines.

According to global RC car product brand sales statistics in 2024, the total market size was approximately USD 610 million. Based on the Company's AE subsidiary and Lei Shuo Innovation's U.S. sales of approximately USD 34.1 million in the same year, the Company's estimated global market share in 2024 was approximately 5.6%.

In the dental bur machine segment, the Company's subsidiary Thunder Tiger Medical currently holds only a minimal market share; therefore, there remains significant room for growth in this market. Thunder Tiger Medical is also actively expanding its revenue in line with market growth.

As for aseptic packaging products (bottle preforms and caps), these are highly customized according to beverage and food manufacturers' bottle designs, color requirements, weight specifications, and preform injection molding equipment needs. The market is highly fragmented and primarily based on long-term cooperation and quality certification rather than standardized commodity transactions.

Due to the high degree of customization, project-based procurement models, and the lack of publicly available market size statistics, it is difficult to measure the Company's competitive position using a single market share metric. The Company's competitive advantage in this field is mainly reflected in its precision mold technology, mass production capability, and stable supply chain, rather than direct market share comparison.

4.2.2.3. Demand and supply conditions for the market in the future and the market's growth potential

Global demand for unmanned vehicles continues to grow rapidly, driven by military applications, public safety, and civilian uses. In the international market, the Russia–Ukraine war and evolving global geopolitical conditions have prompted countries to strengthen asymmetric warfare capabilities, thereby increasing procurement of reconnaissance, attack, and communication-relay UAVs.

In the civilian sector, emerging applications such as energy infrastructure inspection, agricultural spraying, disaster monitoring, and logistics transportation are also expanding gradually, contributing to a long-term growth trend in the overall market.

In Taiwan, the Ministry of National Defense has launched a multi-year procurement program for military and commercial UAVs, covering multi-rotor, fixed-wing, and VTOL platforms. Related procurement reached NT$6.875 billion in 2024, and budget allocations are expected to continue over the next two years. In addition to the military, government agencies such as telecommunications, transportation, and energy sectors are also accelerating the adoption of unmanned vehicles for inspection and disaster response purposes, while civilian demand is also gradually expanding.

Overall, the unmanned vehicle market continues to expand in both supply and demand, supported strongly by government procurement, demonstrating clear industry growth potential.

In addition, the aseptic filling beverage market continues to grow steadily, driving increasing demand for aseptic packaging materials such as bottle caps and bottle preforms. Taiwan's beverage industry has shown stable growth since 2020, driven by health trends and product diversification. In 2024, the market size exceeded NT$100 billion, making aseptic packaging an indispensable key component in the food and beverage supply chain.

Aseptic packaging demand is characterized by high customer stickiness and low substitutability. Bottle preforms and caps must undergo long-term compatibility testing and microbiological validation, and beverage manufacturers face high switching costs when changing suppliers, resulting in a stable supply chain with long-term partnership characteristics.

As major beverage companies continue to expand aseptic filling production lines, adjust bottle designs, and adopt lightweight packaging, demand for customized bottle preforms and caps is also increasing.

Overall, steady expansion in the beverage market, combined with high certification barriers and customization requirements in aseptic packaging, supports long-term growth potential in the industry. The future supply-demand structure is expected to be driven by steadily increasing demand and gradual capacity expansion within the supply chain.

4.2.2.4. Competitive niche and favorable and unfavorable factors for future development and countermeasures

A. Competitive niche

a. The Company has been deeply engaged in the remote-control (RC) model industry for many years and owns international brands such as AE and Thunder Tiger. It possesses a complete platform covering vehicle bodies, aircraft, boats, motors, and components, and has accumulated strong brand loyalty in the competitive RC market.

In recent years, the global resurgence of vintage model cars has aligned well with the Company's reissued product lines, driving growth momentum in RC model revenue. In addition, standardized spare parts and stable supply availability allow consumers to perform repairs more easily.

b. By leveraging regional advantages across different markets, the Company has established its R&D, design, and management center in Taiwan; built its supplier network in China; set up its marketing center in the United States; and adopted a brand licensing strategy in Europe.

It is one of the few companies in the industry that has fully integrated the entire industrial value chain, including product planning, R&D, manufacturing, brand marketing, and market distribution. This enables the Company to obtain close-to-market information and respond quickly to market changes.

c. The Company maintains excellent product quality and was the first in the global industry to obtain ISO 9001 certification in 1995. Its product quality meets international certification standards and has received multiple recognitions, including the "Taiwan Excellence Award" and the National Image Award "Gold Award."

d. With expertise in metal machining and high-speed rotational technologies, the Company is able to provide competitively priced mid-range dental handpiece products. It also operates both its own brand and OEM manufacturing models, allowing it to respond flexibly to different market demands and distribution structures, thereby enhancing market adaptability.

e. After the bottle preform production line at the Dapu, Chiayi plant commenced mass production in Q4 2024, output in the first three quarters of 2025 increased by 55% compared to 2024. Production is expected to reach 242 million preforms in 2026, which will significantly enhance supply capability and market penetration.

f. The Company focuses on precision machinery and system integration and continues to develop medium- and large-sized unmanned aerial vehicles and unmanned surface vessels. These systems integrate AI autonomous navigation, 5G, and low-Earth-orbit satellite communication technologies, and are applied in disaster relief, offshore wind farm maintenance, energy infrastructure inspection, and communication relay missions.

In recent years, the Company has collaborated with telecommunications and defense systems and has obtained U.S. Blue UAS Cleared certification. It is building an intelligent unmanned vehicle platform with air–sea integration and communication relay capabilities, demonstrating its transformation from a traditional model manufacturer into a provider of smart defense and communication applications.

B. Favorable factors:

a. The global e-commerce market continues to grow

According to a survey by Precedence Research, the global e-commerce market reached USD 21.62 trillion in 2025 and is expected to grow at a compound annual growth rate (CAGR) of 14.88%, reaching USD 75.12 trillion by 2034. E-commerce development is expected to continue expanding, particularly in developed countries.

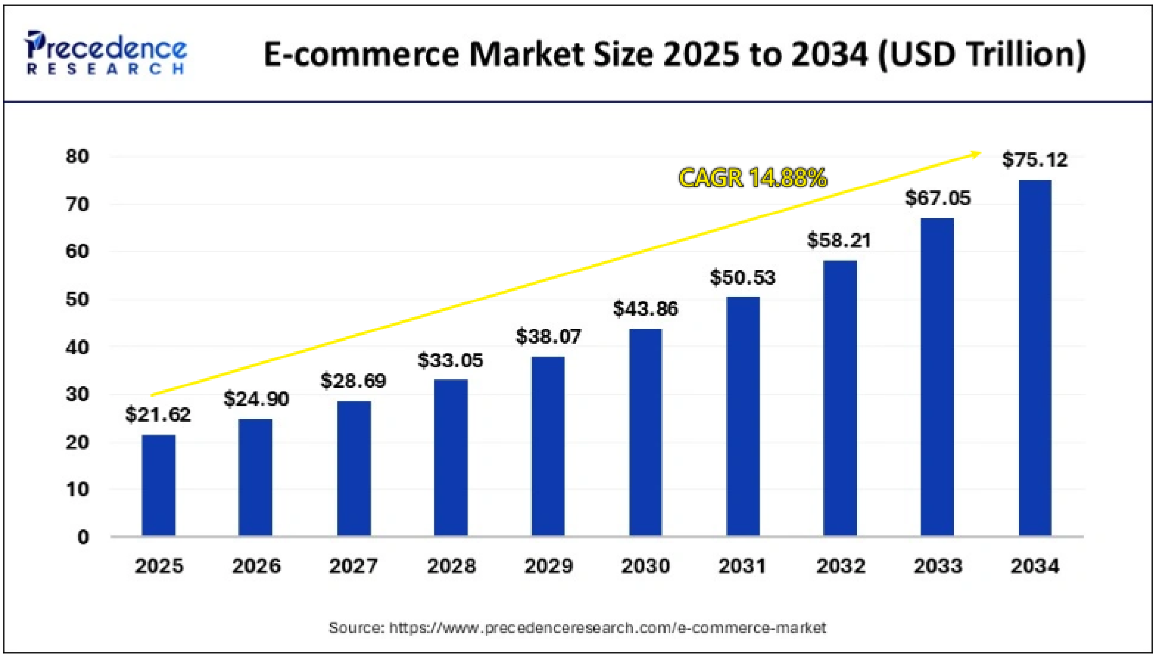
The global number of online shoppers has reached 1.3 billion, meaning that approximately one in every four people worldwide engages in online shopping.

Since 2014, Thunder Tiger has progressively cooperated with Digital River in the United

States and Asia-Pacific, as well as leading e-commerce platforms in Mainland China such as Tmall. The Company has also expanded its presence on major global online marketplaces, including eBay, Yahoo, and Amazon.

The development of virtual sales channels has contributed to the improvement of gross profit margins for RC model products.

【Global E-commerce Market (2025–2034, Trillion USD)】



Source：Precedence research(2025/5)

b. Unmanned Vehicles (Including Vessels): Sustained Growth in Demand

Unmanned vehicle applications span three domains: air, land, and sea. The Company currently focuses on the R&D and system integration of aerial and maritime unmanned vehicles. Applications include aerial work platforms, airborne communication relays, and logistics transportation.

With continuous advancements in wireless communications, artificial intelligence, human–machine interfaces, and energy supply technologies, the mission profiles and operational range of UAVs are expected to expand further. These systems are increasingly capable of replacing hazardous, time-consuming, or labor-intensive "3K" (dirty, dangerous, difficult) tasks, thereby improving operational efficiency and safety.

The Company continues to invest in medium- to large-sized unmanned vehicle development, aligning with national defense autonomy initiatives and the "domestic defense production" policy direction. It participates in defense-related programs and procurement evaluations, including the provision of test platforms and integrated systems in Taiwan.

The Company also maintains long-term cooperation with Chunghwa Telecom in disaster-response drills. With recognition from the National Communications Commission (NCC) for its technical capabilities, the Company plans to support nationwide deployment of medium-to-large unmanned vehicles for emergency communication relay and disaster response applications.

In the international market, the Company collaborates with U.S.-based Auterion to adopt an open architecture flight control system, enhancing capabilities in software–hardware integration, mission modularity, and cross-platform operations. In September of this year, the Company obtained Blue UAS certification in the United States, ensuring compliance with U.S. Department of Defense and public safety supply chain cybersecurity requirements. This significantly strengthens its eligibility for participation in global dual-use procurement opportunities.

In the maritime sector, the Company has developed the Seashark 800 medium-sized unmanned surface vessel, featuring an aluminum alloy hull, autonomous navigation, and remote control capabilities. It can be equipped with electro-optical systems or communication payloads for port security, maritime surveillance, and offshore energy inspection.

The Company also collaborates with the Metal Industries Research & Development Centre on offshore wind turbine blade inspection technologies, and works with Taiwan Power Company (Taipower) to develop underwater unmanned vehicles for ship hull and underwater equipment inspection, reducing the risks associated with manned diving operations.

c. Aseptic Packaging Beverage Market Demand Growth

The global beverage market is driven by increasing health awareness, the expansion of ready-to-drink (RTD) products, and stricter food safety standards, all of which contribute to long-term demand growth for aseptic packaging materials.

Bottle preforms and caps are critical components in aseptic filling lines. Their quality stability, precision, and compatibility with customer production lines create high entry barriers. As a result, suppliers with mold development capabilities and automated injection molding technologies have a stronger competitive position.

The Company continues to strengthen its partnerships with key customers. The bottle preform production line at the Dapu, Chiayi facility commenced mass production in Q4 2024 and successfully completed ramp-up in 2025. Output increased by approximately 55% compared to the previous year, reflecting improving capacity utilization.

In response to customer expansion of aseptic filling lines and the development of new packaging specifications, the Company expects annual preform production capacity to reach approximately 242 million units in 2026, representing further growth in shipment scale.

The aseptic beverage market is characterized by long-term cooperation, specification lock-in, and lengthy validation cycles. Existing suppliers are more likely to secure priority cooperation in new product development and new production line projects.

With domestic beverage brands continuing to invest in aseptic production lines, rising demand for functional beverages, and gradual expansion into overseas markets, the Company’s aseptic packaging business is expected to achieve stable and sustained growth driven by both capacity expansion and increasing customer demand.

C. Unfavorable factors and countermeasures

a. Increase in labor and material costs:

The Company has suppliers in both Mainland China and Taiwan, which provide cost advantages. However, in recent years, rising labor costs have gradually eroded the Company's original cost advantage compared with major manufacturers in Europe, the United States, and Japan, thereby reducing its overall competitiveness.

Countermeasures:

To effectively enhance its operational competitiveness, Thunder Tiger Technology has relocated the manufacturing of radio-controlled (RC) hobby products to suppliers in Mainland China and Taiwan, and continues to develop new suppliers to support sales demand. Meanwhile, Taiwan serves as a production base for medical devices under its investment in Thunder Tiger Medical, as well as for selected high-end RC model products.

b. Increasing Alternatives in Leisure Activities

RC hobby activities can be conducted indoors or outdoors, but are still primarily outdoor-based. As a result, such activities are often affected by weather conditions such as rainy seasons, typhoons, and cold climates.

Meanwhile, the rapid development of mobile communication technologies and applications, as well as smart handheld devices (including smartphones and tablets), has reshaped user interaction with hardware and removed limitations of time and space. This major shift has also compressed the growth of new consumer segments for RC hobby products.

However, users who prefer outdoor activities and those who prefer indoor entertainment remain distinct groups, and RC hobby products still possess irreplaceable value.

Countermeasures:

The primary source of enjoyment in RC hobby products lies in the challenge of control and operation. The greater the challenge, the higher the enjoyment. After a period of learning and experimentation, users who overcome technical barriers often experience significantly increased enjoyment and become long-term enthusiasts.

The Company focuses on developing new products and technologies to lower the entry barrier for general consumers while continuously attracting existing enthusiasts, thereby stimulating purchasing demand. In addition, the Company actively expands marketing strategies for RC hobby activities through innovative distribution channels to reach new consumer groups.

By promoting RC model sports culture and creating new trends through innovative marketing strategies, the Company aims to enhance public interest and expand the popularity of RC hobby products among consumers.

c. Strict Procurement Requirements for U.S. Military UAVs

In recent years, the U.S. government and the Department of Defense have comprehensively promoted a "Non-Chinese Supply Chain" policy for unmanned aerial vehicles (UAVs), and have established the Blue UAS program to create a secure and controllable procurement list that excludes key components of Chinese origin.

Relevant regulations cover multiple areas, including flight control systems, firmware, image transmission links, navigation modules, cybersecurity certification, and supply chain traceability. The review requirements are significantly more stringent than those in general international markets.

In principle, companies without Blue UAS certification are not eligible to enter procurement systems of the U.S. military, federal government, state governments, and public safety agencies. In addition, UAV equipment exported from the United States to allied countries may also be subject to similar restrictions, thereby significantly increasing market entry barriers.

In the future, if the Company intends to expand into the U.S. or allied military and civilian UAV markets, it will still face uncertainties such as changes in U.S. regulations, intensified technical reviews, and restrictions on supply chain sources.

Countermeasures:

To address U.S. government requirements regarding UAV security regulations and supply chain integrity, the Company obtained Blue UAS certification in FY2025. This certification ensures that its UAV products comply with U.S. military and civilian procurement security standards, thereby improving eligibility and visibility in U.S. government and public safety markets.

Through completion of the Blue UAS certification process, the Company has strengthened compliance in cybersecurity, supply chain source management, and component traceability, laying a solid foundation for future international market expansion.

However, whether the Company will successfully obtain future procurement contracts will still depend on U.S. government budget allocations, actual demand from relevant agencies, and case-by-case review results. The Company will continue to monitor international regulatory and market changes to mitigate risks associated with overseas market participation.

4.2.2 Production Procedures of Main Products

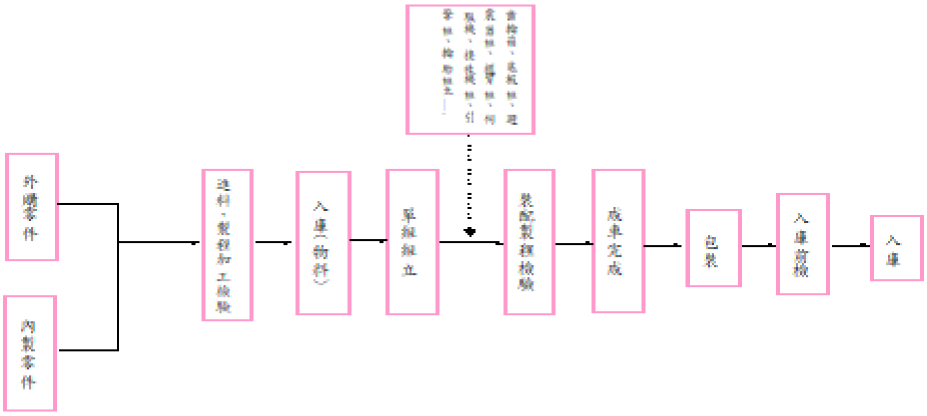
4.2.2.1. Major Products and Their Main Uses

Wireless RC products can be used for consumer, general industrial, industrial, commercial, and military purposes. At present, the Company's wireless RC products are mainly for leisure use.

Major product	Important Use
Remote-Controlled Models (R/C) cars,	Wireless RC enthusiasts' leisure use.

helicopters, airplanes, boats	
Other accessories of RC model	Various accessories for wireless RC products, serving as power sources for different types of wireless RC products and materials used for performance upgrades or maintenance services for wireless RC products.
Dental medical equipment	Specialized equipment used by dental professionals in medical clinics or dental practices.
Large and medium unmanned vehicles	Land, sea, air, and other all-round unmanned vehicles, integrated with digital technologies such as real-time signal and image transmission, obstacle avoidance, GPS tracking systems, automatic positioning and flight planning. These vehicles can be applied in various fields such as aquaculture, hull maintenance, agriculture, law enforcement, firefighting, telecommunications, disaster relief, and commercial purposes.
Micro Drones	Multi-rotor drones equipped with Israeli military-grade optical technology payloads. These drones feature night vision, reconnaissance, and positioning capabilities, allowing for short-range reconnaissance beyond the line of sight.
Aseptic cold fill packaging materials	Beverage bottle caps and bottle preform related products of aseptic packaging materials.

4.2.2.2. Major Products and Their Production Processes



4.2.3 Supply Status of Main Materials

Major Raw Materials	Source of Supply	Supply Situation
Aluminum plate	Taiwan	Stable
Plastic injection	Taiwan	Stable
Bearing	Japan, Taiwan	Stable
Hardware	Taiwan	Stable
Stainless Steel	Taiwan	Stable
Bar copper wire	Taiwan	Stable

4.2.4 Major Suppliers and Clients

4.2.4.1. List of suppliers accounting for more than 10% of total purchase:

Unit: NT$ thousands

Item	2024				2025				As of March 31, 2026			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	Far Eastern New Century Corporation	37,040	5.72	NA	Far Eastern New Century Corporation	114,921	14.72	NA	Far Eastern New Century Corporation	19,453	9.49	NA
2	Other	610,369	94.28	-	Other	629,990	80.69	-	Other	185,556	90.51	-
	Net Purchase	647,409	100.00	-	Net Purchase	780,718	100.00	-	Net Purchase	205,009	100.00	-

Far Eastern New Century Corporation accounted for 14.72% of the Company's total net purchases for fiscal year 2025, an increase compared with fiscal year 2024 and the first quarter of 2026. The increase was mainly attributable to changes in production and procurement requirements, raw material prices, and the composition of purchases across the respective periods.

4.2.4.2. List of clients accounting for more than 10% of total sales

Unit: NT$ thousands

Item	2024				2025				As of March 31, 2026			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	Handpiece Headquarters	261,874	21.03	NA	Handpiece Headquarters	342,689	24.06	NA	Handpiece Headquarters	87,691	23.38	NA
2	AMAIN.COM, INC	188,547	15.14	NA	TAIWAN FIRST BIOTECHNOLOGY INC.	262,110	18.41	Note	TAIWAN FIRST BIOTECHNOLOGY INC.	63,580	16.95	Note
3	TAIWAN FIRST BIOTECHNOLOGY INC.	107,751	8.66	Note	AMAIN.COM, INC	151,046	10.61	NA	AMAIN.COM, INC	48,059	12.81	NA
4	Other	687,008	55.17	-	Other	668,278	46.92	-	Other	175,720	46.85	-
	Net Sales	1,245,153	100.00	-	Net Sales	1,424,123	100.00	-	Net Sales	375,050	100.00	-

Note: Taiwan First Biotechnology Inc. is a strategic investor introduced through the Company’s private placement of common shares in 2019. The responsible person of Taiwan First Biotechnology Inc. is a second-degree relative of the Company’s responsible person; therefore, it is classified as a related party of the Company.

There were no significant changes in the Company's major customers for sales during fiscal years 2024 and 2025 and the first quarter of 2026. The increases or decreases in sales amounts and their respective percentages during these periods were mainly attributable to changes in customer order demand and shipment volumes.

4.3 Information of employees for the last two years and as of the publication date of the annual report

Year		2024	2025	As of March 16, 2026
Number of Employees	Direct Labor	106	142	137
	Indirect Labor	213	222	204
	Total	319	364	341
Average Age		44.31	44.33	44.14
Average Years of Service		6.44	5.56	5.42
Education	Ph.D.	0.68	0.88	0.88
	Masters	8.84	9.41	9.68
	Bachelor's Degree	50.00	48.53	48.97
	Senior High School	37.42	37.65	37.24
	Below Senior High School	3.06	3.53	3.23

4.4 Environmental Protection Expenditure

Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions): None.

4.5 Labor Relations

4.5.1 Employee Welfare

4.5.1.1. The Company's employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests.

(1) Employee benefit plans

A. Benefit plans implemented by the Company:

a. Employee share subscription warrants: Employees are authorized to purchase the share based on their positions, performance, and years of service.

b. Labor insurance: Employees are covered by labor insurance from their date of employment.

c. National Health Insurance: Employees are enrolled in the national health insurance program from their date of employment.

d. Regular health examination: The Company conducts an annual health examination for employees.

e. Year-end bonus: Employees are eligible for a year-end bonus based on their performance and the Company's operating conditions.

f. Employee dividends: It is appropriated from the Company's earnings and distributed according to the employee's position and performance.

g. If there is an improvement proposal, the reward will be given according to the important level of the proposal.

h. Recognition of senior employees from time to time.

i. Events and activities are periodically organized according to the festive seasons and occasions.

B. Benefit plans implemented by the Employee Welfare Committee

The Company established an Employee Welfare Committee in 1987, consisting of representatives from both labor and management, that regularly allocating funds for the following activities:

a. An annual trip is organized in spring, and an outing is organized in autumn. The Company fully subsidizes the insufficient portion of the expenses.

b. The Employee Welfare Committee provides monetary gifts or presents during Labor Day, Dragon Boat Festival, and Mid-Autumn Festival.

c. There is a scholarship available for employees and their children.

d. Subsidies for weddings and funerals are provided.

e. Birthday gifts and birthday cakes are provided.

(2) Employee continuing education and training

To effectively assist employees in enhancing their job knowledge and completing assigned tasks, the Company periodically organizes various training activities and seminars.

(3) Retirement system and its status of implementation

The Company has established “Regulations Governing Employee Retirement" in accordance with the Labor Standards Act to handle employee retirement matters. As required by law, a monthly allocation is made for labor pension reserve funds and pension liabilities, and a monthly contribution of 3.5% of the total salary is deposited into the Central Trust Fund Retirement Fund account. Since July 1, 2005, the Company has implemented a defined contribution retirement plan in accordance with the "Labor Pension Act", which is applicable to Taiwanese employees. Employees are given options to choose between the pension system or retirement mechanism specified in the "Labor Standards Act", and a monthly contribution of 6% of their salary is deducted and deposited into their individual accounts with the Bureau of Labor Insurance. The employee pension payment is based on the principal and accrued dividends from the employees' individual labor pension account, which employees can choose to receive a monthly pension payment or a lump-sum payment upon retirement.

(4) Status of labor-management agreements and measures for preserving employees' rights and interests. The Company has always upheld the principle of harmonious coexistence and mutual prosperity between labor and management. The Company highly value the opinions of employees and employees can freely express any issues they encountered in their personal life and at work through formal and informal channels of communication of the Company.

The Company aims to build a shared sense of purpose through mutual understanding to achieve excellent results together. Therefore, to date, there are no labor disputes have occurred. In addition, regular labor-management meetings are held to coordinate the opinions between labor and management, promoting labor-management harmony.

4.5.2 Labor Disputes

List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken.

Supervisors at all levels of the Company and its subsidiaries maintain regular communication with employees, engage in timely discussions and coordinate to resolve the opinions of all parties. As a result, the labor-management relationship remains harmonious, and has not suffered any losses due to labor disputes, and it is expected that harmonious labor relations will continue to be maintained in the future.

4.6 Information Security Management

4.6.1 Information Security Policy

The company has established a comprehensive network and information security protection system to manage or sustain critical business operations such as research and development, manufacturing, and operations, thereby reducing the risk of system interruption caused by unforeseen disasters or human errors. In order to mitigate the risk of information system damage, the company continuously develops high-availability data backup and redundancy mechanisms, and implements various remedial and improvement measures to ensure the normal operation and data integrity of the information system. Additionally, to enhance employees' information security literacy and awareness, regular information and network security protection advocacy and education sessions are conducted.

(Note: In addition to adopting the ISO 27001 standard for network and information security protection, the company also utilizes physical and personnel security management, reinforced information security education and training, forming a robust and efficient system.)

To ensure the confidentiality, integrity and availability of the information assets of the Company and meet the requirements of relevant laws and regulations to protect them from internal and external deliberate or accidental threats, the information security policy is hereby established as the standard for information security management.

Scope of application

1. Applicable within the scope of areas, personnel, and facilities managed by the Company.
2. Cyber security management covers 14 management items to avoid improper use, leakage, tampering, and destruction of information due to human negligence, deliberate acts or natural disasters and other factors, which may bring various possible risks and harm to the Company. The management matters are as follows:
   (1) Formulation and evaluation of cyber security management policies.
   (2) Cyber security organizations.
   (3) Security management of human resources.

(4) Information assets management.

(5) Access control security management.

(6) Cryptographic security management.

(7) Physical and environmental security management.

(8) Operational safety management.

(9) Communication security management.

(10) Security management of acquisition, development, and maintenance of information systems.

(11) Supplier relationship management.

(12) Cyber security incident management

(13) Cyber security aspects of operational continuity management.

(14) Management of compliance with laws and regulations.

Responsibilities

1. The Company shall establish a cyber security organization to coordinate cyber security matters.
2. The management level shall actively participate in the information security management system (ISMS) and provide support for the ISMS.
3. All personnel of the Company and contracted outsourcing suppliers shall comply with this policy.
4. All personnel of the Company and contracted outsourcing suppliers are responsible for reporting cyber security incidents or weaknesses through an appropriate notification mechanism.
5. Any act that pose a threat to information security will be subject to civil, criminal, and administrative liability, or will be handled in accordance with the relevant regulations of the Company, depending on the severity of the circumstances.

Operating Procedures

1.Establish a secure and trustworthy information operating environment to maintain the confidentiality, integrity, and availability of the information assets of the Company. To ensure the security of user data privacy, it is hoped that all colleagues in the Company will work together to achieve the following goals:
   (1) Protect the security of the Company's business services, ensuring that information can only be accessed by authorized personnel to maintain its confidentiality.
   (2) Protect the security of the Company's business services, preventing unauthorized modifications to ensure their accuracy and integrity.
   (3) Establish a business operation continuity plan of the Company to ensure the continuous operation of the Company's business services.
   (4) Ensure that the execution of the Company's business services comply with the requirements of relevant laws and regulations.
2. This policy shall be evaluated at least once a year to reflect the latest developments in relevant laws, technology, and business, etc.
3. The Company shall consider internal and external issues and the requirements of stakeholders, in defining the appropriate scope of implementation for the ISMS, which shall be implemented after review and confirmation by the management level.
4. The scope of implementation for the ISMS shall be periodically or as needed reviewed and

adjusted based on changes in internal and external environments, such as legal and regulatory requirements, organizational changes, cyber security incidents, and the implementation status of management systems, and other factors during management review meetings.

Internal Issues	External Issues	Stakeholder	Stakeholder Requirements
Organizational policy and objectives	Requirements of competent authority	Competent authority	Various laws and regulations
	Requirements of government agency	Government agency	Various laws and regulations
Organizational culture	N/A	Internal personnel	Internal organization specifications
Relevant resource requirements (including human resources, technology, budget, etc.)	N/A	Internal personnel	Training
		Executives	Key Performance Indicator (KPI)
	Information security incident/ Information technology	Customers	Contractual content (SLA)
		Suppliers	Contractual content
	ISO International Standard	International Organization for Standardization (ISO)	ISO 27001
		Third-party auditing agencies	

5.This policy shall be implemented upon approval by the convener of the Cyber Security Committee and shall be notified colleagues, relevant agencies (institutions) that work with the Company online, and information service providers through written, electronic, or other means. Any amendments to the policy shall also be notified through the same means.

4.6.2 Major information and communication security incidents: No major information and communication security incidents occurred in 2024. ◦

4.7 Important Contracts

Agreement	Counterparty	Period	Major Contents	Restrictions
Financing contract	SinoPac Bank	2025.09.17-2026.03.16	Short-term Bank Loan	None
Financing contract	Taiwan Cooperative Bank	2025.09.22-2026.07.22	Short-term Bank Loan	None
Financing contract	DBS Bank	2025.02.24-2026.02.24	Short-term Bank Loan	None
Financing contract	Bank of Shanghai	2025.09.10-2026.09.10	Short-term Bank Loan	None
Financing contract	Shin Kong Bank	2025.05.07-2026.05.07	Short-term Bank Loan	None
Financing contract	Mega International Commercial Bank	2025.03.08-2026.03.07	Short-term Bank Loan	None

Agreement	Counterparty	Period	Major Contents	Restrictions
Financing contract	Land Bank of Taiwan	2026.03.17-2041.03.17	Long-term	None
Financing contract	Bank of Shanghai	2025.07.18-2045.07.18	Long-term secured	None
Financing contract	SinoPac Bank	2025.07.29-2028.07.29	Medium- to long-term	None
Financing contract	Mega International Commercial Bank	2023.08.22-2028.08.22	Medium- to long-term	None
Financing contract	Yuanta Commercial Bank	2024.11.15-2027.11.15	Medium- to long-term	None
Financing contract	Chailease Finance Co., Ltd.	2025.01.17-2027.01.17	Lease liabilities / Lease financing	None
Lease Agreement	Mercuries Life Insurance Inc.	2023.12.16-2033.12.31	Lease Agreement	None
Lease Agreement	KOYA BIOTECH CORP..	5 years from obtaining the factory registration certificate	Lease Agreement	None
Sales contract	Taiwan First Biotechnology Inc.	5 years from the delivery date	Sales contract of CAPs	None
Sales contract	Taiwan First Biotechnology Inc.	5 years from the delivery date	Sales contract of PETs	None
Sales contract	Target Corporation Limited	2023.10.25-2029.10.24	Sales Agreement for Non-Detachable Bottle Caps	None
Exclusive Agency Agreement	Ever Prosperous Instruments, Inc.	2019.11.8	Extracorporeal Shockwave Therapy Apparatus Agency Contract	None
Technology Development Agreement	MEDICODE TECHNOLOGY CO., LTD.	2019.12.25-2025.12.31	Development of extracorporeal shock wave therapy equipment for orthopedics	None
Letter of Intent	Chunghwa Telecom	2022.08.02-2024.08.01	Related applications of unmanned vehicles in the field of 5G transmission	None
Letter of Intent	Chunghwa Telecom	2024.08.02-2026.08.01	Related applications of unmanned vehicles in the field of 5G transmission	None
Letter of Intent	National Formosa University, University of Turkish Aeronautical Association	2022.11.18-2025.11.17	Unmanned Vehicle Application Technology Exchange Program	None
Letter of Intent	National Formosa University	2023.10.04-2028.10.03	Various unmanned vehicle technology research and development collaborations	None
Letter of Intent	Industry Technology Research Institute	2024.02.02-2025.02.02	Application of underwater unmanned vehicle laser scanning and mapping	None
Letter of Intent	Compal Electronics, Inc.	2025.09.18	Unmanned vehicle R&D and production	None
Letter of Intent	Ubiqconn Technology, Inc.	2025.10.01	Spark7 GCS handheld ground control station controller	None
Letter of Intent	Syntek Development Co., Ltd.	2025.10.27	Obstacle avoidance, AI, and jointly confirmed cooperation projects for unmanned surface vessels	None
Letter of Intent	Farage Precision, LLC Fan Tien International Technology Co. Ltd.	2025.12.08-2026.12.07	UAV lead development program / UAV flagship project	None

V.Review of Financial Conditions, Financial Performance, and Risk Management

5.1 Financial Status

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

Unit: NT$ thousands

Item \ Year	2024	2025	Difference	
			Amount	%
Current assets	1,542,876	1,718,828	175,952	11.40
Property, plant and equipment	392,642	507,954	115,312	29.37
Intangible assets	72,046	72,032	(14)	(0.02)
Other assets	624,310	767,327	143,017	22.91
Total assets	2,631,874	3,066,141	434,267	16.50
Current liabilities	762,408	676,326	(86,082)	(11.29)
Non-current liabilities	405,407	324,388	(81,019)	(19.98)
Total liabilities	1,167,815	1,000,714	(167,101)	(14.31)
Equity attributable to shareholders of the parent	1,288,307	1,883,069	594,762	46.17
Capital stock	1,426,298	1,526,298	100,000	7.01
Capital surplus	371,098	772,217	401,119	108.09
Retained earnings	(535,031)	(450,287)	84,744	15.84
Other equity	25,942	34,841	8,899	34.30
Treasury stock	-	-	-	-
Non-controlling interest	175,752	182,358	6,606	3.76
Total equity	1,464,059	2,065,427	601,368	41.08

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

1. Increase in property, plant and equipment: Mainly due to the Company’s expansion of aseptic packaging production lines in FY2025, acceptance and recognition of brushless motor automated production lines, installation of palletized automated storage systems, various equipment and plant improvement projects, as well as the purchase of a second-floor office in Guishan District, Taoyuan for operating lease purposes.
2. Increase in other assets: Mainly due to the Company’s participation in First Biotechnology’s capital increase and subscription of shares in FY2025, increase in fair value gains of financial assets at period-end, increase in right-of-use assets arising from leasing land and factory facilities from Gaoye Company, and increase in prepayments for equipment purchases related to production line construction.

3. Increase in equity attributable to owners of the parent company: Mainly due to the premium issuance of shares through a cash capital increase at the beginning of FY2025 and operating profit.
4. Increase in capital surplus: Mainly due to the premium issued from the cash capital increase at the beginning of FY2025.
5. Increase in total equity: Mainly due to the premium issuance of shares through a cash capital increase at the beginning of FY2025 and operating profit.

5.2 Financial Performance

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

Item \ Year	2024	2025	Difference	
			Amount	%
Operating revenue	1,245,153	1,424,123	178,970	14.37
Gross profit	529,000	531,702	2,702	0.51
Operating (loss) income	32,916	(36,499)	(69,415)	(210.89)
Non-operating income and expenses	72,280	121,492	49,212	68.09
Income (loss) before income tax	105,196	84,993	(20,203)	(19.21)
Profit of continued operations	75,688	78,760	3,072	4.06
Loss of discontinued operations	-	-	-	-
Net (loss) income for the year	75,688	78,760	3,072	4.06
Other comprehensive income (income after tax)	19,949	9,567	(10,382)	(52.04)
Total comprehensive income	95,637	88,327	(7,310)	(7.64)
Net income attributable to shareholders of the parent	71,759	87,643	15,884	22.14
Net income attributable to non-controlling interest	3,929	(8,883)	(12,812)	(326.09)
Comprehensive income attributable to shareholders of the parent	91,688	97,229	5,541	6.04
Comprehensive income attributable to non-controlling interest	3,949	(8,902)	(12,851)	(325.42)
Earnings per share	0.50	0.58	0.08	16.00

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

1. Decrease in operating profit or loss: Mainly due to the mass production of aseptic packaging products initiated in Q4 2024, with continued increase in production and shipments in FY2025. However, aseptic packaging products have relatively low gross margins. In addition, the Company has continued to expand its workforce and increase investments in selling, general and administrative expenses as well as R&D expenses, resulting in an operating loss.
2. Increase in non-operating income and expenses and net profit attributable to owners of the parent company: Mainly due to higher investment gains recognized from fair value changes and disposal of financial assets in FY2025 compared with FY2024.
3. Decrease in other comprehensive income for the period: Mainly due to the appreciation of the New Taiwan Dollar against the U.S. Dollar in FY2025, resulting in a decrease in foreign currency translation differences arising from foreign operations.
4. Decrease in net profit and total comprehensive income attributable to non-controlling interests: Mainly due to the operating loss of the subsidiary TTBIO in FY2025.

5.2.2 Expected sales volume and basis, potential impact on the Company's future financial operations and response plan:

(1) The expected sales volume for FY2026 is based on the overall production capacity conditions for the year, new product launch plans, and projected growth in both contracted and spot customer orders. As the Company actively expands non-medical OEM business and adds new aseptic packaging production lines, future sales are expected to grow steadily from the existing base, thereby driving overall revenue performance.

In addition, the Company will continue to invest in R&D resources for micro and medium-to-large unmanned vehicles to enhance technological capabilities. It will also continuously improve product quality and technology, maintain strong cooperative relationships with customers and suppliers, and develop more forward-looking products with cost competitiveness, thereby contributing to future revenue and profit growth.

(2) Sales volume forecast and its basis

The Group’s sales focus for the current year remains on radio-controlled (RC) products, micro and medium-to-large unmanned vehicles, dental medical products, and newly added aseptic packaging products. The Company continues to invest in R&D to enhance production technology and sales scale.

The expected sales volume is based on historical sales performance, consideration of new product launches, and future market outlook assumptions, with the aim of driving sustained revenue growth for the Thunder Tiger Group.

5.3 Analysis of Cash Flow

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

5.3.1 Analysis of change in cash flow in the current year:

Year / Item	2025	2024	Variance (%)
Cash Flow Ratio (%)	Not applicable	10.27	Not applicable
Cash Flow Adequacy Ratio (%)	Not applicable	12.09	Not applicable
Cash Reinvestment Ratio (%)	Not applicable	4.25	Not applicable
Analysis of financial ratio change: Since the operating activities for the year 2025 resulted in a net cash outflow, it is not comparable and therefore not applicable.			

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

5.3.3 Liquidity Analysis for the Coming Year

Unit: NT$ thousands

Cash and Cash Equivalents, Beginning of Year (1)	Net Cash Flow from Operating Activities (2)	Cash Outflow (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Deficit	
				Investment Plans	Financing Plans
54,923	(1,026,160)	(307,660)	(1,278,897)	Not applicable	Not applicable

Analysis of Future Cash Flow Changes for the Next Fiscal Year:

1. Operating Activities: The Company expects that operating revenue and profitability will continue to increase over the coming year, and cash on hand is expected to rise compared to the beginning of the period.
2. Investing and Financing Activities: In FY2026, the Company plans to conduct a cash capital increase of NT$1.32 billion, repay bank borrowings of NT$880 million, and incur capital expenditures for production and manufacturing needs. After these activities, the Company expects a net cash inflow of NT$195 million, which will be used to strengthen working capital in order to meet future order demand.

5.4 Major Capital Expenditure Items：None

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

Unit: NT$ thousands

Explanation Item	Recognized Investment Gain or Loss for the Most Recent Year	Policy	Main Reasons for Profit or Loss	Improvement Plan	Other Future Investment Plans
THUNDER TIGER INDUSTRIES INC.	(1,309)	Expanding marketing channels in the United States	TTI has been unable to recruit a manager who possesses both the RC leisure products industry knowledge and business management capabilities, coupled with the weak recovery of the American model industry in recent years, which has adversely affected TTI's marketing promotion, performance, and profitability.	It is positioned as the Company's development platform for unmanned vehicles, defense industry operations, and electric vehicles in the North American region.	Continuously participating in exhibitions to promote the development of medium to large unmanned vehicles, the U.S. military industry, and electric vehicles.
ASSOCIATED ELECTRICS, INC.	(25,012)	Expanding marketing channels in North America	As the world's leading brand of remote-controlled model cars, our image, performance, and quality are second to none and highly loved by consumers. The company actively expands into other markets and continues to collaborate on sales with the Vintage series projects, resulting in stable profit growth. However, in FY2025, sales performance and profitability declined due to the impact of reciprocal tariffs and inflation in the United States.	1. Maintain the existing advantages, continue to dedicate efforts to marketing and R&D, develop products for racing market, and maintain its leadership position in the industry. 2. Maintain cooperation with various wholesale systems and strengthen e-commerce marketing capabilities. 3. Strengthen sales performance in Asia region.	Developing the new brand series Elenment RC and investing in the development of retro-inspired vehicle models.

Explanation Item	Recognized Investment Gain or Loss for the Most Recent Year	Policy	Main Reasons for Profit or Loss	Improvement Plan	Other Future Investment Plans
TTBIO Corp.	(10,442)	Manufacture, sales, and repair of medical equipment	In 2024, overall profitability improved due to the development of the Motor Division and increased demand in the dental and medical sectors.	Quarterly negotiations are conducted with major customers to ensure economic order quantities and sufficient lead time, which helps to reduce relevant production costs. Also, the Company strives to secure OEM orders from other customers.	Expand capital expenditures to meet customer order demands.
TTSOLUTIONS, INC.	2,980	Sales of model products	Actively collaborating with AE (Associated Electrics) to develop new vehicle models, resulting in stable revenue and net profit growth.	The Company has been profitable since its establishment, and the revenue has grown steadily.	Currently, there are no major investment plans.
TT Media Technology, Inc.	3,836	Sales of model products	The Company has become the distributor for the AE brand in Asia (Japan and Mainland China), resulting in growth in both revenue and profitability.	Adjust the operational mode and implement cost-saving measures.	Currently, there are no major investment plans.
CADCAM MARINE PTY LTD	(5,033)	Manufacturing and sales of unmanned and manned vessels	The manufacturing and sales of unmanned and manned vessels were acquired by the Company in September 2024. Moving forward, this business will focus on the R&D of manned and unmanned boats to enhance revenue growth momentum.	The introduction of unmanned vessel orders is expected to further boost revenue.	Currently, there are no major investment plans.

5.6 Analysis of Risk Management

5.6.1 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

5.6.1.1 Interest rate

Unit: NT$ thousands; %

Item/Year	2024	2025
Interest revenue	3,456	6,054
Finance costs	20,031	25,715
Operating revenues	1,245,153	1,424,123
(Finance costs - Interest revenue)/ Operating revenues (%)	1.33	1.38

For the fiscal years 2024 and 2025, the combined interest expenses of the company and its subsidiaries were NT$20,031 thousands and NT$25,715 thousands, respectively. These figures represented 1.61% and 1.81% of the respective annual operating incomes, indicating that interest expenses still have a certain impact on the profit and loss of the company and its subsidiaries. Additionally, the company and its subsidiaries will adjust the utilization of funds in a timely manner based on regional differences in financial interest rates to mitigate the impact of regional interest rate disparities on the company's profit and loss.

5.6.1.2 Foreign exchange rates

Unit: NT$ thousands; %

Year / Item	2024	2025
Net currency exchange gain (loss)	15,648	(4,896)
Operating revenues	1,245,153	1,424,123
Ratio	1.26	(0.34)
Income (loss) from operations	32,916	(36,499)
Ratio	47.54	13.41

For the fiscal years 2024 and 2025, the combined gains and losses from currency exchange of the company and its subsidiaries were 15,648 thousands and (NT$4,896) thousands, respectively. These figures represented 1.26% and (0.34)% of the respective annual operating incomes and 47.54% and 13.41% of the respective operating losses and operating profits. These numbers indicate that currency exchange gains and losses still have a significant impact on the company and its subsidiaries, especially regarding their holdings of US dollar assets. To mitigate the effects of exchange rate fluctuations, the company and its subsidiaries have implemented the following measures:

A. Collect exchange rate-related information at any time and strengthen hedge strategy consultation and planning related to foreign exchange with banks to grasp exchange rate trends.

B. Open foreign currency deposit accounts in banks and used for the purchase and sale of foreign currency-denominated goods, achieving a certain level of hedging against exchange rate fluctuations through regular offsetting income and expenditure arising from sale and procurement. The remittance is decided to be deposited into a NTD or USD account, depending on the actual funding needs and the exchange rate, to moderately adjust the foreign currency deposit positions to mitigate exchange rate risks.

C. Consider a safety margin for exchange rate fluctuations in the business quotation system to ensure the reasonable profit of the Company.

5.6.1.3 Inflation

The Company and its subsidiaries have not been materially affected by inflation. The Company constantly monitors the fluctuations in raw material market prices and maintains good interactions with suppliers and customers to mitigate the impact of inflation.

5.6.2 Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

The Company and its subsidiaries have established “Regulations Governing Loaning of Funds”, “Regulations Governing Making of Endorsements/Guarantees” and "Handling Procedures for Acquisition or Disposal of Assets", as the guidelines to follow when engaging in relevant operations. Based on the principles of stable and pragmatism in business operations, in addition to focusing on the business of the Company and its subsidiaries, the Company and its subsidiaries have not currently engaged in high-risk investments, highly leveraged investments, and derivatives transactions. The relevant loaning of funds and making of endorsements/guarantees of the Company and its subsidiaries are all handled in accordance with the relevant operating procedures stipulated by the Company.

5.6.3 Future Research & Development Projects and Corresponding Budget

5.6.3.1. Future R&D plan: The Company and its subsidiaries focus on the development of RC model products. With the advancement of technology and the market trend of integrating 3C application products, the Company is actively developing the following plans:

Item	Major Product	Description
1	Remote control models (R/C)	Remote control cars RC car is the largest market for RC model products, accounting for approximately 60-70% of the overall R/C market share. The Company offers a wide range of product types, including on-road cars, off-road cars, monster trucks, and racing trucks. These products are available in various scales such as 1/8, 1/10, 1/12, 1/16, 1/18, and more. In terms of power sources, both engine-powered and electric-powered models are available for players to choose from. The realistic models primarily featuring brands such as Toyota, Ford, and Monster Sport. Helicopters In recent years, BLDC motor has become the main source of power for the entire series of electric helicopters due to its substantial advancement in power. Remote control boats BLDC electric speedboats, racing boats, and finely crafted realistic sailboats, which are also popular among non-RC enthusiasts.
2	Medium and large UAVs (including large four-axis UAVs, CX-180, T200 and T250 helicopters)	The Company provides large-scale intelligent helicopter products. In addition to the aerial photography application market, the Company will continue to develop towards markets with specific purposes and applications, such as AI inspection of offshore wind turbine blades, disaster prevention and rescue communication base stations, thermal sensing search and rescue operations, and transportation of medical supplies, thereby expanding the market niche. The Company provide services in telecommunication relay services, fire and police applications, land conservation, defense surveillance, power tower inspection, wind turbine blade inspection, port transportation services, and bridge inspection.
3	Micro unmanned aerial vehicles TM-450 & TM-450 HORNET	The micro UAV is a military-commercial product that combines Israeli military optical technology with a commercial quadcopter. The TM-450 is suitable for individual soldiers to carry and is equipped with night vision, reconnaissance, and positioning capabilities, allowing for short-range reconnaissance beyond the line of sight. The TM-450 HORNET can carry items weighing less than 500g during flight.
4	Underwater UAVs	Integrating Thunder Tiger's experience in brushless motors and electronic systems, the aerial photography application is transitioned to underwater

Item	Major Product	Description
	(including eight-axis and six-axis submarines)	applications. Few companies have explored this unique and specialized field. The Company aims to make ROV products more affordable, providing cost-effective and competitive products. The Company explores the business opportunities in the underwater market within 200 meters in depth with four-directional high-definition imaging technology, open-source control systems, computer-based calculations, and joystick control.
5	Water-based mobility platforms, aquatic performance platforms, and unmanned surface vehicles (including the Seashark 800 and Seashark 600).	Enhancing the added value of the product by integrating a comprehensive navigation computer with automatic control and feature-rich water quality monitoring equipment. The open-source system design can be connected to various sensors, combined with 4G data transmission, providing real-time monitoring of the environment on the vehicle.
6	Dental medical products	Dental, physiotherapy, and ophthalmology-related products.
7	Aseptic cold fill packaging materials	Sterile packaging materials and products related to beverage bottle caps, bottle preforms, and tethered caps.

5.6.3.2. Further expenditures expected for research and development work:

The estimated R&D expenditure of the Company and its subsidiaries are gradually allocated according to the progress of new products and new technology development to support future R&D plans and increase the market competitiveness of the Company. The estimated R&D expenditures of the Company and its subsidiaries in FY 2026 amounted to NT$ 169,183 thousand.

5.6.4 Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales

The daily operations of the Company and its subsidiaries are conducted in accordance with the relevant laws and regulations at home and abroad. The Company closely monitors the development trends of domestic and international policies and regulations, to fully grasp the changes in the market environment, and proactively proposes countermeasures in a timely manner. As of the date of publication of the annual report, the Company and its subsidiaries have not been affected by major changes in important policies and laws at home and abroad that would impact their financial operations.

5.6.5 Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales

The Company and its subsidiaries keep abreast of changes and developments in science and technology within their respective industries to respond to possible changes in the industry. They continue to invest in product R&D to meet market demands. In addition, they strengthen their marketing channels to maintain their competitiveness in the market. They adopt a prudent financial management strategy in their financial operations, particularly focusing on industry characteristics and strengthening cash flow management. To date, changes in science and technology have not had a significant impact on the Company's financial operations.

5.6.6 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures

Since its establishment, the Company has complied with relevant laws and regulations, actively strengthened internal management, and improved management quality and performance, and maintained harmonious labor relations at the same time, to maintain a good corporate image. In the most recent fiscal year and the current fiscal year up to the date of publication of the annual report, the Company and its subsidiaries have not encountered any incidents that would affect their corporate image.

5.6.7 Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans

As of the date of publication of the annual report, the Company and its subsidiaries have no merger and acquisition plans, and when there is a merger and acquisition plan in the future, they will also adopt a prudent evaluation approach, fully considering the overall benefits of the merger, to effectively safeguard the rights and interests of shareholders.

5.6.8 Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans

As of the date of publication of the annual report, the Company and its subsidiaries have no plans to expand the plant, and when there is a plant expansion plan in the future, they will also adopt a prudent evaluation approach, fully considering the benefits of plant expansion, to effectively safeguard the rights and interests of shareholders.

5.6.9 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

5.6.9.1.Risks associated with consolidation of purchasing operation and mitigation measures

The Company and its subsidiaries primarily engage in the production and sale of professional RC models, and some components need to be purchased from other manufacturers. The production capacity, process technology, production quality, reliability, and delivery schedule of the outsourced manufacturers are crucial to the Group's product competition and the speed to market. However, the shipment of the Group's products will also be affected by production disruptions caused by the tight production capacity of outsourced manufacturers, natural disasters, or other unforeseen events. In this regard, the Company and its subsidiaries, in addition to actively establishing long-term cooperative relationships with various suppliers, they also consider the supply situation for decentralized procurement and closely monitor the production status of products and liaise closely with suppliers, to minimize the risks associated with supplier concentration.

5.6.9.2. Risks associated with consolidation of sales operation and mitigation measures

The Company and its subsidiaries continue to develop new customers and expand business in new markets to diversify operational risks. In the FY 2025, the top two customers accounted for 24%, and 18% respectively. Overall, the Company has no significant risks associated with sales concentration.

5.6.10 Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%

The shareholdings of the Company's directors and supervisors have been stable during the last few years, and there have been no major transfers or swaps of shares.

5.6.11 Effects of, Risks Relating to and Response to the Changes in Management Rights

There has been no major quantity of shares being transferred or has otherwise changed hands in the Company and its subsidiaries during the most recent fiscal year and the current fiscal year up to the date of publication of the annual report that would result in a change in governance personnel or top management.

5.6.12 Litigation or Non-litigation Matters

Litigious and non-litigious matters, list major litigious, non-litigious or administrative disputes that involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report:

Apart from the following pending litigation cases, the Company has not been involved in any other major litigation, non-litigation, administrative disputes, preventive proceeding, or compulsory execution in the most recent and current fiscal year:

(1) Thunder Tiger (Ningbo) Equity Trading Arbitration

On March 27, 2017, the Company signed an equity purchase and sale agreement with Hong Kong Zhong Ze Culture Investment Holding Limited (hereinafter referred to as Hong Kong Zhong Ze), and the Company sold 100% equity of its subsidiary, Thunder Tiger Model (BVI) Co., Ltd. (hereinafter referred to as TTBVI) for a total consideration of USD 5,756 thousand (TTBVI holds 30% of the equity of Thunder Tiger (Ningbo) Technology Co., Ltd.). Hong Kong Zhong Ze was required to make a prepayment of 50% of the total consideration, amounting to USD 2,878 thousand before April 30, 2017. The remaining 50% of the consideration shall be paid within seven days after the approval of the equity transfer by the Company's AGM of shareholders, which was scheduled to be held in June 2017.

A Supplementary Clauses to the Equity Transfer Agreement and Lawyer's Witness Certificate (I)

On April 28, 2017, the two parties signed the "Supplementary Clauses to the Equity Transfer Agreement and Lawyer's Witness Certificate (I)", to safeguard the rights and interests of both parties and ensure the security of funds. As a result, Beijing Zhong Ze was entrusted to transfer the 50% payment of USD 2,878 thousand to an account designated by both parties, held by Beijing Chaifu Law Firm, as a witness. In the future, when Hong Kong Zhong Ze transfers the equity transfer payment to the Company, Chaifu Law Firm will immediately return the security deposit to Hong Kong Zhong Ze.

B. Supplementary Clauses to the Equity Transfer Agreement (II) and Lawyer's Witness Certificate and Commitment

Due to the non-performance of the transaction by Hong Kong Zhong Ze before June 30, 2017, the Company and Hong Kong Zhong Ze signed the “Supplementary Clauses to the Equity Transfer Agreement (II) and Lawyer's Witness Certificate and Commitment”. Hong Kong Zhong Ze is required to transfer 15% of the equity transfer price, amounting to USD 863 thousand, as good faith money, and the remaining 50% of the equity transfer payment, amounting to USD 2,878 thousand, to an account designated by both parties, held by Beijing Chaifu Law Firm, as a witness before June 30, 2017. Both parties agree that the latest delivery date is August 5, 2017. Hong Kong Zhong Ze is required to transfer the full payment for the equity transfer price to the designated account of the Company and complete the equity settlement. If Hong Kong Zhong Ze fails to fulfill its obligations, Beijing Chai Fu Law Firm undertakes to transfer the full payment of 100% of the price, amounting to USD 5,756,000 and RMB 863 thousand, to the designated bank account of the Company in China before August 10, 2017, and the Company will complete the equity settlement before August 17, 2017. As of June 30, 2017, Beijing Zhong Ze had deposited an equivalent amount of USD 6,619 thousand (RMB 46 million) into the custody account of Beijing Chai Fu Law Firm on behalf of Hong Kong Zhong Ze.

C. On June 28, 2018, the Company received the first installment of the equity transfer payment from Hong Kong Zhong Ze, which amounted to RMB 1 million.

D. Supplementary Agreement on Equity Transfer (III)

On January 3, 2019, the Company, TT(BVI), Thunder Tiger Aircraft Co., Ltd. (a company indirectly held by Hong Kong Zhong Ze), and Hong Kong Zhong Ze signed the Supplementary Agreement on Equity Transfer (III), changing the subject of transfer from 100% equity of TT(BVI) to 30% equity of Thunder Tiger (Ningbo). In addition, the "Agreement for Investment in Thunder Tiger Automotive Co., Ltd." was signed, which included the following: (1) The sale of 30% equity of Thunder Tiger (Ningbo) for a total equity transfer payment of USD 6,474 thousand, calculated as the equity transfer payment of USD 5,756 thousand and good faith money of USD 863 thousand, less the USD 145.2 thousand equivalent to RMB 1 million paid by Hong Kong Zhong Ze in June 2018; (2) A capital loan to Thunder Tiger (Ningbo) in the amount of USD 1,317.2 thousand, plus interest of USD 34.6 thousand, totaling USD 1,351.8 thousand. Upon receiving the payment of USD 7,826 thousand (equivalent to RMB 54.1037 million) into the designated account for (1) and (2) and satisfying the conditions for the entry into force of the investment agreement, Thunder Tiger Automotive Co., Ltd., a company invested by the subsidiary of TT (Shanghai) Trading Co., Ltd. acquired a 1.3526% equity stake.

Due to the failure of Thunder Tiger Aircraft Co., Ltd. to complete the effective terms of the agreement such as payment of shares and provision of capital verification report before February 20, 2019, the Company issued a letter of demand to it on March 20, 2019, and negotiated an extension of the deadline. If the effective terms of the agreement are not reached before the deadline, the parties to the investment agreement agree to terminate the agreement and return to the equity transfer agreement.

E. Termination of the Supplementary Agreement on Equity Transfer (III) and Return to the Supplementary Clauses to the Equity Transfer Agreement (II) and Lawyer's Witness Certificate and Commitment

As of May 20, 2019, due to the Zhong Ze Group's failure to fulfill the effective provisions of the investment agreement with Thunder Tiger Automotive, the Company, through a decision made by the board of directors on May 31, 2019, decided not to execute the investment agreement of Thunder Tiger Automotive, and entrusted a lawyer to issue a notice of termination of the Agreement for Investment in Thunder Tiger Automotive Co., Ltd., as well as a notice of termination of the Supplementary Agreement on Equity Transfer (III) signed based on the premise of the performance of the investment agreement of Thunder Tiger Automotive. Hong Kong Zhong Ze is notified to settle the payment for the equity transfer and good faith money in accordance with the provisions of the equity transfer agreement and the Supplementary Clauses to the Equity Transfer Agreement (II) and Lawyer's Witness Certificate and Commitment.

F. Progress of Equity Arbitration Cases and Provision for Impairment

In order to safeguard the rights and interests of the Group, on May 31, 2019, the Board of Directors resolved to appoint lawyers in Beijing to pursue the recovery of equity transfer payments, loans, and prepayments. Pursuant to the provisions of the equity transfer agreement, an application for arbitration was filed with the China International Economic and Trade Arbitration Commission (hereinafter referred to as CIETAC). The arbitration was filed on August 23, 2019, requesting Hong Kong Zhong Ze to pay a total of USD 6,474 thousand, which include the equity transfer payment of USD 5,610 thousand (calculated as USD 5,756 thousand less the equivalent amount of RMB 1,000 thousand paid) and good faith money of USD 863 thousand. And an application was made through the Arbitration Commission to the court for the enforcement of property preservation measures on the equivalent RMB amount of USD 6,474 thousand in the bank account of Chai Fu Law Firm, and Chai Fu Law Firm is jointly liable for the payment of the amount. The arbitration hearing was held on October 24, 2019, and on October 9, 2019, additional arbitration requests were filed to confirm the termination of the Supplementary Agreement on Equity Transfer (III) and investment agreement of Thunder Tiger Automotive among the Company and Hong Kong Zhong Ze and Thunder Tiger Aircraft Co., Ltd. The Arbitration Commission held another hearing on July 8, 2021. Regarding the arbitration case filed concerning the dispute over the equity transfer and investment agreement, the Company obtained an arbitration award in support of the termination of the Thunder Tiger Automotive Investment Agreement on August 27, 2021. The award confirmed the effective termination of the "Investment Agreement." On August 27, 2021, the arbitration award confirmed the existence of equity transfer and debt claims but did not support the arbitration request against the respondent, and stated that TT (BVI) should seek compensation from Thunder Tiger Aircraft Co., Ltd. As requested by the arbitral tribunal, the Company has submitted the relevant documents to the CIETAC. On December 15, 2021, another separate case application was completed. The case number is S20212970, and it is filed by TT (BVI) to request the debt claim from Thunder Tiger Aircraft Co., Ltd., in order to safeguard its legitimate rights and interests. On April 21, 2023, we received the arbitral award from the China International Economic and Trade Arbitration Commission, supporting our arbitration claim against Thunder Tiger BVI. The ruling requires Thunder Tiger Aircraft Co., Ltd. to pay us USD 6.474 million in stock payments. We have entrusted lawyers to continue the debt recovery process.

For the Company, in adherence to a prudent and conservative accounting approach, impairment losses have been consistently recognized over the past three fiscal years. Impairment losses recognized for 2022 to 2024 were NT$23,161 thousand each year. As of December 31, 2024, the accumulated impairment losses totaled NT$168,260 thousand. The remaining other receivables of NT$7,681 thousand, which have not yet been impaired, are expected to be fully recognized in the second quarter of 2025.

With reference to the legal advice, it appears that the case has clear facts and sufficient evidence, and there is a high likelihood of support for the Company's arbitration request. For the Company, adhering to the stable and conservative principles, the Company continued to recognize impairment losses in the most recent three fiscal years. Overall, this event has a limited impact on the Company's future shareholders' equity or financial operations.

(2) Thunder Tiger (Ningbo) Debt Claim Case

In FY 2017, the Company made advance payments to Thunder Tiger (Ningbo) to meet business needs. Considering the delay in the equity transfer case of Thunder Tiger (Ningbo) and the fact that the advance payments exceeded the normal operating cycle, on May 11, 2018, the advance payments of USD 1,317 thousand is transferred to a loan, and the Company filed a lawsuit in court simultaneously. Adhering to the stable and conservative principles, the Company continued to recognize impairment losses. In FY 2018, FY 2019 and FY 2020, the recognized impairment losses were NT$ 25,221 thousand, NT$ 0 thousand and NT$ 12,295 thousand respectively. As of December 31, 2020, the Company has fully recognized impairment losses of NT$ 37,516 thousand (USD 1,317 thousand). On January 28, 2021, the Board of Directors resolved to write off the full amount of the loan of NT$ 37,516 thousand recognized as impairment losses. On August 17, 2021, the second instance court confirmed the transactional facts and the amount of the debt claim. However, as the arbitration case related to this matter is still pending for a decision, the original judgment remains unchanged. On September 13, 2021, the Company submitted the relevant decisions of the arbitration case to initiate the application for retrial, and the retrial case number is (2021) Zhejiang Civil Case Application No. 4261, to safeguard the Company's legitimate rights and interests. On June 30, 2022, the retrial was granted support by the Zhejiang High People's Court, ruling in favor of our side. On August 12, 2022, the Yuyao City People's Court completed the filing of the compulsory enforcement, and on November 29, 2022, the first compulsory enforcement ruling was completed. Currently, our appointed lawyer has filed a lawsuit with the Yuyao City People's Court to exercise the revocation of the distribution of auction proceeds related to the land by Thunder Tiger (Ningbo). This case was heard on March 11, 2024, during which the Company's appointed attorney appeared in court and petitioned for the case to be transferred to the Ningbo Intermediate People's Court. However, on July 19, 2024, the court rejected the petition. Subsequently, the Yuyao People's Court held a hearing on September 2, 2024, which was attended by the Company's appointed legal counsel in China to safeguard the Company's interests. On October 8, 2024, the Company received the first-instance judgment from the Yuyao People's Court, which did not support the Company's claims. At the end of October 2024, the Company filed an appeal, and the Ningbo Intermediate People's Court held a second-instance hearing on January 20, 2025. The Company again appointed legal counsel in China to attend and defend its position. On March 18, 2025, the Company received the second-instance judgment, which also did not uphold the Company's claims. The Company has since appointed legal counsel to prepare for a further appeal in order to protect its legal rights.

In accordance with a prudent and conservative approach, the Company has fully recognized an impairment loss of NT$37.51 million. This matter no longer has any impact on the Company's future shareholders' equity or financial and operational performance.

(3) Great Planes and Axial Debt Claim Case

Great Planes & Axial, a subsidiary of Hobbico, Inc., is an important customer of the TTSolutions, Inc. and AE INC., the Company's subsidiaries. On January 10, 2018, Hobbico, Inc. filed for reorganization under Chapter 11 of the United States Bankruptcy Code. The debt claim case has been entrusted to Associated Electrics (Taiwan), Inc., a subsidiary of AE Inc. in Taiwan, to obtain collateral through court order and execution of provisional attachment. As of the evaluation report issuance date, there are outstanding receivables of NT$ 12,239 thousand (USD 429 thousand) to be distributed by the court. There are no major abnormalities assessed.

5.6.13 Other Major Risks: None

5.7 Other important matters: None

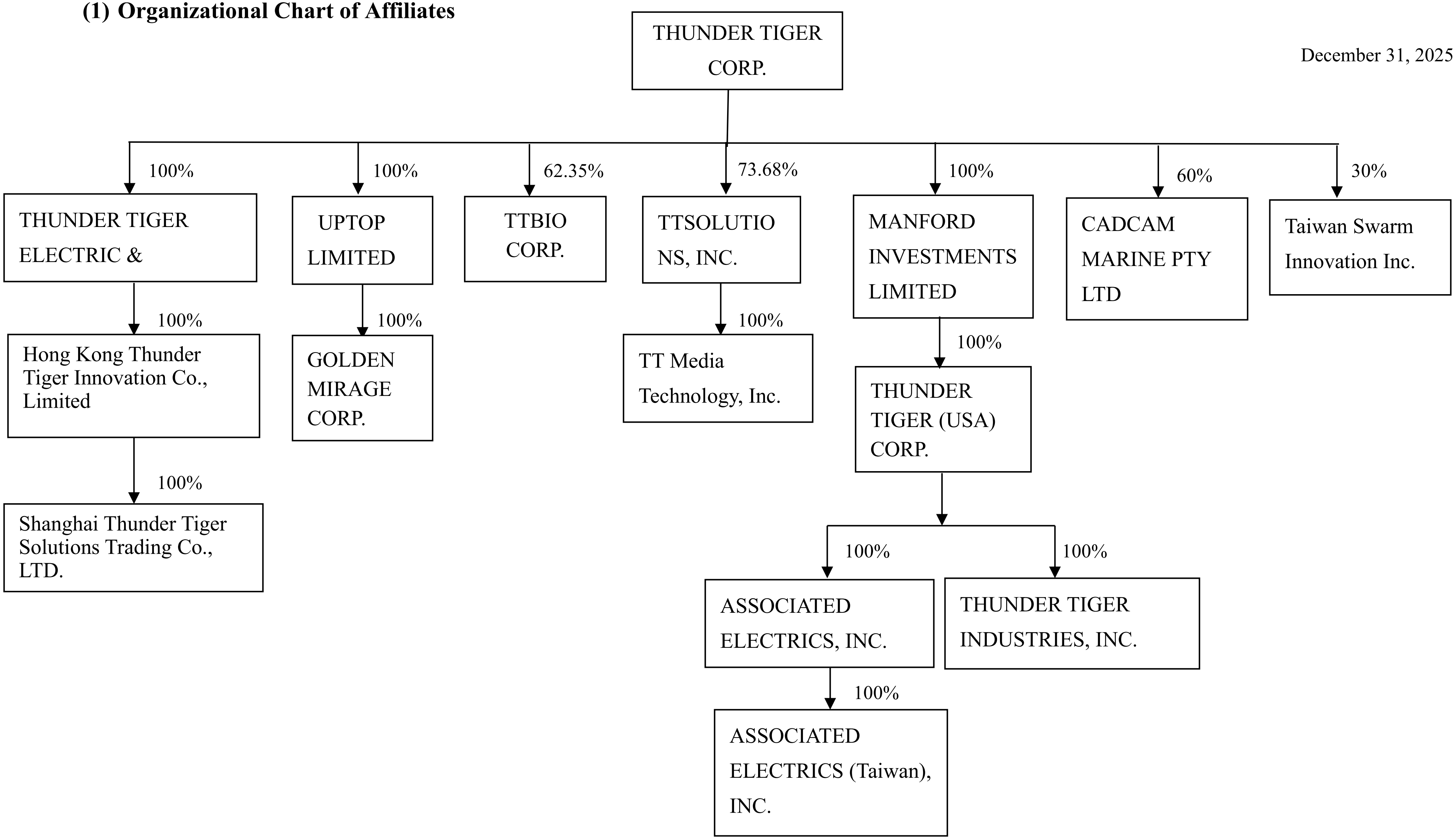
VI.Special Disclosure

6.1 Summary of Affiliated Companies

6.1.1 Overview of Related Party Organizations

(1) Organizational Chart of Affiliates

December 31, 2025



6.1.2 Basic Information of Affiliated Enterprises:

December 31, 2025 ; Unit: thousands

Company Name	Establishment Date	Address	Paid-in Capital	Main Business or production items
UPTOP LIMITED	2003.03.18	Offshore Chambers,P.O.Box217,Apia,Samoa	-	Investment holding
GOLDEN MIRAGE CORPORATION	2000.12.15	P.0.Box3152,RoadTown，Tortola, British Virgin Islands.	-	Investment holding
MANFORD INVESTMENTS LTD.	2004.03.30	Offshore Chambers, P.O. Box 217, Apia, Samoa	USD 12,000	Investment holding
THUNDER TIGER (USA) CORP.	2009.07.08	21062 Bake Parkway Lake Forest, Ca 92630	USD 10,200	Investment holding
ASSOCIATED ELECTRICS, INC.	2005.06.16	21062 Bake Parkway Lake Forest, Ca 92630	USD 2,505	Sale and maintenance of model products
THUNDER TIGER INDUSTRIES, INC.	2009.07.08	21062 Bake Parkway Lake Forest, Ca 92630	USD 4,600	Sale and maintenance of model products
TTBIO Corp.	2012.04.19	2F, No.7, 6th Road, Industry Park, Taichung, 40755, Taiwan	NTD 30,050	Manufacturing, trading and maintenance of medical equipment
THUNDER TIGER ELECTRIC & ENGINEERING CORP.	2014.04.07	2F, No.7, 6th Road, Industry Park, Taichung, 40755, Taiwan	NTD 3,000	Manufacturing and trading of green energy products
TT Media Technology, Inc.	2015.03.30	3F, No.7, 6th Road, Industry Park, Taichung, 40755, Taiwan	NTD 5,100	Buying and selling of model products
TTSOLUTIONS, INC.	2017.03.07	No. 540,542, Sec. 1, Minsheng N. Rd., Guishan Dist., Taoyuan City, 333016, Taiwan	NTD 100,000	Buying and selling of model products
ASSOCIATED ELECTRICS (Taiwan), INC.	2019.10.28	No.7, 6th Road, Industry Park, Taichung, 40755, Taiwan	NTD 13,860	Wholesale of molds And telecommunications
Hong Kong Thunder Tiger Innovation Co., Limited	2017.09.18	Rm. 1702, Sino Centre, 582-592 Nathan Rd., Mongkok, Kln., Hong Kong	-	Investment holding

Company Name	Establishment Date	Address	Paid-in Capital	Main Business or production items
Shanghai Thunder Tiger Solutions Trading Co., LTD.	2017.11.21	F1, No.258, Pingyang Road, Minhang District, Shanghai	-	Buying and selling commodities related to the Company's products
Taiwan Swarm Innovation Inc.	2017.08.23	No. 360, Gaofa 2nd Rd., Guiren Dist., Tainan City 711010 , Taiwan (R.O.C.)	NTD 32,406	Radio – controlled aircraft Demonstration service
CADCAM MARINE PTY LTD	2010.04.20	No. 2, Aly. 46, Ln. 39, Neixi Rd., Luzhu Dist., Taoyuan City 338012, Taiwan (R.O.C.)	NTD 152,500	Manufacturing, sales, and maintenance of ships and their components

6.1.3 Information on the same shareholders who are presumed to be in a controlling and subordinate relationship: None

6.1.4 Industries covered by the overall business of the Company's affiliates

Thunder Tiger Corporation and its affiliated companies are global leaders in the production and sales of radio-controlled models. Their main business scope covers the manufacturing and trading of micro and large unmanned vehicles, remote-controlled airplanes, helicopters, vehicles, boats and related parts and engines, aseptic packaging products, as well as medical devices.

6.1.5 Information of directors, supervisors, and presidents of each affiliated enterprise

Unit: NT$ thousands

Company Name	Title	Name or Representative	Holding	
			Shares	(%)
UPTOP LIMITED	Director	Thunder Tiger Corp. Representative：Kwan Zu, Chen	50	100%
GOLDEN MIRAGE CORPORATION	Director	UPTOP LIMITED Representative：Kwan Zu, Chen	50	100%
MANFORD INVESTMENTSLTD.	Director	Thunder Tiger Corp. Representative：Kwan Zu, Chen	12,000	100%
THUNDE TIGER (USA) CORP.	Director	MANFORD INVESTMEMTS LTD Representative：Sheng Chieh, Su	10,200	100%
ASSOCIATED ELECTRICS, INC.	Director	THUNDE TIGER (USA) CORP. Representative：Sheng Chieh, Su	5	100%
THUNDER TIGER INDUSTRIES, INC.	Director	THUNDE TIGER (USA) CORP. Representative：Sheng Chieh, Su	4,600	100%
Hong Kong Thunder Tiger Innovation Co., Limited	Director	THUNDER TIGER ELECTRIC & ENGINEERING CORP. Representative：Kwan Zu, Chen	100,000	100%
Shanghai Thunder Tiger Solutions Trading Co., LTD.	Director	Hong Kong Thunder Tiger Innovation Co., Limited Representative：Kwan Zu, Chen	-	100%
TTBIO Corp.	Director	Thunder Tiger Corp. Representative：Kwan Zu, Chen、Sheng Chieh, Su、Yu Xin, Lai、Zheng Fang, Su、Kun Jin, Zhang Show Chwan Medical Foundation Representative: Wang Cheng, Ko Shangju International Co., Ltd. Representative: Jing Liang, Chen Independent Director： Yong Qian, Wu、Wei En, Wu Supervisor：Shun-Hui, Cai、Yi-Chen, Zhou、Yue Ren, Wu	18,735	62.35%
THUNDER TIGER ELECTRIC & ENGINEERING CORP.	Director	Thunder Tiger Corp. Representative：Kwan Zu, Chen、Sheng Chieh, Su Supervisor：Shi Jie, Zhou	300	100%
TT Media Technology, Inc.	Director	TTSOLUTIONS, INC. Representative：Kwan Zu, Chen、Sheng Chieh, Su、Edward Mattlet Supervisor：Shi Bin, Lin	510	100%

Unit: NT$ thousands

Company Name	Title	Name or Representative	Holding	
			Shares	(%)
TTSOLUTIONS, INC.	Director	Thunder Tiger Corp. Representative：Kwan Zu, Chen、Sheng Chieh, Su、Sheng Yao, Ke	147,365	73.68%
ASSOCIATED ELECTRICS (Taiwan), INC.	Director	ASSOCIATED ELECTRICS, INC. Representative：Kwan Zu, Chen	-	100%
Taiwan Swarm Innovation Inc.	Director	Thunder Tiger Corp. Representative：Kwan Zu, Chen Supervisor：Sheng Chieh, Su	1,340	28.51%
CADCAM MARINE PTY LTD	Director	Thunder Tiger Corp. Representative：Kwan Zu, Chen、Sheng Chieh, Su、Yeh Hsing, Chen Supervisor：Kun Ming, Cheng、Yi Ju, Cho	15,000	60%

6.1.6 Operation al Highlights of Affiliated Enterprises

December 31, 2025; Unit: NT$ thousands

Company Name	Paid-in Capital	Assets	Liabilities	Equity	Net Sales	Profit (loss) from Operations	Net Profit (Loss)	Earnings Per Share (NT$)
MANFORD INVESTMENTS, LTD.	$384,940	436,967	-	436,967	-	(40,070)	(25,205)	(2.10)
UPTOP LIMITED	-	1	-	1	-	-	-	-
GOLDEN MIRAGE CORPORATION	-	1	-	1	-	-	-	-
ASSOCIATED ELECTRICS, INC.	$ 79,083	442,792	131,082	311,710	621,878	(35,750)	(25,044)	(5,009)
THUNDER TIGER INDUSTRIES INC.	$147,379	3,081	38	3,043	-	(1,332)	(1,309)	(0.28)
THUNDER TIGER (USA) CORP.	$325,774	360,823	-	360,823	-	(3)	(25,200)	(2.47)
TTBIO Corp.	$300,050	622,444	265,058	357,386	398,880	(21,231)	(21,300)	(0.71)
THUNDER TIGER ELECTRIC & ENGINEERING CORP.	$ 3,000	663	1,119	(456)	-	(10)	(9)	(0.03)
TT Media Technology, Inc.	$ 5,100	15,888	3,108	12,780	29,010	3,862	3,836	7.52
TTSOLUTIONS, INC.	$100,000	289,850	164,155	125,695	389,007	13,117	13,158	0.66
Hong Kong Thunder Tiger Innovation Co., Limited	$ 2,170	2	1,121	(1,119)	-	-	(494)	-
Shanghai Thunder Tiger Solutions Trading Co., LTD.	$ 2,170	1,866	2,985	(1,119)	-	(493)	(494)	-
ASSOCIATED ELECTRICS (Taiwan), INC.	$ 13,860	14,537	13,652	886	-	(2,215)	(2,215)	-
Taiwan Swarm Innovation Inc.	$ 32,406	110,419	52,270	53,149	152,027	10,203	11,815	4.99
CADCAM MARINE PTY LTD	$152,500	115,491	52,196	63,295	40,969	(6,629)	(8,446)	(0.34)

Note (1)：The asset and liability items are based on the year-end exchange rate.: US$1：NT$31.42；CNY$1：NTD$4.496.

Note (2)：The income statement items are based on the annual average exchange rate:US$1：NT$31.13；CNY$1：NTD$4.3301.

6.2 Private Placement Securities in the Most Recent Years: None

6.3 Other necessary supplementary information: None

6.4 In the most recent fiscal year and up to the date of publication of this annual report, there were no events as defined under Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act that would have had a material impact on shareholders' equity or securities prices: None

THUNDER TIGER CORP.

Chairman Kwan Zu, Chen