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HARVATEK

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<https://www.harvatek.com>

宏齊科技

Harvatek Corporation

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.

Printed on May 26, 2026

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Spokesperson

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Title : Finance Dept. Deputy Director

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Deputy Spokesperson

Name : Chia Tzu Li

Title : Administration Dept. Manager

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2.Headquarters, Branches and Plant :

Headquarters

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Hsinchu Science Park Branch

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3. Common Share Transfer Agent and Registrar :

Company: : Horizon Securities Co., LTD.

Address : 3F., No. 236, Sec. 4, Xinyi Rd., Xinyi Dist., Taipei City 110, Taiwan (R.O.C.)

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4. Auditors

Deloitte & Touche

Auditors : Fang Su-lie 、Zhang Ya-Yun

Address : 20F, Taipei Nan Shan Plaza No. 100, Songren Rd., Xinyi Dist., Taipei 110, Taiwan

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5.Overseas Securities Exchange : None

6.Corporate Website : <http://www.harvatek.com>

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I. Letter to Shareholders

Dear Shareholders :

According to a report by TrendForce, affected by the sluggish global economy and reciprocal tariff policies, demand in the LED end-market remained weak. By application segment, the traditional backlight LED market continued to decline, while the general lighting LED market was impacted by falling prices, resulting in a significant decrease in production value in 2025. The display LED market also recorded negative growth in 2025 due to weak end demand and the erosion caused by COB technology. Nevertheless, certain application segments continued to grow, including automotive LEDs, Mini LED backlights, and Mini LED displays. However, as end-market demand fell short of expectations and prices declined, the overall growth momentum remained limited.

In the long term, with the deepening of global energy-saving policies and the rise of the AI wave, LEDs are no longer merely light-emitting components; rather, they are evolving into core interfaces and sensing terminals within intelligent systems. The principal growth drivers are expected to come from automotive electronics, the maturation of Mini LED display technologies, and AI-driven sensing demand. As the cost of Mini/Micro LED continues to decline and application scenarios continue to expand, these technologies are expected to maintain growth. In addition, supported by the development of new energy vehicles and emerging applications of in-vehicle LEDs, the production value of the automotive LED market is also expected to continue growing. TrendForce estimates that the global LED market production value will increase to US\$15.6 billion in 2029, representing a compound annual growth rate of 4% from 2024 to 2029.

The Company has continued to enhance its process capabilities and has been able to meet customer requirements in terms of product quality and delivery schedules. In addition to promoting products for consumer applications, fine-pitch display products, and IR LEDs, the Company has also been actively expanding into new application markets with higher gross margins, such as wearable applications, smart home appliances, and the automotive market. Furthermore, the Company has invested in the production and sales of Mini LED and RGB+IC products, and has officially launched its LED all-in-one display products. Leveraging its outstanding COB and MIP technologies, the Company is able to directly meet end customers' demand for high-end displays.

In 2025, the Company's operating revenue increased by 5.60% compared with the previous year, while net loss after tax amounted to NT\$1.874 million. The Company's business performance for 2025 and business plan for 2026 are reported as follows:

1 、 2025 Business Report

(A) Implementation of Business Plan

For 2025, the Company's net operating revenue amounted to NT\$2,070,429 thousand, representing an increase of 5.60% compared with the previous year. Gross margin decreased from 25.41% to 25.27%, while the operating expense ratio decreased from 29.11% to 27.23%. Operating net loss narrowed from NT\$72.526 million to NT\$40.639 million. Non-operating income amounted to NT\$55.051 million, and net loss after tax was NT\$1.874 million. Net income attributable to owners of the parent amounted to NT\$11.289 million, and earnings per share after tax were NT\$0.05.

(B) Budget Implementation Status

The Company did not publicly announce any financial forecast for 2025. The actual implementation results of capital expenditures and general expenses did not differ significantly from the internal budget.

(C) Analysis of Financial Position and Profitability

In 2025, the Company and its consolidated subsidiaries recorded net cash outflows from operating activities of NT\$55.608 million. After taking into account net cash inflows or outflows from investing and financing activities, as well as the effect of exchange rate changes, cash and cash equivalents decreased by NT\$265.757 million. The balance of cash and cash equivalents at the end of the period was NT\$307.440 million. The Company's profitability in 2025 improved slightly compared with the previous year. The relevant ratios are as follows:

	2024	2025
Return on total assets (%)	(0.44)	0.04
Return on stockholders' equity (%)	(0.63)	(0.06)
Pre-tax income to paid-in capital (%)	(0.89)	0.70
Profit ratio (%)	(1.03)	(0.09)
Earnings per share (NT\$)	0.03	0.05

(D) R&D Developments

During the year, in addition to continuing the research and development of the Company's existing consumer application products, display products, and IR LEDs, the Company also continued to develop new products such as Mini LED, CSP, RGB+IC, and VCSEL. The Company remains committed to improving the luminous efficiency, brightness, and other functional performance of related products, while continuously investing in the

enhancement of process capabilities and the reduction of material costs.

In addition, the Company has also expanded into the semiconductor field by applying its LED packaging technologies to IC packaging, with a view to broadening its business scope.

2、Summary of the 2026 Business Plan

In 2026, the macroeconomic environment is expected to remain subject to considerable uncertainties. Nevertheless, driven by the continued expansion of LED application markets and advances in packaging technologies, demand is expected to grow, and the production value of the LED market in 2026 is anticipated to increase slightly. Accordingly, the Company's sales volume is also expected to grow compared with the previous year.

The Company will continue to focus on improving product manufacturing processes, reducing product costs, enhancing equipment efficiency, and increasing product yield rates, so as to ensure that its products meet market demand. Externally, the Company will seek stable business partners and expand its outsourced production and sales mechanism, positioning itself as a key strategic partner within the industry supply chain. Internally, the Company will optimize its product portfolio, improve factory utilization rates, and enhance product gross margins, thereby creating greater value for shareholders.

3. Future Company Development Strategies

In view of the intense competition in the LED market, the low-priced product segment has severely eroded manufacturers' profitability. In addition to continuously reducing production costs, improving product quality, and shortening customer delivery lead times, the Company is also actively working with customers to jointly develop new products and expand into new application markets.

The Company aims to become an indispensable business partner to its customers and to secure early opportunities in developing high-margin niche products. By doing so, the Company seeks to break away from the vicious cycle of price-cutting competition and maximize corporate profitability.

4. Impact of External Competition, Regulatory Environment, and Macroeconomic Conditions

Global economic growth continues to demonstrate a certain degree of resilience. In 2026, overall growth momentum is expected to slow slightly compared with 2025 or remain generally flat. Key variables affecting the economic outlook include the development trajectory of the AI industry, U.S. tariff policies, and the issue of overcapacity in China, with varying degrees of

impact on major economies.

Developed countries are benefiting from easing inflation and the energy transition, resulting in strong demand for the replacement of smart streetlights and industrial energy-saving lighting. However, in emerging markets, growth momentum remains relatively unstable due to capital outflows and exchange rate volatility.

The domestic LED industry is facing the dual challenges of global macroeconomic uncertainty and weakness in traditional consumer markets. At the same time, tariff-related issues have also created disruptions, resulting in limited visibility on future orders. In order to move away from the red ocean competition in the traditional lighting and backlight markets, industry players have gradually shifted their operational focus toward the automotive market and high-end sensing components, seeking to return to a growth trajectory through these two core growth engines.

The Company will continue to strengthen risk management and refine its internal management practices. At the same time, the Company will promote intelligent production and accelerate improvements in its manufacturing processes and operating models, thereby shortening its response time to changes in the external environment and enhancing its adaptability. These efforts will enable the Company to achieve sustainable operations and development in today's volatile and highly uncertain era.

Finally, on behalf of the Company's management team, I would like to express our sincerest gratitude to all shareholders for your continued support and trust.

Sincerely,

Good health and prosperity.

HARVATEK CORPORATION

Chairman Wang, Ping-Lung

II. Corporate Governance Report

2.1 Background Information on Directors, Supervisors, General Managers, Vice General, Managers, Assistant Managers and Heads of Various Departments and Branches

2.1.1 Directors

2.1.1.1 Information about directors

April 28, 2026 Unit: Shares %

Title	National ity	Name	Gender /Age	Date Elected	Term (Year)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience & Education	Current Positions at HARVATEK and Other Companies	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	R.O.C.	Wang, Ping-Lung	Male 61-70	2024.06.25	3	1995.03.03	13,680,237	6.63	13,680,237	6.65	4,895,995	2.38	-	-	Department of Shipping Technology, National Chiao Tung University Junior Officer of Wah Kwong Shipping Company Manager of UMC Factory Director of Unimicron The Fourth Chairman of Taiwan Optoelectronic Semiconductor Industry Association	Chairman & President of Harvatek Corporation Chairman of Youngtek Electronics Corp Chairman of Honor Light Ltd Chairman of Harvatek International (USA) Corp. Chairman of Harvatek (HK) Limited Chairman of Qunxin Venture Capital Co., Ltd. Director of Consenstek Corporation	-	-	-	Notes 1
Director	R.O.C.	Hsun Chieh Investment Co., Ltd.	-	2024.06.25	3	2000.06.07	28,023,066	13.59	28,023,066	13.62	-	-	-	-	-	-	-	-	-	-
Director	R.O.C.	Hsun Chieh Investment Co., Ltd Representative: Tsai, Guo-Tsang	Male 41-50	2024.06.25	3	2018.08.16	-	-	109,000	0.05	-	-	-	-	Institute of Economics, National Taiwan University Manager of Investment Department of Mercuries Life Insurance Researcher, Research Department of Industrial Bank of Taiwan	Vice President of Swiftness Investment Co., Ltd.	-	-	-	-
Director	R.O.C.	Li-Chi Investment Co., Ltd.	-	2024.06.25	3	2009.06.10	3,506,491	1.70	3,506,491	1.70	-	-	-	-	-	-	-	-	-	-
Director	R.O.C.	Li-Chi Investment Co., Ltd. Representative: Wu, Ying-Chih	Male 61-70	2024.06.25	3	2012.06.18	-	-	-	-	-	-	-	-	Department of Physics, National Changhua University of Education. Vice President of UMC	Consultant of HARVATEK CORPORATION Director of Society of Manufacturing Engineers, SME Honorary Chairman of Association of Quality Manager, AQM Director of Professional Management Association of Hsinchu Director of Hsinchu Science Management Association Member of the Accreditation Council of the Institute of Engineering Education Taiwan Chairman of the Management Quality Committee of the Chinese Society for Quality	-	-	-	-

																	Counselor for the Small Business Manpower Improvement Program of the Workforce Development Agency, Ministry of Labor Member of the the Taiwan-made Product MIT Smile logo Certification Review Committee Independent Director of Forcecon.				
Independent Director	R.O.C.	Wu, Kuang-Yi	Male 61-70	2024.06.25	3	2018.06.21	-	-	-	-	-	-	-	-	-	Department of Electronic Engineering, National Chiao Tung University President of Acer Computer America Partner of InveStar Capital Chairman of Hua nan FINANCIAL Management Consulting Chairman of SPRING Foundation of NCTU	Chairman of SYU HUA Management Consulting Co., Ltd. Chairman of Cruise10 Co.,Ltd Independent Director of Gigastone Co., Ltd. Independent Director of Apacer Technology Co., Director of Antec Technology Co., Ltd. Chairman of the National Chiao Tung University Alumni Association	-	-	-	-
Independent Director	R.O.C.	Liao, Ming-Cheng	Male 61-70	2024.06.25	3	2018.06.21	-	-	-	-	-	-	-	-	-	Department of Business Administration, Fu Jen Catholic University. General Manager of Focaltech Electronics Co., Ltd. Director of Finance and Accounting Department of SUNPLUS TECHNOLOGY CO., LTD. General Manager of Orise Technology Co., Ltd.	Chairman of Xiamen Xm-Plus Technology Ltd.	-	-	-	-
Independent Director	R.O.C.	Chen, Chi-Kai	Male 61-70	2024.6.25	3	2024.6.25	-	-	-	-	-	-	-	-	-	Department of Atmospheric Physics, National Central University		-	-	-	-
Independent Director	R.O.C.	Li, Pei-Ying	Female 51-60	2024.6.25	3	2024.6.25	-	-	-	-	-	-	-	-	-	Master of Science and Technology Law, National Yang Ming Chiao Tung University Master of Business Administration (MBA) from University of California, Riverside	Independent Director of Holtek Semiconductor Chengyuan Business Law Firm Hsinchu Branch Chief Attorney Chief Accountant of Patty Li CPA Firm Chairman of Insight Consulting Corporation Director of JBG Hotel Co., Ltd Independent Director of M31 Technology Corporation	-	-	-	-

NOTES1 : The Chairman of the Company concurrently serves as the President in order to enhance management efficiency and decision-making effectiveness. However, to strengthen the independence of the Board of Directors, the Company has proactively been cultivating suitable candidates to assume the role of President. Additionally, the Chairman maintains close and regular communication with all directors to keep them informed of the Company's operational status and strategic plans, thereby ensuring sound corporate governance. Moving forward, the Company also plans to enhance the Board's functionality and supervisory capability by increasing the number of independent directors. The Company has already implemented the following specific measures:

1. Strengthening the Composition and Supervisory Function of the Board of Directors
The Board currently consists of seven members, including four independent directors, representing 57.14% of the Board. This demonstrates the Company's high level of independent oversight. All independent directors possess professional backgrounds and industry experience, enabling them to provide effective advice and supervision over management operations.
2. Enhancing Board Functionality
The Chairman maintains close communication and transparency with all directors, particularly the independent directors, on a regular basis. Board meetings are held periodically to ensure that all major operational decisions are subject to appropriate discussion and oversight.
3. Ongoing Enhancement of Corporate Governance Mechanisms
The Company continues to strengthen the effectiveness of its functional committees, including the Audit and Risk Management Committee and the Remuneration Committee, to further implement robust corporate governance practices.

Major Shareholder of the institutional shareholder

April 28, 2026

Name of Institutional Shareholders	Major Shareholders
Hsun Chieh Investment Co., Ltd	Hsieh Yong Capital Co., Ltd. (63.51%) 、 UMC (36.49%)
Li-Chi Investment Co., Ltd.	Wang, Ping-Lung (90%) 、 Wang Yu (10%)

Major shareholders of the major shareholders that are juridical persons

April 28, 2026

Name of Institutional Shareholders	Major Shareholders
Hsieh Yong Capital Co., Ltd.	Unimicron Technology Corp. (16.67%); Novatek Microelectronics Corp. (15.15%); Yanyuan Investment Company (28.86%); Faraday Technology Corporation (12.12%); King Yuan Electronics Co., Ltd. (7.58%)
UMC	American JPMorgan Chase escrows the special account of UMC's overseas depositary receipts (5.16%); Hsun Chieh Investment (3.52%); CAPITAL TIP CUSTOMIZED TAIWAN SELECT HIGH DIVIDEND EXCHANGE TRADED FUND (3.11%); SiS Technology Co., Ltd. (2.13%); Taiwan Life Insurance Co., Ltd. (1.74%) ; Taipei Fubon Commercial Bank Co., Ltd., in custody for the account of Fuh Hwa Taiwan Technology Dividend ETF Securities Investment Trust Fund (1.68%); Hua Nan Commercial Bank, Ltd., in custody for the account of Yuanta Taiwan Value High Dividend ETF Securities Investment Trust Fund (1.66%); Taishin International Bank Co., Ltd., in custody for the account of Cathay Taiwan ESG Sustainability High Dividend ETF Securities Investment Trust Fund under Cathay Taiwan High Dividend Umbrella Securities Investment Trust Fund (1.66%) ; Yanyuan Investment Company (1.54%); KGI Life Insurance Co., Ltd. (1.50%)

2.1.1.2 Disclosure of Director Professional Qualifications and Independent Director Independence Information

Criteria/Name	Professional qualifications and experience	Independence situation	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairman Wang, Ping-Lung	Graduated from the Department of Marine Technology of National Chiao Tung University, he is the founder of our company. He has worked as the manager of the manufacturing department of UMC, the director of Xinxing Electronics, and the chairman of the Taiwan Optoelectronics Semiconductor Industry Association. He is currently the chairman and general manager of our company and the chairman of Jiuyuan Electronics. He has a thorough understanding of the development of the optoelectronics and semiconductor industries in which the company is currently located, and has professional qualifications and experience in leadership decision-making, business management, operational judgment, business, and operations.	The chairman also serves as the general manager of the company and concurrently holds the position of chairman of a related company (a wholly-owned subsidiary). Additionally, the chairman is among the top ten individual shareholders of the company but is not an independent director. However, the chairman meets the independence criteria outlined in Article 3, Paragraph 1 of the "Regulations Governing the Appointment and Compliance Matters of Independent Directors of Public Companies" issued by the Financial Supervisory Commission.	0
Hsun Chieh Investment Co., Ltd. Representative: Tsai, Guo-Tsang	He graduated from the Graduate School of Economics at National Taiwan University and has worked as a manager in the investment department of Sanshang Meiban and a researcher in the research department of Industrial Bank of Taiwan. He is currently the deputy general manager of Swift Investment Co., Ltd. and is good at investment research and analysis. Have more than five years of work experience required by the company's business	The directors act as the representatives of the company's legal board members and are not independent directors. However, they meet the independence criteria outlined in Article 3, Paragraph 1 of the "Regulations Governing the Appointment and Compliance Matters of Independent Directors of Public Companies" issued by the Financial Supervisory Commission.	0
Li-Chi Investment Co., Ltd. Representative: Wu, Ying-Chih	Graduated from the Department of Physics of Changhua Normal University, he has more than five years of work experience required for corporate business. He has served as a senior executive at UMC and is good at factory management and operational strategy planning.	The directors act as the representatives of the company's legal board members and are not independent directors. However, they meet the independence criteria outlined in Article 3, Paragraph 1 of the "Regulations Governing the Appointment and Compliance Matters of Independent Directors of Public Companies" issued by the Financial Supervisory Commission.	1
Independent Director Wu, Kuang-Yi	With more than five years of work experience required for corporate business, he has served as the president of Acer Computer USA and the chairman of the financial management consulting company and strengths in formulating and executing operational and investment strategies for the computer and panel industries and related sectors	All four independent directors listed on the left have met the qualification requirements set forth in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission, as well as Article 14-2 of the Securities and Exchange Act, both within the two years prior to their appointment and during their tenure. Furthermore, in accordance with Article 14-3 of the Securities and Exchange Act, all independent directors have been granted sufficient authority to participate in decision-making and to express their opinions independently, thereby enabling them to effectively exercise their duties.	2
Independent Director Liao, Ming-Cheng	With more than five years of work experience required by the company's business, he used to be the chief financial officer of a semiconductor company and has expertise in the field of financial accounting.		0
Independent Director Chen, Chi-Kai	Graduated from the Department of Atmospheric Physics of National Central University, he has more than five years of work experience required for corporate business. He was the general manager of a semiconductor company. He is good at decision-making, management and business development, and has rich experience in business development and management. He can effectively lead enterprises to improve business performance and market competitiveness.		0
Independent Director Li, Pei-Ying	She holds a master's degree from the Institute of Science, Technology and Law at National Chiao Tung University and an MBA from the University of California, Riverside. She has worked in semiconductor companies, holding important positions such as CFO, deputy general manager, spokesperson and director. She has also served as deputy manager of the audit and tax departments of accounting firms. She has rich industry practical experience and professional finance and taxation background. She is currently the chief attorney of Chengyuan Business Law Firm's Hsinchu branch, the chief accountant of Patty Li CPA Firm, and the chairman of Insight Consulting Corporation. She is also qualified as a professional lecturer for courses related to corporate governance and ESG sustainable development. Her expertise covers areas such as decision-making, business management, business and financial analysis, and tax regulations. She possesses integrated professional capabilities across law, accounting, and business management, and can effectively assist companies in implementing governance mechanisms and improving sustainable business performance.		2

Notes: All directors of our company have been examined, and none of them are currently involved in any of the situations specified in Article 30 of the Company Act.

2.1.1.3 Board of Directors Independence:

The Company has established a director nomination system to ensure that the selection procedures for all directors are open and fair. These procedures comply with the Company's Articles of Incorporation, Rules for Election of Directors, Corporate Governance Principles, the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and Article 14-2 of the Securities and Exchange Act. The current composition of the Board of Directors is as follows: four independent directors (57.14%) and three non-independent directors (42.86%), of which two directors (28.57%) are employee representatives. Female directors account for 14.29% of the Board. None of the directors are related to one another by marriage or within the second degree of kinship, in accordance with Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. The Board of Directors is responsible for guiding the Company's strategic direction, supervising the management team, and being accountable to the Company and its shareholders. In all matters related to corporate governance practices, the Board exercises its powers in accordance with applicable laws, the Articles of Incorporation, and resolutions of the Shareholders' Meeting. The Board emphasizes independent operations and transparency. Both directors and independent directors act independently in performing their duties. The four independent directors, in accordance with relevant laws and with the support of the Audit and Risk Committee, oversee risk control measures for existing and potential company risks, ensure the effective implementation of internal controls, supervise the appointment or dismissal and independence of the certified public accountant (CPA), and ensure the proper preparation of financial statements. According to the Company's Rules for Election of Directors, directors and independent directors are elected using a cumulative voting system and a nomination system. The Company encourages shareholder participation; shareholders holding a certain proportion of shares may nominate director candidates. The qualification review of candidates and confirmation of compliance with Article 30 of the Company Act are carried out in accordance with legal procedures and publicly announced to safeguard shareholder rights. These measures are designed to prevent monopolization or excessive abuse of the nomination right, thereby maintaining the independence of the Board. The Company has established a Board performance evaluation system, which includes an annual self-assessment of the Board as a whole and self-assessments by individual directors. The Board evaluation covers the following five dimensions: (1) Participation in the Company's operations (2) Quality of decision-making by the Board (3) Composition and structure of the Board (4) Director appointment and continuing education (5) Internal controls; The self-evaluation for individual Board members covers six dimensions: (1) Understanding of the Company's goals and missions (2) Awareness of director responsibilities (3) Participation in Company operations (4) Internal relationship management and communication (5) Professionalism and continuing education (6) Internal controls.

The results of these evaluations are reported to the Board and disclosed in the Company's annual report and on the official website.

Additionally, in order to ensure transparency of the Board's operations to the investing public, the Company has disclosed the following information in its annual report, on our website, and on the Market Observation Post System (MOPS): (1) Attendance of Board members at meetings (2) Board meeting agendas and resolutions (3) Directors' continuing education activities (4) Changes in directors' shareholdings, including shareholding ratios, transfers, and pledges.

2.1.1.4 Board Diversity:

Our company's "Corporate Governance Guidelines" Article 20 establishes a policy for board member diversity. Without restricting gender, race, or nationality, and recognizing the knowledge, skills, and qualifications necessary to perform their duties, the board as a whole should possess the following abilities to achieve the ideal goals of corporate governance:

1. Operational judgment ability; 2. Accounting and financial analysis ability; 3. Business management ability; 4. Crisis management ability; 5. Industry knowledge; 6. International market perspective; 7. Leadership ability; 8. Decision-making ability.

To strengthen corporate governance and promote the sound development of board composition and structure, our company's "Corporate Governance Best Practices" Article 20, Paragraph 3, establishes that the composition of the board of directors should consider diversity. Except for directors concurrently serving as company executives, the number of such directors should not exceed one-third of the total board seats. Additionally, appropriate diversity policies should be formulated based on the company's own operations, business models, and development needs, including but not limited to the following two major aspects:

1. Basic criteria and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

The specific management goals and achievements of our company's diversity policy are as follows:

Management Goals	Achievement status
The number of independent directors exceeds one third of the number of directors	Achieve
The number of directors who also serve as managers of the company does not exceed one-third of the number of directors	Achieve
The term of independent directors has not exceeded 3 terms	Achieve
Adequate and diverse professional knowledge and skills	Achieve

The current board member diversity policy of the Company and its implementation are as follows:

Diversity Core Program	Basic component										Industry experience				Professional ability			
	Nationality	Gender	Also an employee of the company	Age				Length of tenure of independent directors			Bank	Securities	Insurance	Asset Management	Accounting	Law	Information Technology	Risk Management
				41-50	51-60	61-70	71+	3ys less	3ys-9ys	9ys +								
Name																		
Wang, Ping-Lung	R.O.C	M	V			V											V	V
Hsun Chieh Investment Co., Ltd. Representative: Tsai, Guo-Tsang	R.O.C	M		V								V		V				V
Li-Chi Investment Co., Ltd. Representative: Wu, Ying-Chih	R.O.C	M	V			V											V	V
Wu, Kuang-Yi	R.O.C	M				V			V					V			V	V
Liao, Ming-Cheng	R.O.C	M				V			V			V			V		V	V
Chen, Chi-Kai	R.O.C	M				V		V									V	V
Li, Pei-Ying	R.O.C	F			V			V							V	V	V	V

The Company has a total of 7 board members, including 1 female director, accounting for 14.29%. Currently, the proportion of female directors is less than one-third. The reason is that most of the members of the Company's Board of Directors are people with professional backgrounds and experience in the industry. In the past, when directors were selected based on their expertise and experience, no specific gender ratio target was set, resulting in the current number of female directors being less than one-third. In order to enhance the gender and background diversity of the Board of Directors, the Company will take gender diversity into consideration when nominating directors in the future, and will increase the number of female directors to one-third of the board seats in the 12th Board of Directors election.

2.1.2 Information Regarding Management Team

April 28, 2026 Unit: TWD Thousand; Thousand Shares ;%

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		HARVATEK Shareholding by Nominee Arrangement		Experience & Education	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
President	R.O.C.	Wang, Ping-Lung	Male	2013.01.01	13,680,237	6.65	4,895,995	2.38	-	-	Department of Marine Transportation Technology, National Chiao Tung University Third Officer, Wah Kwong Marine Transportation Manager of UMC Plant Director, Unimicron Technology Corp. 4th Chairman, Taiwan Optoelectronic Semiconductor Industry Association (TOSIA)	Chairman&President of Harvatek Corporation Chairman of Youngtek Electronics Corp Chairman of Honor Light Ltd Chairman of Harvatek International (USA) Corp. Chairman of Harvatek (HK) Limited Chairman of Qunxin Venture Capital Co., Ltd. Director of Consentek Corporation	-	-	-	NOTES 1
Senior Vice President	R.O.C.	Chuang, Feng-Hui	Male	2005.04.01	601	-	-	-	-	-	Department of Mechanical Engineering, Lunghwa University. Deputy Manager of EVERLIGHT ELECTRONICS CO., LTD	Chairman of SYNTEK Co., Ltd. Director of Sleiipnir LED Co., Ltd	-	-	-	-
Vice President	R.O.C.	Chang, Tien-Chien	Male	2016.06.21	9,200	-	-	-	-	-	Master of Business Administration, University of Portland Director of Unimicron. Vice President of Jingzhun Precision Co., Ltd.	President of Harvatek International (USA) Corp	-	-	-	-
Assistant Manager	R.O.C.	Pan, His Ming	Male	2018.03.01	9,200	-	-	-	-	-	Material Institute Master, National Cheng Kung University PhD, Institute of Materials, NCKU Section Manager, ELECTRONIC & OPTOELECTRONIC SYSTEM RESEARCHs, ITRI Vice President of R&D Center, Formosa Epitaxy Incorporation	-	-	-	-	-
Financial Manager	R.O.C.	Su Yu- Hui	Female	2013.08.01	5,198	-	-	-	-	-	Department of Industrial Economics, Tamkang University Deputy Manager of Underwriting Department of Entrust Securities Deputy Manager of Underwriting Department of Capital Securities Corporation Manager of Underwriting Department of First Securities Inc. Audit Office Manager of TYNSOLAR CORPORATION	Supervisor of Sleiipnir LED Co., Ltd Supervisor of Consentek Corporation Supervisor of Sleiipnir LED Co., Ltd	-	-	-	-
Assistant Manager	R.O.C.	Lin,,Ming-Kuei	Male	2021.04.13	198	-	-	-	-	-	Department of Physics, Fu Jen Catholic University Deputy Director of Quality Assurance Department of EVERLIGHT ELECTRONICS CO., LTD	-	-	-	-	-
Assistant Manager	R.O.C.	HSIAO, HUI-CHUN	Female	2025.12.29	11,000	-	202	-	-	-	Department of Applied Mathematics, Providence University Sales Manager, OEM Business Division, Harvatek Corporation	Director of SYNTEK Co., Ltd.				

Note: The Chairman of the Company concurrently serves as the President in order to enhance management efficiency and decision-making effectiveness. However, to strengthen the independence of the Board of Directors, the Company has proactively been cultivating suitable candidates to assume the role of President. Additionally, the Chairman maintains close and regular communication with all directors to keep them informed of the Company's operational status and strategic plans, thereby ensuring sound corporate governance. Moving forward, the Company also plans to enhance the Board's functionality and supervisory capability by increasing the number of independent directors. The Company has already implemented the following specific measures:

(1) Strengthening the Composition and Supervisory Function of the Board of Directors

The Board currently consists of seven members, including four independent directors, representing 57.14% of the Board. This demonstrates the Company's high level of independent oversight. All independent directors possess professional backgrounds and industry experience, enabling them to provide effective advice and supervision over management operations.

(2) Enhancing Board Functionality

The Chairman maintains close communication and transparency with all directors, particularly the independent directors, on a regular basis. Board meetings are held periodically to ensure that all major operational decisions are subject to appropriate discussion and oversight.

(3) Ongoing Enhancement of Corporate Governance Mechanisms

The Company continues to strengthen the effectiveness of its functional committees, including the Audit and Risk Management Committee and the Remuneration Committee, to further implement robust corporate governance practices.

2.2 Remunerations paid to directors, supervisors, general managers and vice general managers in recent years

2.2.1 Remuneration Paid to Directors

December 31, 2025 Unit: TWD Thousand; Thousand Shares

Title	Name	Director Remuneration								Total Remuneration (A+B+C+D) as a% of Net Loss after tax		Compensation Earned by a Director Who is an Employee of Harvatek or of Harvatek's Consolidated Entities								Total Compensation (A+B+C+D+E+F+G) as a% of Net Loss after tax		Remuneration received from investee companies outside of subsidiaries or from the parent company
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances (D)				Base Compensation Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employees' Profits Sharing Bonus (G)						
		From Harvatek	All companie s within the Financial Report	From Harvatek	All companie s within the Financial Report	From Harvatek	All companies within the Financial Report	From Harvatek	All companies within the Financial Report	From Harvatek	All companies within the Financial Report	From Harvatek	All companies within the Financial eport	From Harvate k	All companie s within the Financial eport	From Harvatek		From All Consolidated Entities		From Harvate k	All companies within the Financial Report s	
																Cash	Stock (Fair Market Value)	Cash	Stock (Fair Market Value)			
President	Wang, Ping-Lung	-	-	-	-	40	40	21	21	61	61	1,860	1,860	-	-	12	-	12	-	1933	1,933	None.
										0.54	0.54											
Director	Hsun Chieh Investment Co., Ltd.	-	-	-	-	40	40			40	40	-	-	-	-	-	-	-	-	40	40	None.
										0.35	0.35											
Director	Hsun Chieh Investment Co., Ltd. Representative: Tsai, Guo-Tsang	-	-	-	-	-	-	21	21	21	21	-	-	-	-	-	-	-	-	21	21	None.
										0.19	0.19											
Director	Li-Chi Investment Co., Ltd.	-	-	-	-	40	40	-	-	40	40	-	-	-	-	-	-	-	-	40	40	None.
										0.35	0.35											
Director	Li-Chi Investment Co., Ltd. Representative: Wu, Ying-Chih	-	-	-	-	-	-	21	21	21	21	632	632	36	36	3	-	3	-	692	692	None.
										0.19	0.19											
Independent Director	Wu, Kuang-Yi	180	180	-	-	40	40	39	39	259	259	-	-	-	-	-	-	-	-	259	259	None.
										2.30	2.30											
Independent Director	Liao, Ming-Cheng	180	180	-	-	40	40	48	48	268	268	-	-	-	-	-	-	-	-	268	268	None.
										2.37	2.37											
Independent Director	Chen, Chi-Kai	180	180	-	-	40	40	48	48	268	268	-	-	-	-	-	-	-	-	268	268	None.
										2.37	2.37											
Independent Director	Li, Pei-Ying	180	180	-	-	40	40	48	48	268	268	-	-	-	-	-	-	-	-	268	268	None.
										2.37	2.37											
1. Please state the policies, systems, standards and structure of independent directors' remuneration, and, according to the responsibilities, risks, time invested and other factors, describe the relevance to the remuneration amount: The remuneration of independent directors of the company is based on Article 18 of the Articles of Incorporation, authorizing the board of directors to determine the extent of their participation in the company's operations and the value of their contribution to the company's operations, with reference to the standards of the industry; The remuneration is based on the results of the director's performance evaluation. After the Compensation Committee's deliberation, it was submitted to the board of directors for resolution and approval in accordance with Article 29 of the Articles of Incorporation. In addition, on December 26, 2019, the company formulated the rules for the remuneration of directors and functional committee members, stipulating that independent directors will be paid a fixed remuneration according to their responsibilities, risks, and time invested as functional committee members.																						
2. Besides those disclosed in the above table, remunerations paid to directors in the most recent year for having provided services to all companies covered in the Financial Report (such as working as a consultant who is not an employee): None																						

2.2.2 Remuneration Paid to President and Vice Presidents

December 31, 2025, Unit: TWD Thousand; Thousand Shares

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonuses and Allowances(C)		Employees' Profit Sharing Bonus (D)				Total Compensation as a % of 2019 Net Profit (A+B+C+D)		Any remuneration outside of subsidiaries from re-investment businesses or the parent company
		From Harvatek	From All Consolidated Entities	From Harvatek	From All Consolidated Entities	From Harvatek	From All Consolidated Entities	From Harvatek		From All Consolidated Entities		From Harvatek	From All Consolidated Entities	
								Cash	Stock (Fair Market Value)	Cash	Stock (Fair Market Value)			
President	Wang, Ping-Lung	1,530	1,530	-	-	330	330	12	-	12	-	1,872	1,872	None
												16.58	16.58	
Senior Vice President	Chuang, Feng-Hui	1,771	1,771	108	108	1,422	1,422	71	-	71	-	3,372	3,372	None
												29.87	29.87	
Vice President	Chang, Tien-Chien	1,301	1,301	108	108	1,311	1,311	71	-	71	-	2,791	2,791	None
												24.72	24.72	

2.2.3 Individual compensation paid to the five highest-paid managerial officers :

The company does not have the following circumstances, so there is no need to disclose this information.

1. A company that has posted after-tax deficits in the parent company only financial reports or individual financial reports within the three most recent fiscal years.
2. A company is ranked in the lowest tier in the corporate governance evaluation for the most recent fiscal year, or in the most recent fiscal year or up to the date of publication of the annual report for that year, the company's securities have been placed under an altered trading method, suspended from trading, delisted from the TWSE or the TPEX, or the Corporate Governance Evaluation Committee has resolved that the company shall be excluded from evaluation.

2.2.4 The comparison analysis of the ratio of remuneration paid from the Company and from all consolidated entities in the most recent two (2) years to the Company's directors, general managers and deputy general managers to net income in the individual financial statement, and the illustration of remuneration policy, standards and packages, procedures of setting remuneration, and the linkage to operating performance and future risk exposure.

Comparison of Remuneration for Directors, Supervisors, President, and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, President, and Vice Presidents.

2.2.4.1 The 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, President and Vice Presidents of the Company, to the net loss & Profit.

	From HARVATE K				From All Consolidated Entities			
	2024		2025		2024		2025	
	Lump sum	Proportion to net profit after tax (%)	Lump sum	Proportion to net profit after tax (%)	Lump sum	Proportion to net profit after tax (%)	Lump sum	Proportion to net profit after tax (%)
Directors	876	14.95	1,246	11.03	876	14.95	1,246	11.03
President and Vice President	7,645	130.46	8,035	71.17	7,645	130.46	8,035	71.17
Net profit after tax	5,860		11,289		5,860		11,289	
The increase in directors' remuneration in 2025 was due to the increase in net income after tax for 2025.								
The increase in remuneration for the President and Vice Presidents in 2025 was due to the increase in net income after tax for 2025.								

2.2.3.2 Policies, standards and combinations of remuneration payments, procedures for determining remuneration, and their relationship to business performance and future risks:

(1) Director (including independent directors) remuneration distribution policy:

According to the company's articles of association, director remuneration is authorized by the board of directors based on their level of involvement and contribution to the company's operations, taking into account industry standards. If the company is profitable for the year, the board of directors decides to allocate remuneration not exceeding one percent for director fees. Additionally, according to the company's regulations on remuneration for directors and functional committees, directors attending board meetings, other functional committee meetings, or shareholders' meetings are entitled to receive transportation allowances. Furthermore, as all independent directors also serve as members of the audit and risk committee, remuneration and compensation committee, and information security committee, they are responsible for participating in discussions and decisions during committee meetings. Therefore, besides regular director fees, they receive fixed remuneration monthly.

(2) Managerial staff remuneration distribution policy:

Our company, as stipulated in Article 29 of the company's articles of association, mandates that if the company is profitable for the year, at least six percent should be allocated for employee compensation, to be distributed by the board of directors in the form of stocks or cash, with recipients including eligible employees of subsidiary companies. This distribution requires reporting to the shareholders' meeting. Managerial staff remuneration consists of salaries and bonuses. Salaries are determined based on industry standards, job titles, ranks, education (or experience), professional abilities, and responsibilities. Bonuses are determined based on performance evaluation criteria, including financial indicators (such as achievement rates of company revenue, operating profit, and net profit after tax) and non-financial indicators (such as significant deficiencies in legal compliance and operational risks within departments). As per the regulations of the company's remuneration and compensation committee, remuneration should be reviewed and approved by the committee before being submitted to the board of directors for approval.

(3) The procedures for setting director and managerial staff remuneration are based on the company's board performance evaluation method and employee performance assessments, considering the company's operational performance, future risks, development strategies, industry trends, and individual contributions to the company's performance, to provide reasonable compensation. Performance evaluations and remuneration distributions are subject to review and approval by the remuneration and compensation committee and the board of directors, with periodic reviews of the remuneration distribution policy to balance the interests of sustainable business operations and stakeholders.

2.3 Status of Corporate Governance

2.3.1. Board of Directors Meeting Status

A total of 6 meetings of the Board of Directors were held in 2025. The directors' attendance status is as follows.

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) B/A	Remarks
Chairman	Wang, Ping-Lung	6	0	100.00	
Director	Hsun Chieh Investment Co., Representative: Tsai, Guo-Tsang	6	0	100.00	
Director	Li-Chi Investment Co., Ltd. Representative: Wu, Ying-Chih	6	0	100.00	
Independent director	Wu, Kuang-Yi	6	0	100.00	
Independent director	Liao, Ming-Cheng	6	0	100.00	
Independent director	Chen, Chi-Kai	6	0	100.00	
Independent director	Li, Pei-Ying	6	0	100.00	

Other special disclosure:

1. If any of the following circumstances occur during the operation of the board of directors, the board should specify the date, session, agenda content, opinions of all independent directors, and the company's response to the opinions of independent directors:
 - (1) Matters listed in Article 14-3 of the Securities and Exchange Act: The company has established an audit committee. For related information, please refer to the annual report on the operation of the audit committee.
 - (2) Apart from the aforementioned matters, any resolutions of the board of directors where an independent director opposes or reserves opinions, and there is a record or written statement: None.
2. Regarding the execution of directors' abstentions from interest-related proposals, the company should specify the director's name, agenda content, reasons for abstention due to potential conflicts of interest, and their participation in the voting process:

Date/Session of the Board of Directors	Contents of motion	Director Abstaining from Interest	Reasons for Abstention due to Conflicts of Interest and Participation in Voting
11-04 2025.01.17	Distribution of employee bonuses to the Company's managerial officers for 2023 and year-end bonuses for 2024	Wang, Ping-Lung	As the directors concurrently serve as managerial officers of the Company, they did not participate in the discussion or voting. The proposal was approved as submitted without objection after discussion by the other attending directors and independent directors.
11-06 2025.05.08	Salary and remuneration of the Company's managerial officers for 2025	Wang, Ping-Lung	Director Wang Ping-Lung, who had an interest in the matter, recused himself from the discussion and voting.

			The proposal was approved as submitted without objection after discussion by the other attending directors and independent directors.
3. The execution status of evaluation on the Board of Directors :			
Evaluation cycle	Once every year		
Period	2025.01.01~2025.12.31		
Scope	Including performance evaluation of the overall board of directors and individual directors		
Methodology	Internal self-evaluation of the board of directors and self-evaluation of directors		
Content	(1) The overall board performance evaluation includes: participation in company operations, enhancement of board decision-making quality, board composition and structure, director selection and continuous education, internal controls, etc. (2) Individual director performance evaluations include: understanding of company goals and missions, awareness of director responsibilities, participation in company operations, internal relationship management and communication, professional expertise and continuous education of directors, internal controls, etc. (3) The performance evaluation of each functional committee includes: participation in company operations, understanding of committee responsibilities, enhancement of committee decision-making quality, committee composition and member selection.		
Result	The self-assessment performance results of the Board of Directors (including functional committees) for the year 2025 were submitted to the Board of Directors on March 11, 2026. The evaluation results are as follows: (1) Board of Directors Operation Performance Self-Assessment: The evaluation criteria include five major aspects, totaling 45 indicators. The evaluation score is 93 points, indicating that the Board of Directors has effectively guided and supervised the company's strategies, major operations, and risk management responsibilities. The board has also established appropriate internal control systems, demonstrating overall excellent performance in line with corporate governance requirements. (2) Individual Director Performance Self-Assessment: The evaluation criteria include six major aspects, totaling 23 indicators. The evaluation score is 99 points, indicating that directors have positively evaluated the efficiency and effectiveness of the board's operations. (3) Audit Committee Operation Performance Self-Assessment: The evaluation criteria include five major aspects, totaling 22 indicators. The evaluation score is 90 points, indicating that the Audit Committee's overall operations are excellent, meeting corporate governance requirements, and effectively enhancing the functions of the Board of Directors. (4) Compensation Committee Operation Performance Self-Assessment: The evaluation criteria include four major aspects, totaling 19 indicators. The evaluation score is 95 points, indicating that the Compensation Committee's overall operations are excellent, meeting corporate governance requirements, and effectively enhancing the functions of the Board of Directors.		
4. Assessment of Goals for Strengthening Board Functions in the Current and Recent Years:			

- (1) The company provides updates on business operations to the board during board meetings, with the General Manager or relevant executives reporting on the current business situation and preparing relevant materials for board review.
- (2) The company actively provides information on educational courses for directors and encourages their active participation in corporate governance programs. External speakers are invited to conduct training sessions at the company to enhance the skills of board members. In the fiscal year 2025, a total of 7 directors participated in training, accumulating 47 hours of training.
- (3) The company's board operations adhere to the provisions of the "Board Meeting Rules" and have been executed well.
- (4) Adhering to principles of operational information transparency, the company promptly discloses significant information and related materials on the Public Information Observation Platform according to the "Verification and Disclosure Procedures for Major Information of Listed Companies on the Taiwan Stock Exchange" immediately after the conclusion of board meetings to safeguard shareholder rights.
- (5) The company has established the Compensation Committee, Audit and Risk Committee, and Information Security Committee under the board of directors to assist in fulfilling its oversight responsibilities. Each committee comprises four independent directors (4 people) appointed by the board of directors. The charters of these committees have been approved by the board of directors. Matters requiring the committee's approval as per legal requirements are decided by the committee before being presented to the board of directors for discussion.
- (6) The board of directors supervises and manages greenhouse gas inventory and verification stage goals quarterly, continuing to promote sustainable development.

2025 Director training:

Title	Name	Date Elected	Date		Organizer	Course Title	Training hours	Meet the requirements
			From	to				
President	Wang, Ping-Lung	2024.06.25	2025.08.07	2025.08.07	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Enterprise Risk Management and Crisis Response	3	YES
			2025.08.07	2025.08.07	Taiwan Corporate Governance Association	Designing Governance and Management Mechanisms to Ensure Succession Planning Does Not Become an Obstacle to Sustainable Business Operations	3	YES
Juristic person chairman representative	Tsai, Guo-Tsang	2024.06.25	2025.08.07	2025.08.07	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Enterprise Risk Management and Crisis Response	3	YES
			2025.08.07	2025.08.07	Taiwan Corporate Governance Association	Designing Governance and Management Mechanisms to Ensure Succession Planning Does Not Become an Obstacle to Sustainable Business Operations	3	YES
Juristic person director representative	Wu, Ying-Chih	2024.06.25	2025.08.07	2025.08.07	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Enterprise Risk Management and Crisis Response	3	YES
			2025.08.07	2025.08.07	Taiwan Corporate Governance Association	Designing Governance and Management Mechanisms to Ensure Succession Planning Does Not Become an Obstacle to Sustainable Business Operations	3	YES
Independent director	Wu, Kuang-Yi	2024.06.25	2025.08.07	2025.08.07	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Enterprise Risk Management and Crisis Response	3	YES
			2025.08.07	2025.08.07	Taiwan Corporate Governance Association	Designing Governance and Management Mechanisms to Ensure Succession Planning Does Not Become an Obstacle to Sustainable Business Operations	3	YES
Independent director	Liao, Ming-Cheng	2024.06.25	2025.08.07	2025.08.07	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Enterprise Risk Management and Crisis Response	3	YES
			2025.08.07	2025.08.07	Taiwan Corporate Governance Association	Designing Governance and Management Mechanisms to Ensure Succession Planning Does Not Become an Obstacle to Sustainable Business Operations	3	YES
Independent director	Chen, Chi-Kai	2024.06.25	2025.08.07	2025.08.07	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Enterprise Risk Management and Crisis Response	3	YES
			2025.08.07	2025.08.07	Taiwan Corporate Governance Association	Designing Governance and Management Mechanisms to Ensure Succession Planning Does Not Become an Obstacle to Sustainable Business Operations	3	
Independent director	Li, Pei-Ying	2024.06.25	2025.02.14	2025.02.14	Taiwan Provincial CPA Association	Tax Discussion on Nominee Registration	2	YES
			2025.04.15	2025.04.15	CPA ASSOCIATIONS R.O.C	Practical Issues in Business Tax Audits and Case Studies on Tax Investigation Cases	3	
			2025.08.07	2025.08.07	Taiwan Corporate Governance Association	Designing Governance and Management Mechanisms to Ensure Succession Planning Does Not Become an Obstacle to Sustainable Business Operations	3	
			2025.08.07	2025.08.07	Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Enterprise Risk Management and Crisis Response	3	

2.3.2 Audit and Risk Committee Meeting Status

The Company's Audit and Risk Committee is composed of four independent directors. Its routine responsibilities include reviewing financial reports and evaluating the effectiveness of the internal control system. Non-routine tasks include reviewing and approving the procedures for significant financial transactions, such as amendments related to the acquisition or disposal of assets, engagement in derivative transactions, lending of funds to others, endorsements or guarantees for others, significant asset or derivative transactions, significant fund lending, endorsements or guarantees, as well as the appointment and remuneration of the Company's certified public accountants (CPAs).

For the professional qualifications and experience of each member, please refer to pages 5–6 of this annual report.

The Company's Audit and Risk Management Committee convened five meetings in 2025. The principal matters reviewed were as follows:

- (1) Material loans of funds.
- (2) Review of financial statements.
- (3) Assessment of the effectiveness of the internal control system.
- (4) Evaluation results of the independence and competence of the Company's certifying CPAs.
- (5) Amendments to the Company's "Procedures for Endorsements and Guarantees."
- (6) Establishment of the Company's "Corporate Value Enhancement Plan."
- (7) Amendments to the "Payroll Cycle" under the Company's internal control system.
- (8) Appointment of the Company's chief internal auditor.

The independent directors' attendance status is as follows.

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) B/A	Remarks
Independent Director	Wu, Kuang-Yi	5	0	100.00	
Independent Director	Liao, Ming-Cheng	5	0	100.00	
Independent Director	Chen, Chi-Kai	5	0	100.00	
Independent Director	Li, Pei-Ying	5	0	100.00	

Other special disclosure:

1. Where the Audit Committee's operation meets any of the following circumstances, please clearly state the directors' meeting date, term, contents of motions, and resolution of the Audit and Risk Committee, and the Company's handling of the Audit and Risk Committee's opinions:

(1) Resolutions related to Securities and Exchange Act §14-5 and its implementation:

Term Date	Contents of motion	Resolution of Audit Committee	the Company's (the board of directors') handling of Audit Committee's opinion
3-02 2025.01.17	1. The company's capital loan Harvatek (Guangzhou) Co, Ltd. 2. The company's capital loan Xiamen YoungTek Electronics Co., Ltd.	The motion was approved unanimously.	Approved without objection by all present directors and independent directors
3-04 2025.03.07	1.The company's 2024 individual financial statements and consolidated financial statements. 2.Assessment of the effectiveness of the company's internal control system in 2024. 3. Change of the Company's chief internal auditor. 4.Amendments to the Company's "Procedures for Endorsements and Guarantees."	The motion was approved unanimously	Approved without objection by all present directors and independent directors
3-05 2025.05.08	1.The company's funds are loaned to Sanyuan Color Vision Co., Ltd.	The motion was approved unanimously	Approved without objection by all present directors and independent directors
3-07 2025.11.07	1. Amendments to the "Labor and wage cycle" under the Company's internal control system.	The motion was approved unanimously	Approved without objection by all present directors and independent directors

(2) Except for the above-mentioned matters, other resolutions that have not been approved by the Audit Committee and approved by more than two-thirds of all directors: None.

2. The independent director's implementation of the motion to refrain from interested parties shall state the name of the director, the content of the motion, the reasons for the recusal due to interests, and the status of participation in voting: In 2025, there were no proposals in which the independent directors had a conflict of interest and were not considered by the independent directors.

3. Descriptions of the communications between the independent directors, the internal auditors, and the independent auditors:

(1)The company's independent directors and the internal audit supervisor hold a symposium at least once a year to fully communicate and make records on the company's internal audit report and inspection issues.

A summary of previous communications between independent directors and internal audit supervisors is as follows:

Date	Points of communication	Communication result
2025.03.07	1. Filing of the Internal Control System Statement for the preceding year. 2. Filing of the implementation status of the annual audit plan for the preceding year.	Independent directors expressed no objection to the contents of the report
2025.05.08	1. January 2025 ~ March 2025 Internal Audit Business Execution Report. 2. Symposium of independent directors and internal audit supervisors.	Independent directors expressed no objection to the contents of the report
2025.08.07	1. April 2025 ~ June 2025 Internal Audit Business Execution Report.	Independent directors expressed no objection to the contents of the report
2025.11.07	1. July 2025~ September 2025 Internal Audit Business Execution Report. 2. 2026 annual audit work plan.	Independent directors expressed no objection to the contents of the report

(2)The audit committee of the company is composed of all independent directors.

Accountants report to the independent directors at least once a year on the financial status, the financial status of domestic and overseas subsidiaries, the overall operation status, and the review of internal control. And fully communicate whether there are major adjustments or legal amendments that affect the accounting situation. The communication was outlined as following:

Date	Points of communication	Communication result
2025.03.07	(1) The CPA reported on the audit scope, audit procedures, and results regarding the Company's financial statements for the year ended 2024. (2) Updates on securities-related laws and regulations. (3) Updates on tax-related laws and regulations	The annual financial report is approved by the Audit and Risk Management Committee, submitted to the Board of Directors for approval, and announced and reported as scheduled.

2.3.3 Status of corporate governance, departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures.

Assessment Item	Implementation Status (Note1)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	Explanation	
1. Does the Company follow "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" to establish and disclose its corporate governance principles?	✓		The Company has established a Corporate Governance Principles, which sets out guidelines on safeguarding shareholders' rights and interests, strengthening the functions of the Board of Directors, respecting the rights and interests of stakeholders, and enhancing information transparency. The full text of the Company's Corporate Governance Principles is disclosed on the Market Observation Post System (MOPS) and the Company's official website.	None
2. Shareholding Structure & Shareholders' Rights (1) Does Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, has these procedures been	✓		(1) For the shareholders' suggestions or questions, the company has spokespersons and deputy spokespersons responsible for handling relevant issues.	None

Assessment Item	Implementation Status (Note1)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Explanation	
implemented accordingly?				
(2) Does Company possess a list of major shareholders and beneficial owners of these major shareholders?	✓		(2) The company's stock affairs operations are handled by professional stock affairs agencies, and supervisor of Shareholder Service to handle related matters, and have a good relationship with major shareholders and can contact them at any time.	None
(3) Has the Company built and executed a risk management system and “firewall” between the Company and its affiliates?	✓		(3) The business and financial transactions between the company and related companies have been formulated in accordance with the regulations of the competent authority and the "Measures for the Management of Transactions with Related Persons" shall be implemented in accordance with this method.	None
(4) Has the company have internal regulations that prohibit company insiders from using undisclosed information on the market to buy and sell securities?	✓		(4) In order to maintain the fairness of the securities trading market, The Company has formulated “Administrative Measures for Preventing Insider Trading”, “Ethical Corporate Management Principles,” and “Procedures for Ethical Management and Guidelines for Conduct.	None
3. The organization of Board of Directors and its duties				
(1) Does the Board of Directors have diversified policies regulated and implemented substantively according to the composition of the members?	✓		(1) The Company has established a Corporate Governance Best-Practice Principles, in which Article 20 sets forth the policy on board diversity. The nomination and selection of board members are conducted in accordance with the Company's Articles of Incorporation and follow a candidate nomination system. In addition to evaluating the academic and professional qualifications of each candidate, the process also considers feedback from stakeholders and adheres to both the Rules for Election of Directors and the Corporate Governance Best-Practice Principles, ensuring the diversity and independence of board members. For details on the Company's board diversity policy and its implementation, please refer to pages 5–6 of this annual report under “Board Member Information”, and pages 8–11 under “Disclosure of Director Qualifications and Independence of Independent Directors”, “Board Independence”, and “Board Diversity”. Relevant information is also disclosed on the Company's official website and the Market Observation Post System (MOPS). The Company's board diversity policy has been fully disclosed on the Company's website and MOPS.	None
(2) Whether the company, in addition to establishing the Compensation Committee and Audit Committee, pursuant to laws, is willing to establish any other functional committees voluntarily?	✓		(2) The Company has established the following functional committees; The Compensation Committee, established in 2011. The Audit and Risk Management Committee, originally established as the Audit Committee in 2018 and renamed in 2024. The Information Security Committee, established in 2022; Each of the above committees is composed of four independent directors. The Company will consider establishing additional functional committees in the future based on legal requirements or practical needs.	None
(3) Does the company establish a standard to measure the performance of the Board, implement it annually and submit the results to the board of Directors as reference for the remuneration of individual Directors and the nomination of candidates?	✓		(3) The company established the Board of Directors Performance Evaluation Method on August 12, 2019, outlining the scope and methodology of evaluation. The evaluation is conducted regularly each year, with the performance evaluation results expected to be completed by the end of the first quarter of the following year and reported to the Board of Directors. The results of the Board of Directors' performance evaluation serve as a reference for the selection or nomination of directors and are used to determine individual director's compensation. The performance	None

Assessment Item	Implementation Status (Note1)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Explanation	
(4) Are external auditors' independence assessed on a regular basis?	✓		evaluation results of the Board of Directors and each functional committee for the year 2025 were reported to the Board of Directors on March 11, 2026, and disclosed on the company's website. (4) According to Article 29 of the company's "Corporate Governance Code", the company evaluates the independence and suitability of its certified accountants every year. In addition to requiring certified accountants to provide independence statements and audit quality index (AQI) information, and Evaluation is carried out according to the independent evaluation standard (Note 1) and 13 AQI indicators. It is confirmed that the accountant has no other financial interests and business relationship with the company except for the financial report, tax visa and transfer pricing report, and the accountant's family members do not violate the independence requirements, and refer to the AQI index information, confirm Accountants and firms are on par with the industry average in terms of professionalism, independence, quality control, supervision, and innovation capabilities. The evaluation results of the most recent year will be submitted to the board of directors for review and approval on Nov. 7, 2025.	None
4. Does the TWSE/TPEX listed company have a dedicated unit/staff member in charge of the Company' corporate governance affairs (including but not limited to providing information required for director/supervisor's operations, convening board/shareholder meetings in compliance with the law, apply for/change company registry, and producing meeting minutes of board/shareholder meetings)?	✓		In order to strengthen corporate governance and enhance the effectiveness of the board of directors, the company refers to the relevant provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and the "Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers. The company's board of directors has passed a resolution on June 25, 2019 that the current financial director, Manager Yu Hui Su, shall serve as the head of corporate governance. Manager Su had the qualifications for more than three years to be in charge of financial units in public offering companies regulated by the above-mentioned laws. As the top executive responsible for corporate governance-related matters, corporate governance-related matters include handling matters related to the board of directors and shareholders meeting in accordance with the law, preparing the minutes of the board of directors and shareholders meeting, assisting directors in their appointment and continuing knowledge, providing directors with information needed to perform their business, Assist directors to comply with laws and regulations, other matters stipulated in the company's articles of association or contract, etc. 2025 Corporate Governance Supervisors have completed 12 hours of training. (Note 2).	None
5. Does the Company have established a communication channel for the stakeholders (including but not limited to stockholders, employees, customers and suppliers), set the stakeholder section on the Company's website, and responded to the stakeholders regarding their concerns over corporate social responsibilities?	✓		The company has a stakeholder page on the company website to handle and respond to the important corporate social responsibilities of the stakeholder's concerns; and has a spokesperson and deputy spokesperson responsible for the company's external communications.	None
6. Does the Company have commissioned a professional stock service agent to handle shareholders affairs?	✓		The company has entrusted a professional stock affairs agency "Horizon Securities Corp." to handle shareholders' meetings and stock affairs related matters.	None
7. Information disclosure (1) Has the company established a website that discloses financial, business, and corporate	✓		(1) The company has a website (www.harvatek.com.tw) to disclose financial business and corporate governan	None

Assessment Item	Implementation Status (Note1)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	Explanation	
governance-related information?			ce information, which is updated from time to time for investors to search and read.	
(2) Has the company adopted other means to disclose information (e.g. English website, assignment of specific personnel to collect and disclose corporate information, implementation of a spokesperson system, broadcasting of investor conferences via the company website)?	√		(2) The company has a spokesperson and deputy spokesperson system, and exposes company information to MOPS, so that shareholders or investors can obtain necessary company information at a suitable time.	None
(3) Does the company announce and report the annual financial statement within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial statements and monthly operations reports within the prescribed period of time?		√	(3) The company's annual, first, second, and third quarter financial reports and monthly operating status announcements are all declared within the deadline.	The financial report cannot be announced in advance.
8. Does the Company have other information that enables a better understanding of the Company's corporate governance practices (including but not limited to, employee rights, employee care, investor relations, supplier relations, stakeholders' interests, continuing education of Directors, implementation of risk management policies and risk measurements, implementation of customer policy, and maintenance of liability insurance for the Company's Directors and supervisors)?	√		(1) Employee rights and employee care: Please refer to the labor relations chapter of this annual report and the company's website. (2) Investor relations: The company has set up a spokesperson and deputy spokesperson to maintain relations with investors. (3) Supplier relationship · Stakeholder rights: The company has set up a special page on the website for stakeholders and investor information, including customers, suppliers, employees, investors, etc., and you can contact the company or make suggestions and appeals through various communication channels. (4) Directors' training situation: The company does not require directors to take professional courses, but actively encourages directors to participate. For information on directors and training hours, courses and organizers in 2025, please refer to the chapter on the operation of the board of directors in this annual report. (5) On November 10, 2022, the company's board of directors approved the formulation of "Risk Management Policies and Procedures" as the basis for all employees to implement risk management, so as to protect the rights and interests of shareholders and pursue sustainable development of the company. And the general manager's office will assign personnel to convene the relevant departments to set up a risk management team to carry out relevant operations in accordance with this policy and procedures. (6) Implementation of customer policy: The company has obtained the ISO90001 certificate. The company's quality policy seeks to provide customers with safe and high-quality products, and to provide complete and correct product information. After product sales, regular customer satisfaction surveys are conducted to meet customer needs. (7) Circumstances in which the company purchases liability insurance for directors and supervisors: The company has purchased liability insurance for all directors and managers of USD 5 million.	None
9. The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange:				
(1) The improved situation in 2025 is as follows: I. The 2024 Sustainability Report was discussed and approved by the Board of Directors on August 7, 2025. II. The Board of Directors approved the establishment of the "Corporate Value Enhancement Plan" on November 7, 2025. III. Corresponding measures have been adopted in response to community-related risks or opportunities, and the specific measures taken and their implementation results have been disclosed on the Company's official website and in the 2024 Sustainability Report. (2) The priorities for strengthening in 2026 are as follows: I. The Company plans to establish a Nomination Committee. II. Formulation of a policy linking the remuneration of senior executives to ESG-related performance evaluations.				

NOTE1 : Criteria for assessing the independence of accountants :

Evaluation on the Certified CPA's Independence	Evaluation Result	Whether it meets independence
Whether the accountant has a direct or significant indirect financial interest in the company	None	Yes
Whether the accountant has any financing or assurance activities with the company or the directors of the company	None	Yes
Whether the accountant has a close business relationship and potential employment relationship with the company	None	Yes
Whether the accountants and their audit team members have served as directors, managers or positions that have a significant impact on the audit work in the company at present or in the last two years	None	Yes
Does the accountant provide the company with non-audit service items that may directly affect the audit work?	None	Yes
Whether the accountant has brokered the stocks or other securities issued by the company	None	Yes
Whether the accountant acts as the company's defender or coordinates conflicts with other third parties on behalf of the company	None	Yes
Whether the accountant has a family relationship with the company's directors, managers, or personnel with positions that have a significant impact on the audit case	None	Yes

NOTE2: The 2025 Corporate Governance Director's training status is as follows:

Organizer	Course Title	During training		Training hours
		From	To	
Securities and Futures Institute, R.O.C	2025 Seminar on the Prevention of Insider Trading	2025.05.02	2025.05.02	3
Taiwan Corporate Governance Association	How Directors and Supervisors Oversee Enterprise Risk Management and Crisis Response	2025.08.07	2025.08.07	3
Taiwan Corporate Governance Association	Designing Governance and Management Mechanisms to Ensure Succession Planning Does Not Become an Obstacle to Sustainable Business Operations	2025.08.07	2025.08.07	3
Securities and Futures Institute, R.O.C	2025 Legal Compliance Seminar on Shareholding Transactions by Insiders	2025.08.08	2025.08.08	3

2.3.4 Remuneration Committee :

2.3.4.1. Remuneration Committee Members' Professional Qualifications and Independent Analysis

Identity (NOTE1)	Conditions Name	Professional qualifications and experience	Independence	Number of members who are concurrently members of the compensation and remuneration committees of other public offering companies	Note
Independent Director (convener)	Wu, Kuang-Yi	Please refer to page 5-6 of this annual report for information disclosure of directors' professional qualifications and independent directors' independence.		2	
Independent Director	Liao, Ming-Cheng			0	
Independent Director	Chen, Chi-Kai			0	
Independent Director	Li, Pei-Ying			1	

2.3.4.2. Remuneration Committee Meeting Status

- (1) The Company's Remuneration Committee consists of 4 members for the time being, who are all independent directors.
- (2) The term of office of the current members: June 25, 2024 to June 24 2027

The 2025 Salary and Compensation Committee will meet three times. The attendance of the members are as follows: :

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)	Note
Convener	Wu, Kuang-Yi	3	-	100	
Committee member	Liao, Ming-Cheng	3	-	100	
Committee member	Chen, Chi-Kai	3	-	100	
Committee member	Li, Pei-Ying	3	-	100	

Other details to be documented:

- (1) If the Board of Directors does not accept or modifies suggestions provided by the Remuneration Committee, the date of the Board of Directors' meeting, the session number, contents of the proposal, decisions made by the Board of Directors and management of opinions from the Remuneration Committee by the Company should be stated (If the compensation and rewards approved by the Board of Directors are superior to those advised by the Remuneration Committee, there should be descriptions of the differences and reasons considered).
- (2) For decisions made by the Remuneration Committee, as long as there are members objecting or having their reservations that are recorded or stated in writing, the date of the Remuneration Committee meeting, the session number, contents of the proposal, and how opinions from all members and from opposing members are handled should be described.

2.3.4.3. Important resolutions and status thereof

Date	Term	Contents of motion	Independent director's opinion	the Company's handling of independent director's opinion
2025.01.17	6-2	1.Managers' 2023employee bonus distribution and 2024 year-end bonus. 2.The annual salary and remuneration of company's directors in 2025	The motion was passed without objection	Approved without objection by all present directors and independent directors
2025.03.07	6-3	1.Remuneration of directors and employees of the company for 2024.	The motion was passed without objection	Approved without objection by all present directors and independent directors
2025.05.08	6-4	1.The Company's remuneration for managerial officers for 2025. 2.Proposal for the distribution of directors' remuneration for 2024. 3.Amendments to the Company's "Articles of Incorporation."	The motion was passed without objection	Approved without objection by all present directors and independent directors

2.3.5 Status of corporate social responsibility and any variance from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons for any such variance.

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
1. Has the company establish a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, and the board of directors authorizes senior management to handle and supervise the situation to the board of directors?	✓		In line with its ESG policies, the Company established a Sustainability Development Committee in 2022 as the highest-level decision-making body for sustainability matters within the organization. The Committee is chaired by the Chairman of the Board and composed of senior executives from various departments. Together, they review the Company's core operational capabilities and formulate sustainability development plans. The Sustainability Development Committee serves as a cross-departmental platform for vertical integration and horizontal coordination. Through quarterly meetings and issue-specific task forces, the Committee identifies key sustainability topics relevant to the Company's operations and stakeholders. It develops corresponding strategies and action plans, allocates budgets for each business unit's sustainability-related initiatives, and oversees the planning and execution of annual programs. The Committee also monitors the outcomes of these initiatives to ensure that sustainability strategies are effectively embedded into the Company's daily operations. On August 7, 2025, the Chair of the Sustainability Development Committee reported to the Board of Directors on the Committee's achievements and future action plans. In 2025, the Sustainability Development Committee convened a total of four meetings, during which the key agenda items included: (1) Identification of key sustainability issues and formulation of response actions. (2) Setting and revision of goals and policies related to sustainability topics (3) Supervision and evaluation of the implementation of sustainability initiatives	None

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
			The Board of Directors receives regular annual briefings from the management team, including updates on ESG-related matters. The management is required to propose corporate strategies to the Board, which is responsible for evaluating their likelihood of success, regularly reviewing their progress, and urging adjustments by the management team when necessary.	
2. Does the company conduct risk assessments on environmental, social and corporate governance issues related to company operations in accordance with the principle of materiality, and formulate relevant risk management policies or strategies?	✓		In accordance with the materiality principles of ESG and corporate social responsibility, the Company conducts risk assessments on key sustainability issues. The scope of the assessments includes environmental protection, ecological conservation, and social issues. Based on the results, the Company formulates corresponding risk management policies and strategies. For more detailed information, please refer to the following sections of the Company's official website: (https://www.harvatek.com.tw/community-engagement) (https://www.harvatek.com.tw/risk-management)	None
3. Environmentally (1) Has the Company set an Environmental management system designed to industry characteristics?	✓		(1) 1. All of our company's plants have established environmental management systems in accordance with ISO 14001 and continuously pass third-party verification. Every year, we communicate our environmental policies to employees in a timely manner through the company's Environmental, Safety, and Health Manual. We effectively manage waste, commit to complying with environmental regulations, and continuously monitor, measure, and improve our environmental performance. The latest ISO 14001 certificate is valid from February 20, 2026, to February 19, 2029. 2. In accordance with ISO 14064-1, we conduct voluntary greenhouse gas inventories annually, track emission reduction results, and publicly disclose these in our sustainability report and on our company website. (https://www.harvatek.com.tw/greenhou)	None

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
(2) Is the Company committed to improving resource efficiency and to the use of renewable materials with low environmental impact?	✓		se-gas-inventory-policy) (2) 1. We select equipment with high energy efficiency and energy-saving designs to reduce the energy consumption of our operations and products. We have developed an in-house real-time energy dashboard to identify energy consumption hotspots and conduct analyses. Based on these analyses, we formulate energy projects. The target for electricity consumption in 2025 was to reduce it by 1% compared to 2021. This year, we have reduced electricity consumption by 3,521MWh (17%), achieving our project target. In the future (2026-2029), we will install renewable energy power generation equipment or purchase green electricity to gradually improve the efficiency of renewable energy use. 2. We have established a product hazardous substance management system to continuously ensure that our products comply with international regulations and customer requirements, including the EU's Restriction of Hazardous Substances (RoHS) Directive, the EU's Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation, and halogen-free standards for electronic products. 3. In green manufacturing, we reduce unnecessary resource waste and seek methods to reduce waste. In the upstream of the value chain, we work together to recycle and reuse packaging materials, maximizing the benefits of the circular economy.	None
(3) Has the Company conducted an assessment potential risks and opportunities from climate change on the business now and in the future, and adopted measures in response to climate-related issues?	✓		(3) We continuously assess the potential risk of business interruption arising from global extreme climate changes and related impacts, such as global warming, disasters caused by torrential rain and flooding, and forest fires resulting from droughts, as well as the implementation of relevant green energy policies, such as power shortages and restrictions on the use of nuclear power generation. In response, the Company has formulated short-	None

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	Summary	
(4) Has the Company calculated its greenhouse gas emissions, water consumption and total amount of waste in the past two years, and formulated policies on energy conservation and carbon reduction, greenhouse gas reduction, as well as the reduction of water consumption and other wastes?	✓		medium-, and long-term risk management and response measures to strengthen supply chain backup capabilities and reduce the financial impact of climate change risks on the Company. The Company has also established green energy and energy-saving measures to enhance its overall competitiveness. (4) Our company's website has a dedicated section for sustainable development, where we disclose information related to environmental and safety management. This includes data on greenhouse gas emissions, water usage, and total waste weight for the past two years, as well as the management policies we have implemented(https://www.harvatek.com.tw/greenhouse-gas-inventory-policy).	None
4. Society				
(1) Does the Company set policies and procedures in compliance with regulations and internationally recognized human rights principles?	✓		(1) The company respects and supports internationally recognized human rights norms and principles, including the "United Nations Universal Declaration of Human Rights", "United Nations Global Covenant" and "International Labour Convention". "The personnel rules and human rights and ethics manuals formulated by the company are implemented in accordance with the "work rules" to protect the rights and interests of employees. Special personnel will handle the work of employees. Please refer to the company's website. (https://www.harvatek.com.tw/human-rights-policy) In addition, in 2025, we conducted human rights protection training for our employees, totaling 610 hours, with 579 participants completing the training. We will continue to focus on human rights protection issues and promote related educational training to raise awareness of human rights protection and reduce the likelihood of related risks occurring.	None
(2) Has the Company established and implemented reasonable employee benefits (including remuneration, leave and other benefits), and is business	✓		(2) 1. Employee Compensation Our company regularly adjusts salary levels based on factors such as the cost	None

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
performance or results appropriately reflected in employee remuneration?			of living, market supply and demand, industry salary standards, and local legal requirements. We also implement various employee bonus and incentive systems in a timely manner to provide reasonable compensation, attract, and retain outstanding talent. Employee compensation is calculated according to the company's Articles of Association, based on annual profits not less than 6%. 2.Employee Welfare Measures The company has established an Employee Welfare Committee and allocates an employee welfare fund annually to plan and provide various high-quality benefits for employees. These benefits include subsidies for employee travel, subsidies for lifestyle and cultural courses, birthday vouchers, marriage allowances, maternity allowances, funeral allowances, and free health check-up programs. Additionally, employees who need extended leave for childcare, major illnesses, or significant personal events can apply for unpaid leave to balance personal and family care needs. 3.Workplace Diversity and Equality: We ensure equal pay for equal work and provide equal promotion opportunities for both men and women. In 2025, women made up an average of 56% of our workforce, with women holding an average of 26% of supervisory positions. Our company values employee rights and benefits, shares profits with employees, and maintains a positive work environment. We provide comprehensive physical, mental, and spiritual care for all groups, including (1)Protecting Pregnant Employees: We have occupational health nurses who provide regular health education, consultations, and assistance to pregnant employees.(2)Hiring Disabled Employees: We meet 100% of our quota for hiring disabled employees and tailor suitable job positions and workplace facilities for them.(3) Empowering Women in the Workplace: We foster a	

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
(3) Does the Company provide employees with a safe and healthy working environment, with regular safety and health training?	✓		friendly workplace environment that empowers female employees and ensures all genders can work with peace of mind. For more details, please refer to our company website. (https://www.harvatek.com.tw/diversity-equity-and-inclusion) We establishes internal regulations in accordance with domestic laws and regulations. Through new employee training, we actively promote these regulations, guiding employees, supervisors at all levels, and Board members to comply with them. (3) 1. Health Care and Support We provide comprehensive care and health support mechanisms to ensure the physical and mental well-being of all employees. This includes multi-faceted communication channels, partnerships with professional medical institutions for regular health check-ups, on-site health services, prevention of workplace violence and illegal activities, protection of maternal health, and management to prevent diseases caused by abnormal workloads. We also continuously promote disease prevention among employees. 2. Workplace Environmental Monitoring To ensure that workers are protected from harmful substances in the workplace and to provide a healthy and comfortable working environment, we conduct biannual workplace environment monitoring. This helps us understand the actual exposure conditions of our staff. 3. Safety and Health Education and Training To enhance employee awareness of environmental safety and health, we offer various training programs each year in addition to new employee orientation. These programs include waste storage and classification regulations, practical management of personal protective equipment, special	None

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures						
	YES	NO	Summary							
(4) Has the Company established effective career development training plans?	√		hazardous work operations, emergency response and evacuation drills, and health seminars. These efforts continuously strengthen employee awareness and skills. The implementation status of occupational safety education and promotion in 2025 is as follows: <table><tr><th>Year</th><th>People</th><th>Hours</th></tr><tr><td>2025</td><td>1,946</td><td>2,948</td></tr></table> 4. Occupational Safety Audits To enable safety and health personnel to identify potential issues in the plant and surrounding work environments early and prevent accidents, we have established a patrol inspection system. The results of these inspections are reported to the quarterly Occupational Safety and Health Committee for review and discussion. 5. Company Certifications All of our company’s plants have obtained the ISO 45001 certification. The current certification is valid from Dec 23, 2025, to November 30, 2027. 6. Occupational Accident Management In 2025, our company reported zero cases of work-related injuries. There were 7 commuting incidents, 7 injuries and 0 deaths, accounting for 0.0162% of the total number of employees. To ensure the safety of employees at work, the company continues to regularly promote commuting traffic safety and strengthen employees' traffic safety awareness; no fire incidents occurred this year. (4) The company believes that only persistent learning and training can improve the functions of employees, and then achieve the company's goals, meet the expectations of customers, employees and shareholders. benchmark. A total of 4,790 person-times of career training in 2025, with a total hour of 8,211 hours.	Year	People	Hours	2025	1,946	2,948	None
Year	People	Hours								
2025	1,946	2,948								

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
			The training and development policy is as follows: 1. Develop a learning organization, seek innovative and diverse teaching methods, and find out the best decision-making to solve problems. 2. Assist employees in training and strengthening existing advantages, do a good job in manpower development planning, maximize human capital, and enhance workplace competitiveness. 3. Provide complete and effective training to employees to meet the company's demand for human resources, instill quality concepts, teach skills, cultivate various human resources of the company, and then improve skills and literacy as a basis for productivity improvement. 4. Let each employee have the ability to assist the company to face the rapidly changing environment, quickly adjust the work adaptability, and improve the physical and mental health of employees, so as to successfully meet various challenges.	
(5) Does the Company comply with the relevant regulations and international standards on customer health and safety, customer privacy, marketing and labeling for its products and services? Has it established a consumer protection policy and complaints procedure?	√		(5) The company's products have been marked in compliance with relevant laws and international standards, and comprehensive communication procedures are provided to protect consumers' rights. The company masters and controls the value chain of commodities, from raw materials, logistics to warehouses, sets up a management mechanism, and continuously tracks commodity safety information and improves the internal reporting mechanism to implement the commitment to commodity safety. The company has set up a quality customer service department,	None

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
(6) Has the Company defined a supplier management policy that requires suppliers to comply with the relevant guidelines on environmental protection, occupational health and safety, and human rights issues? How is the policy being implemented?	✓		which proactively checks and confirms the implementation of various customer policies from time to time, accepts and handles customer complaints, and assists front-line business colleagues to handle customer complaints and do a good job in safeguarding customer rights and interests. (6) 1.The company has "Contractor Management Measures". Before the project procurement is issued, the contractor shall provide the "Contractor Management Measures" to the purchase contract and require the manufacturer to sign and agree to the "Contractor Environmental Safety and Health Regulations Guarantee ", and re-evaluate the contractor every two years. 2.The company has established "Supplier Management Operating Procedures". Suppliers need to fill in the manufacturer's basic data sheet and sign the social responsibility form to confirm whether the supplier meets the requirements of SA8000 (Social Accountability8000) social responsibility standards or human rights ethics guidelines. Suppliers who fail to comply with or violate the foregoing regulations must take all necessary corrective measures within a reasonable period to improve the situation; if they fail to meet our standards within a reasonable period, we will terminate the business relationship with the supplier. 3.The company regularly conducts hazardous substance control audits on suppliers to confirm that suppliers can meet international standards.	None
5. Did the company refer to the internationally accepted reporting standards or guidelines to prepare reports that disclose non-financial information of	✓		The company prepared the "2025 HARVATEK Technology Co., Ltd. Sustainability Report" in accordance with the internationally accepted	When there are legal or practical considerations, we will adhere to the "Corporate

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
the company, such as sustainability reports? Did the aforementioned report obtain an assurance or guarantee statement issued by a third-party certification body?			report preparation guidelines (GRI Standards), and published it on the company's website.	Sustainability Best Practice Principles for Listed and OTC (Over-the-Counter) Companies" and relevant regulations as necessary.
6. If a company has its own sustainable development code of practice in accordance with the "Code of Practice for Sustainable Development of Listed OTC Companies", please describe the differences between its operation and the established code: In March 2015, the board of directors of the company approved the "Code of Practice for Corporate Social Responsibility", and in March 2017 and March 2019, the board of directors approved amendments to the code, and in January 2022, it was renamed the "Code of Practice for Sustainable Development" "Amended by the Board of Directors to strengthen the implementation of sustainable development. The company regularly reviews the implementation of this code and makes improvements accordingly. So far, there is no discrepancy in implementation.				
7. Other important information to facilitate better understanding of the Company's implementation of Corporate Sustainable Development :				
ITEM	CONTENT			
Environmental protection	1. The written document is changed to the electronic system for signing and replacing paper, and the other side of the obsolete document is usually used for printing. 2. The indoor lighting of the factory is gradually adopting the company's self-made LED lighting fixtures that are more energy-efficient. 3. Waste classification management and resource recovery. 4. Disposable chopsticks are prohibited in the company, and all employees and visitors use eco-friendly chopsticks during meals. 5. The Christmas decoration activities for foreign migrant workers use environmentally friendly recycled materials.			
Community Involvement	1. Zhaoshan Community Development Association respects the elderly and encourages the elderly to exercise more. The company sponsors NT\$ 20,000 in cash for activities. 2. Sponsorship NT\$ 2,000 fee for community temples every year, which will be used as funds for temple activities and other activities.			
Social Contributions	1. The Company continued to make annual purchases of charity gift boxes from persons with disabilities and to support farmers, including Syin-Lu Social Welfare Foundation, Jen-Ai Social Welfare Foundation, associations for persons with intellectual disabilities, Hondao Senior Citizen's Welfare Foundation, Hualien Yuli rice, Down Syndrome Foundation, and products from small farmers in Taiwan. The total amount in 2025 was NT\$642,500. 2. The Company donated NT\$150,000 to the Hsinchu City Friends of Police Association in 2025. 3. The Company engaged in industry-academia collaboration, including cooperation with National Yang Ming Chiao Tung University and Hsuan Chuang University, and sponsorship of TOSIA technology papers. The total amount in 2025 was NT\$3,461,000. 4. The Company promoted agricultural development in line with its ESG carbon reduction goals, including purchases of Hualien Yuli rice and products from Taiwanese fruit farmers. The total amount in 2025 was NT\$542,950.			
Consumer Rights	The company has sales service personnel to serve customers.			
Human rights (employee related rights)	1. The company has established "work rules" for employees in accordance with the Labor Standards Act and related laws and regulations, and has provisions for safeguarding the rights and obligations of employees and applicants. In addition, the company has also established complaints about "Sexual Harassment Prevention Measures and Disciplinary Measures and Punishment regulations" to protect employees' right to work.			

Assessment Item	Implementation Status			Departures from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
			2. The company's education and training include internal training and external training. In accordance with the work needs and career planning of employees, various training courses such as management training, professional skills and self-development are provided to employees with adequate education and training. With the concept of "valuing employees and cultivating talents" as the company's philosophy, each employee can actively learn and develop himself in the favorable environment provided by the company, develop learning anytime and anywhere, and enrich his habit to become a learning organization helps the company achieve performance goals and enhance the capabilities and quality of employees. 3. The employees of the company can put forward their opinions in the weekly or monthly departmental meetings, or fully reflect their opinions through the quarterly labor-management meetings; in addition, the company also has a human resources department and an audit department. If it is inconvenient for employees to directly report to the supervisor, they can also reflect his opinions through this channel. 4. The company has an employee suggestion box, which provides channels for employees to reflect their opinions. 5. In order to increase good two-way communication to improve work and administrative efficiency, the company regularly organizes employee forum every three months. 6. Employees can inquire about employee rights and related regulations in the company's internal database to protect their rights. 7. On the day of their orientation, new employees undergo training to familiarize themselves with current work regulations that safeguard employee rights. The company has established employee "work rules" in accordance with the Labor Standards Act and relevant laws, which include provisions for protecting the rights of employees and applicants. Additionally, the company has implemented regulations for the prevention and handling of sexual harassment complaints and penalties, further ensuring the protection of employees' rights in the workplace.	

Execution of Climate-related Information

ITEM	Implementation Status														
1. Describe the supervision and governance of climate-related risks and opportunities by the Board of Directors and management.	1-1. According to the regulations stipulated by the Taiwan Stock Exchange and the Taipei Exchange, greenhouse gas inventories were conducted starting from January 2023, and quarterly reports have been submitted to the Board of Directors since March 2023. 1-2. The company has established opportunity and risk management procedures, with the Board of Directors serving as the highest management body for opportunity and risk management. Assessments of climate-related risk management are conducted and integrated into the risk sources. Annually, the General Manager's Office reports the execution and operation status of opportunity and risk management to the Audit Committee and the Board of Directors. 1-3. Risk Management Organizational Structure and Responsibilities https://www.harvatek.com.tw/risk-management														
2. Describe how the identified climate risks and opportunities impact the business, strategy, and finances of the company in the short term, medium term, and long term.	2-1. In the short term, climate-related opportunities and risks have no significant impact on the industry in which the company operates. However, it is anticipated that the influence of climate-related issues will gradually increase over the long term. 2-2. To address the long-term impact of climate-related issues, the company must engage in the development of green industries in the future. Leveraging the energy-saving characteristics of LED technology, the company will collaborate with clients to design and produce products that are conducive to addressing climate issues. 2-3. In the short to medium term, the company has established opportunity and risk management procedures to assess and manage opportunities and risks in operations, finance, management, environment, and climate. 2-4. Management and Response Strategies for the Impact of Climate Change, Including Short-, Medium-, and Long-term Measures, as Disclosed in the ESG Sustainability Report https://www.harvatek.com.tw/esg-downloa														
3. Describe the financial impact of extreme weather events and transition actions.	3. <table><tr><th>Category</th><th>Risk Fact or</th><th>Risk</th><th>Impact of Risk</th><th>Potential Financial Impact</th><th>Existing Measures</th><th>Enhanced Response Measures</th></tr><tr><td>Environmental and climate risks</td><td>E37</td><td>flood</td><td>Impact on Supplier Delivery</td><td>Reduced turnover and increased operating costs</td><td>Confirm the status of materials in the factory and estimate the date when materials can be delivered</td><td>1. Switching to alternative suppliers from other regions 2. Continuously monitoring the impact of supplier handling on delivery schedules 3. Immediately contacting production/materials management for new delivery schedules</td></tr></table>	Category	Risk Fact or	Risk	Impact of Risk	Potential Financial Impact	Existing Measures	Enhanced Response Measures	Environmental and climate risks	E37	flood	Impact on Supplier Delivery	Reduced turnover and increased operating costs	Confirm the status of materials in the factory and estimate the date when materials can be delivered	1. Switching to alternative suppliers from other regions 2. Continuously monitoring the impact of supplier handling on delivery schedules 3. Immediately contacting production/materials management for new delivery schedules
Category	Risk Fact or	Risk	Impact of Risk	Potential Financial Impact	Existing Measures	Enhanced Response Measures									
Environmental and climate risks	E37	flood	Impact on Supplier Delivery	Reduced turnover and increased operating costs	Confirm the status of materials in the factory and estimate the date when materials can be delivered	1. Switching to alternative suppliers from other regions 2. Continuously monitoring the impact of supplier handling on delivery schedules 3. Immediately contacting production/materials management for new delivery schedules									

	E38	drought	Water outage affects production line operations	Idle production capacity, reduced turnover, and increased operating costs	Confirming Water Reserves	1.Procuring water from alternative sources 2. Water conservation efforts - halting unnecessary usage. 3.Comprehensive replacement of water-saving equipment
	E39	heat wave	causing a significant increase in electricity bills	Increased costs, decreased profits	Savings on electricity bills	1. Increase power saving measures 2. Turn off unnecessary electrical equipment 3. Evaluate and implement solar installations 4. Other expenses are reduced
	E40	tropical storm	Employees are unable to come to work	Idle production capacity, reduced turnover, and increased operating costs	Ridesharing	1.Shared ride or private car transfer 2.Food provided by specific cooperative restaurant manufacturers/vending machines 3.Rest in a safe area within the factory 4.Employees residing in mountainous areas or remote locations are prohibited from reporting to work at the Company's premises.
	E41	wildfire	Smoke affects employee health	Damage to company reputation	Investigate colleagues who are feeling unwell and send them to the doctor for examination	1.Provide effective protective measures 2.Registration management of employees at work 3.Health examination of personnel 4.Suspend production operations if necessary
	E42	Sea-level rise	Produce salt damage	Impact on quality, increased risk of customer complaints and compensation	COQ test	1.COQ stricter testing 2.Inline environment detection 3. Water quality testing 4. Purchasing pure water from outside
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	4-1. The company has established opportunity and risk management procedures, with environmental and climate risks identified as risk sources. 4-2. Follow the opportunity and risk management process. Initiate risk management procedures -> Risk assessment -> Risk control -> Risk communication -> Output of risk management results -> Review and approval -> Implement risk prevention management activities.					
5. When evaluating resilience to climate change risks through scenario analysis, the context, parameters, assumptions,	5.Currently, there is no scenario analysis conducted to assess resilience to climate change risks.					

analysis factors, and major financial impacts should be explained.	
6. If an adaptation and management plan for climate-related risks is in place, describe the content of the plan and the indicators and objectives used to identify and manage physical and transitional risks.	6. The company's product development is oriented towards low power consumption design, so that the products can achieve high-efficiency power saving and carbon reduction goals.
7. If internal carbon pricing is used as a planning tool, explain the basis for price determination.	7. Currently, internal carbon pricing is not utilized as a planning tool.
8. If climate-related goals are set, provide information on the activities covered, greenhouse gas emission scopes, planning schedule, annual progress towards targets, and, if carbon offsetting or Renewable Energy Certificates (RECs) are used to achieve the goals, describe the sources and quantities of carbon offsets or RECs exchanged.	8. Currently, there are no climate-related goals set.
9. Describe the greenhouse gas inventory and assurance situation, reduction targets, strategies, and specific action plans. (To be filled in sections 1-1 and 1-2).	9. Please see Sections 1-1 and 1-2 below for details.

1-1 Company greenhouse gas inventory and confirmation status in the last two years

1-1-1 Greenhouse gas inventory information

Describe the emission volume (metric tons CO ₂ e), intensity (metric tons CO ₂ e/million yuan) and data coverage of greenhouse gases in the past two years.				
1. The parent company only shall commence the inventory in 2026.				
2. Subsidiaries included in the consolidated financial statements shall commence the inventory in 2027.				
The organizational boundary for the Company's greenhouse gas inventory is set based on the operational control approach. The Company conducts voluntary inventories of the facilities at its two operating locations in Taiwan, namely the parent company. The emission data for the most recent two years are as follows:				
		2024 (Voluntary Inventory)		2025 (Voluntary Inventory)
		Emissions (metric tons CO ₂ e)	Intensity (metric tons CO ₂ e / NT\$ million of revenue)	Emissions (metric tons CO ₂ e) / Intensity (metric tons CO ₂ e / NT\$ million of revenue)
Company	Scope 1 Direct greenhouse gas emissions	76.6843	4.38	The greenhouse gas emissions inventory is currently in progress, and the internal verification procedures have not yet been completed. The relevant data will be disclosed in accordance with applicable regulations after the inventory and verification procedures are completed.
	Scope 2 Indirect greenhouse gas emissions	8517.4957		
	TOTAL	8594.18		

1-1-2 Greenhouse Gas Assurance Information

Describe the assurance status for the most recent two years as of the date of publication of the annual report, including the assurance scope, assurance provider, assurance standards, and assurance opinion
1. The parent company only shall begin conducting assurance in 2028. 2. Subsidiaries included in the consolidated financial statements shall begin conducting assurance in 2029. The Company has not yet become subject to the applicable timetable for assurance of greenhouse gas inventory information. Going forward, the Company will comply with the requirements prescribed by the competent authorities.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Describe the base year and data for greenhouse gas reduction, reduction targets, strategies, specific action plans, and the status of achievement of the reduction targets. <u>Base Year and Reduction Targets for Greenhouse Gas Reduction</u> For the purpose of planning its greenhouse gas reduction strategies, the Company has set 2021 as the base year. The Scope 1 and Scope 2 emissions in the base year were 75.1526 metric tons CO₂e and 10,418.7841 metric tons CO₂e, respectively. Through the specific actions set forth below, the Company aims to further implement a 4.2% reduction in 2025 compared with the base year, and to achieve an annual reduction of at least 4.2% from the base year, with the goal of reducing emissions by 37.8% by 2030. <u>Greenhouse Gas Reduction Strategies and Specific Action Plans</u> The Company's greenhouse gas reduction strategy focuses on improving energy efficiency and promoting low-carbon transformation, and gradually incorporates carbon management into its operational decision-making and daily management mechanisms. Specific measures include introducing a green electricity procurement mechanism, replacing high-energy-consuming equipment, such as replacing traditional lighting fixtures with LED lighting fixtures, and promoting energy-saving improvements and process optimization in manufacturing processes, in order to reduce overall energy intensity and carbon emission risks. At the same time, the Company continues to promote energy management and carbon reduction management measures. Through annual trend analyses of electricity consumption and energy billing data, the Company monitors overall changes in energy use. However, the current assessment of reduction effectiveness is based on a comprehensive observation of changes in overall energy use. The Company has not yet established a complete baseline model or marginal reduction quantification methodology for each individual energy-saving measure. Therefore, at the current stage, changes in overall electricity consumption cannot be directly attributed to the independent reduction benefits of any single improvement measure. In the future, the Company will continue to strengthen its greenhouse gas inventory and energy management systems, and will gradually introduce more refined data management and quantitative analysis mechanisms to enhance the traceability and verifiability of its reduction performance. The Company will also evaluate the introduction of internal carbon management tools or relevant management platforms to support the systematic implementation of carbon reduction strategies and decision-making analysis, ensuring that its carbon reduction targets and operational strategies develop in alignment, and steadily moving toward the goal of low-carbon operations.
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Status of Achievement of Reduction Targets

The annual emissions data and status of achievement of the targets as of the date hereof are as follows:

Using 2021 as the base year, the Company has set a target of reducing greenhouse gas emissions by 4.2% each year. Based on the inventory results from 2022 to date, emissions have shown a downward trend year by year, indicating that the reduction strategies have been effective and that the established targets have been achieved.

In terms of emission intensity, the intensity has shown an upward trend from 2022 to date, mainly due to changes in operating revenue. Although total emissions have decreased, the decline in revenue affected the allocation base, resulting in an increase in emission intensity. Such increase was not caused by an increase in emissions.

Overall, the Company's total greenhouse gas emissions have been effectively controlled and have decreased year by year. The Company will continue to promote energy-saving and carbon reduction measures, while monitoring changes in both total emissions and emission intensity, in order to strengthen its overall carbon reduction performance.

Year	Scope 1 emissions (metric tons CO ₂ e)	Scope 2 emissions (metric tons CO ₂ e)	Total emissions (metric tons CO ₂ e)	Reduction rate compared with the base year	Intensity	Status of target achievement
2021 (Base year)	75.1526	10,418.7841	10,493.9367	-	3.50	Base year
111	71.0264	9,348.9771	9,420.0035	↓ 10.23%	3.81	Achieved
112	258.5233	8,347.9622	8,606.4855	↓ 17.99%	4.23	Achieved
113	76.6843	8,517.4957	8,594.1800	↓ 18.10%	4.38	Achieved

2.3.6 Status of corporate integrity management, and any variance from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons for any such variance

Assessment Item	Implementation Status			Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
1.Establishment of Corporate Conduct and Ethics Policy and Implementation Measures				
(1) Has the Company established an ethical management policy approved by the Board, declared its ethical corporate management policies and procedures in its guidelines and external guidelines, as well as the commitment from its board and senior management to implement the policies?	√		(1) The company has formulated the "Code of Integrity Management" approved by the board of directors since 2015, which fully reveals the concept and commitment of the company's board of directors, management and grassroots employees to actively implement the concept and commitment of integrity management from top to bottom. It has been disclosed on the public information observation station and the company's website.	None
(2) Has the Company established a mechanism for evaluating the risk of unethical behavior? Do business activities with a higher risk of unethical behavior undergo regular analysis and assessments so that measures for the prevention of unethical behavior can be formulated, including at a minimum the behaviors defined under Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles"?	√		(2) In accordance with the provisions of Article 7 of the company's "Code of Integrity Management", the company has also formulated the "Integrity Management Operation Procedures and Behavior Guidelines" approved by the Board of Directors, so as to establish an assessment mechanism for the risk of dishonest behavior, and clearly cover The behaviors in Item 2 of Article 7 of the "Code of Integrity Management of Listed OTC Companies" are preventive measures for dishonest behaviors such as prohibition of bribery, offering or accepting illicit benefits, infringement of intellectual property rights, etc.	None
(3)Does the Company establish relevant policies that are duly enforced to prevent unethical conduct and provide implementation procedures, guidelines, and consequences of violation, complaint procedures in such policies and with the aforementioned measures reviewed and updated on a regular basis?	√		(3) In addition to the "Integrity Management Code" and the "Integrity Management Procedures and Behavior Guidelines", the company also has a "Code of Ethical Conduct" and "Reporting Cases of Illegal and Immoral or Dishonest Behavior" approved by the Board of Directors. In accordance with this, the relevant procedures and operating rules for implementing the integrity management policy, the basis for punishment for violations and the appeal system are implemented, and the "integrity management promotion team" affiliated to the board of directors holds regular	None

			meetings to review and revise the pre-release standard.	
2.Ethic Management Practice				
(1) Does the Company assess the ethics records of whom it has business relationship with and include business conduct and ethics related clauses in the business contracts?	√		(1) According to Article 9 of the company's "Code of Integrity Management", before the company conducts business with others, it should consider whether the transaction partner has a record of dishonest behavior, and the content of the contract should include compliance with the integrity management policy. Integrity Behavior The company may terminate or cancel the terms of the contract at any time; in order to implement this preventive measure, the company strictly requires suppliers to sign the "Integrity, Integrity and Confidentiality Commitment Letter", declaring that they should abide by honesty, trustworthiness, sunshine and integrity when dealing with the company Principles and confidentiality obligations, and inform the consequences of violations, so as to strengthen the corporate culture of suppliers to practice honest management, and at the same time include them in the company's joint prevention of dishonesty.	None
(2) Has the Company established a dedicated unit supervised by the Board of Directors for the promotion of ethical corporate management that regularly (at least once a year) reports to the Board of Directors on its ethical management policy, precautions against unethical behavior, and implementation of oversight?	√		(2) In accordance with the provisions of Article 17 of the "Code of Integrity Management", the company has set up an "Integrity Management Promotion Group" affiliated to the Board of Directors, and reports to the Board of Directors at least once a year on the promotion of the company's integrity management policies, and follows the board of directors' guidelines. Comments and suggestions, and continue to take various corrections and improvement measures. The promotion and operation of the company's integrity management in 2025 has been reported to the board of directors on November 7, 2025.	None
(3) Does the Company establish policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?	√		(3) The company's "Integrity Management Code" and "Integrity Management Operation Procedures and Behavior Guidelines" have fully revealed the policy of preventing conflicts of interest, and strictly require all units to implement the pre-disclosure norms; the company also has an open and independent report Channels for internal and external personnel to report any violation of conflict of interest or dishonesty.	None
(4) Has the Company established effective systems for both accounting and internal control to facilitate ethical corporate management? Do internal auditors	√		(4) In order to implement the company's integrity management philosophy and policies, the company has established effective accounting and internal control systems, and internal auditors regularly	None

devise and carry out audit plans based on risk assessments of unethical behavior to investigate non-compliance, or have CPAs been retained to conduct such audits?		check the compliance of various systems and policies.	
(5) Does the Company provide internal and external ethical conduct training programs on a regular basis?	√	(5) The company continues to educate employees on the concept of honesty and integrity through various forms such as internal websites and emails, and regularly organizes education and training on honesty and integrity policies, so as to deepen employees' awareness of business ethics and compliance with laws and regulations. Also make employees understand the company's determination to implement the integrity management policy, prevention plans and the consequences of violating integrity.	None
3.Implementation of Complaint Procedures			
(1) Does the Company establish specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received?	√	(1) Article 3 of the Company's "Measures for Handling Cases of Reporting Illegal and Immoral or Dishonest Behaviors" has specified the designated personnel to accept the reported cases, and has set up an open and independent reporting mailbox (integrity@harvatek.com) for internal and external personnel to use This channel reports any behavior that violates integrity; at the same time, in order to encourage internal and external personnel to report behaviors that violate the company's integrity management policy, the company's "Integrity Management Procedures and Behavior Guidelines" stipulates incentive measures in Article 21	None
(2) Has the Company established standard operating procedures for the investigation of complaints, what follow-up actions to take once an investigation is complete, and the relevant confidentiality mechanisms?	√	(2) 1.The Company has stipulated the Principles for Handling Whistleblowing Cases, including acceptance guidelines, investigation procedures, follow-up measures after the investigation report, and whistleblower protection, under its "Procedures for Ethical Management and Guidelines for Conduct." 2.Acceptance Guidelines: Whistleblowers should provide at least the following information: (1) The whistleblower's name and National Identification Number (anonymous reports are also accepted), as well as a reachable address, telephone number, or email address.	None

- (2) The name of the accused or other identifiable information sufficient to confirm their identity.
- (3) Specific evidence that can be used for investigation.

3. Confidentiality Mechanism:

All personnel involved in handling whistleblowing cases are required to sign a written confidentiality statement to protect the identity of the whistleblower and the content of the report. The Company is committed to protecting whistleblowers from any improper treatment resulting from their report.

4. Investigation Procedures:

The Company's designated unit shall handle whistleblowing cases in accordance with the following procedures:

- (1) If the report involves general employees, it shall be submitted to the department head. If it involves directors or senior executives, it shall be reported to an independent director.
- (2) The designated unit and the recipients of the report shall promptly investigate the relevant facts. Assistance may be requested from the compliance or other relevant departments if necessary.
- (3) If the investigation confirms that the accused has indeed violated laws or the Company's ethical management policies or regulations, the accused shall be immediately instructed to cease the misconduct. Appropriate disciplinary actions will be taken, and if necessary, the case shall be reported to regulatory authorities, referred to judicial authorities for investigation, or legal action shall be taken to seek compensation to protect the Company's reputation and interests.
- (4) Written documentation of the whistleblowing case, the investigation process, and its results shall be retained for five years, either in physical or electronic format. If legal proceedings related to the case are initiated before the retention period ends, the documents must be

		preserved until the conclusion of the litigation. (5) If the case is substantiated, the relevant internal control systems and operational procedures shall be reviewed by the responsible units, and corrective actions shall be proposed to prevent recurrence. (6) The designated unit shall report the whistleblowing case, its handling, and the subsequent improvement measures to the Board of Directors.	
(3) Does the Company adopt proper measures to prevent a complainant from retaliation for his/her filing a complaint?	√	(3) 1.The Company has established the "Procedures for Ethical Management and Guidelines for Conduct," which are applicable to the Company and its subsidiaries. A whistleblower protection mechanism has been implemented, allowing for anonymous reporting. All personnel involved in handling whistleblowing cases are required to sign a written confidentiality statement to ensure the whistleblower's identity and the content of the report are kept confidential. The Company is committed to protecting whistleblowers from any improper treatment resulting from their disclosures. 2.In 2025, the Company and its subsidiaries received zero whistleblowing cases (zero cases in 2024). There were no substantiated cases following investigation in 2025 (also zero in 2024).	None
4.Information Disclosure (1)Does the Company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and Market Observation Post System ("MOPS")?	√	(1)The company's website and public information observatory have disclosed the "Code of Integrity Management", and set up column items such as "Important Company Internal Regulations" and "Promotion of Honest Management" on the company website to reveal the company's "Code of Integrity Management" and other related norms the content. In addition, the company's internal website has set up a "Propaganda Zone for Insider Trading Prevention" for all employees to browse. The content includes relevant laws and regulations on insider trading and the company's "Management Measures for Preventing Insider Trading". As of December 31, 2025, it has reached 1,616 times visits; In 2025, the number of suppliers who signed the "Integrity, Integrity and Confidentiality Commitment" and declared that they will abide by the business philosophy of integrity in	None

		transactions with the company reached 55 times, and the signing rate was 100%. In 2025, a total of 521 employees participated in integrity and clean service-related training, accumulating a total training duration of 535 hours. The effectiveness of promoting the integrity management philosophy has been disclosed on our company's website.	
5. If the Company has established corporate governance 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: None.			
6. Other important information to facilitate better understanding of the Company’s corporate conduct and ethics compliance practices (e.g., review the company’s corporate conduct and ethics policy): The company complies with the Company Law, Securities Exchange Law, Commercial Accounting Law, Rules related to listing on the OTC or other laws and regulations related to business practices. In addition, establishing integrity management regulations as the basis for implementing integrity management.			

2.3.7 Other important information that is sufficient to enhance understanding of the company's governance operations may also be disclosed:

1. In addition to being disclosed on the public information observatory and the corporate governance section of the company's website, the company will also disclose relevant corporate governance operations to investors in a timely manner in the form of material information, depending on their significance.
2. The Company holds corporate briefings regularly, and the relevant corporate briefing materials are published on the Public Information Observation Station.

2.3.8 Execution status of internal control system

2.3.8.1 Statement of internal control:

Harvatek Corporation

Statement of Declaration on Internal Control System

Date: March 11, 2026

Based on the findings of the self-auditing, the Company states the following with regard to its internal control system during the year 2025:

- I. The Company knows that the board and the management are responsible for establishing, implementing, and maintaining the internal control system. The Company has established the system. It aims at providing reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations (including profitability, performance, and the safeguard of assets), reliability, timeliness and transparency of reporting, and compliance with all the applicable laws and regulations.
- II. The internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its above 3 stated objectives. Moreover, the effectiveness of the internal control system may change due to changes in the environment and situations. Nevertheless, the internal control system of the Company contains self-monitoring mechanisms, and corrective action is taken whenever a deficiency is identified.
- III. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the “Regulations Governing

the Establishment of Internal Control Systems of Public Companies” (herein below, the Regulations). The criteria adopted by the “Regulations” identify five components of internal control based on the process of management control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring. Each component further contains several items. Please refer to the “Regulations” for details.

- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the above-mentioned Regulations.
- V. Based on the findings of the evaluation mentioned above, the Company believes that, on December 31, 2025, its internal control system (including the supervision on and management of subsidiaries), as well as the design and operations of internal control systems for understanding its operational effectiveness and efficiency, the achievement level of objectives, reliability, timeliness, transparency and regulatory compliance in reporting, and compliance with the applicable laws and regulations, were effective, and the Company can provide reasonable assurance that the above-stated objectives would be achieved.
- VI. This Statement is an integral part of the Company’s annual report and prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This statement was passed by the Company’s board in their meeting held on March 11, 2026, with none of the 7 attending directors expressing dissenting opinions, and all of them affirming the content of this Statement.

Harvatek Corp.

President : Wang, Ping-Lung

General manager : Wang, Ping-Lung

2.3.8.2. While entrusting an accountant to review the internal control system on project basis, the review report shall be disclosed: None.

2.3.9 Important resolutions of board meetings and shareholders’ meetings and the execution status of the resolved matters of shareholders’ meetings in the most recent year and up to the publication date of the annual report.

2.3.9.1. Important decision reached in shareholders’ meetings and made by the Board of Directors in the latest year as of the date of printing of Annual Report.

Shareholders’ Meeting on June 25, 2025:

Major Resolutions	Review on status
The 2024 Business Report and Financial Statement were recognized.	The Company’s operating revenue for 2024 was NT\$1,960,579 thousand, net income attributable to owners of the parent was NT\$5,860 thousand, and basic earnings per common share were NT\$0.03.
Approval of the 2024 earnings distribution proposal	The Company’s earnings for 2024 were fully retained and not distributed.
Amendments to the Company’s “Articles of Incorporation	The Company has handled the matter in accordance with the amended rules.

2.3.9.2. Board meetings

Date	Resolutions Passed
2025.01.17	– Distribution of employee bonuses to the Company’s managerial officers for 2023 and year-end bonuses for 2024 – Remuneration of the Company’s directors for 2025 – Amendments to the Company’s “Regulations Governing the Payment of Remuneration to Directors and Functional Committee Members” – The Company’s operating targets and budget for 2025 – Loan of funds by the Company to Guangzhou HARVATEK Electronics Co., Ltd.
2025.03.07	– Proposal for the Company’s directors’ and employees’ remuneration for 2024 – The Company’s 2024 final accounting books and statements and business report – The Company’s 2024 earnings distribution proposal – Issuance of the Company’s Internal Control System Statement for 2024 – Change of the Company’s chief internal auditor – Amendments to the Company’s “Articles of Incorporation” – Amendments to the Company’s “Procedures for Endorsements and Guarantees” – Matters relating to the Company’s 2025 annual shareholders’ meeting and acceptance of shareholders’ proposals – Agenda for the Company’s 2025 annual shareholders’ meeting
2025.05.08	– The Company’s consolidated financial statements for the first quarter of 2025 – Remuneration of the Company’s managerial officers for 2025 – Distribution of directors’ remuneration for 2024 – Amendments to the Company’s “Articles of Incorporation” – Loan of funds by the Company to RGB Display Corporation
2025.08.07	– The Company’s consolidated financial statements for the second quarter of 2025 – The Company’s 2024 Sustainability Report
2025.11.07	– The Company’s consolidated financial statements for the third quarter of 2025 – Establishment of the Company’s audit plan for 2026 – Review of the evaluation results of the independence and competence of the Company’s certifying CPAs – Establishment of the Company’s “Corporate Value Enhancement Plan” – Amendments to the Company’s “Sustainable Development Best Practice Principles” – Amendments to the “Labor and Wage Cycle” under the Company’s internal control system

	– Ratification of the Company’s investment in ARK Semiconductor Inc.
2026.02.06	– Distribution of employee bonuses to the Company’s managerial officers for 2024 and year-end bonuses for 2025 – Remuneration of the Company’s directors for 2026 – The Company’s operating targets and budget for 2026 – Loan of funds by the Company to Guangzhou HARVATEK Electronics Co., Ltd. – Loan of funds by the Company to Xiamen YTEC Electronics Co., Ltd. – Loan of funds by the Company to RGB Display Corporation – Remuneration of the Company’s certifying CPAs for 2026 – Amendments to the “Labor and Wage Cycle” under the Company’s internal control system
2026.03.11	– Proposal for the Company’s directors’ and employees’ remuneration for 2025 – The Company’s 2025 final accounting books and statements and business report – The Company’s 2025 earnings distribution proposal – Issuance of the Company’s Internal Control System Statement for 2025 – Matters relating to the Company’s 2026 annual shareholders’ meeting and acceptance of shareholders’ proposals – Agenda for the Company’s 2026 annual shareholders’ meeting – Cancellation of the Company’s shares repurchased under the second treasury share buyback program that were not transferred to employees upon expiration of the transfer period – Method for calculating interest on loans of funds by the Company to its reinvested companies in Mainland China

2.3.10 Recorded or written statements made by any director who specified dissent to important resolutions passed by the Board of Directors during the most recent year and up to the date of publication of the annual report: None.

2.4 Public Expenditure on CPAs

Unit: NT\$ thousand

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-Audit Fee	Sum	note
Deloitte & Touche	Fang Su-lie	2025	2,700	110	2,880	Tax and visa fees
	Zhang Ya-Yun			70		Financial information consulting fees
	Allen Chu	2025	-	200	290	Transfer pricing
				90		Tax and visa fees
	Total fee			2,700	470	3,170

(1) If the audit firm was changed and the audit fees for the year of change decreased compared to the previous year, the Company shall disclose the amount and percentage of the decrease and the reasons for such change: Not applicable.

(2) If the audit fees decreased by more than 10% compared to the previous year, the Company shall disclose the amount and percentage of the decrease and the reasons for such change: No such situation.

2.5 Information on Replacement of Accountants : Not applicable.

2.6 Disclosure of Name, Position and Duration of Service at Firms or Their Associated Enterprises within the Past Year of Chairman, General Manager, and Managers in Charge of Financial or Accounting Affairs: None.

2.7 Transfer of Stock Options and Changes in Equity Pledge of Directors, Supervisors, Managers and Shareholders Holding More Than 10% of Shares in the Latest Year and as of the Date of Printing of the Annual Report

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

Title	Name	2025		Till March 31, 2026		note
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change In Shareholding	Net Change in Shares Pledged	
President	Wang, Ping-Lung	-	-	-	-	
General manager	Wang, Ping-Lung	-	-	-	-	
Senior Vice President	Chuang,Feng-Hui	-	-	-	-	
Vice President	Chang,Tien-Chien	-	-	-	-	
Financial & Accounting Manager	Su,Yu-Hui	-	-	5,000	-	
Assistant Manager	Pan, His-Ming	-	-	-	-	
Assistant Manager	Lin, Mind-Kuei	-	-	-	-	
Assistant Manager	HSIAO,HUI-CHUN	-	-	-	-	Note 1
Director	Hsun Chieh Investment Co., Ltd.	-	-	-	-	
Director of Juridical Person Representative	Tsai, Guo-Tsang	109,000	-	-	-	
Director	Li-Chi Investment Co., Ltd	-	-	-	-	
Director of Juridical Person Representative	Wu, Ying-Chih	-	-	-	-	
Independent Director	Wu, Kuang-Yi	-	-	-	-	
Independent Director	Liao, Ming-Cheng	-	-	-	-	
Independent Director	Chen, Chi-Kai	-	-	-	-	
Independent Director	Li, Pei-Ying	-	-	-	-	

Note: Newly appointed on December 29, 2025.

Stock Traded with Related Party

Name	Reason for Transfer	Date of Transaction	Transferee	Relationship between the trading counterpart and the Company, director, and shareholder with more than 10% shareholding	Shares	Trading Price (NT\$)
None	-	-	-	-	-	-

Stock Pledged with Related Party

Name	Reason for Pledge	Date of Transaction	Transferee	Relationship between the trading counterpart and the Company, director, and shareholder with more than 10% shareholding	Shares	Shares holding %	Shares Pledged %	Pledged Amount
None	-	-	-	-	-	-	-	-

2.8 Information of Relationship among Top 10 Shareholders Who Are Related, Spouses, or Relatives within the Second Degree of Kinship

April 28, 2026 Unit: Share

Name	Current Shareholding		Spouse and Minor Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between Harvatek's Shareholders		note
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Hsun Chieh Investment Co., Ltd Representative: Guan Jun	28,023,066	13.62	-	-	-	-	None	None	
Wang, Ping-Lung	13,680,237	6.65	4,895,995	2.38	-	-	Li, Jind-Ru	Spouse	
							Wang Yu	relatives within two generations	
							Li-Chi Investment Co., Ltd.	Company representative is relatives within two generations	
							Li Yang Investment Co., Ltd.	Company director is relatives within two generations	
Li Yang Investment Co., Ltd. Representative : TSUI-FANG TSAI	13,647,214	6.63	-	-	-	-	Wang, Ping-Lung	It is a relative within the second class of the director of this company	
							Li, Jing-Ru	It is a relative within the second class of the director of this company	
							Wang Yu	Company director	
YoungTek Electronics Corporation Representative: Wang, Ping-Lung	10,230,336	4.97	-	-	-	-	Wang Yu	It is a relative within the second class of the director of this company	
							Li, Jing-Ru	As the spouse of the company representative	
Li Fa Investment Co., Ltd. Representative: Pei shi Chen	6,646,735	3.23	-	-	-	-	None	None	
Li, Jing-Ru	4,895,995	2.38	13,680,237	6.65	-	-	Wang, Ping-Lung	Spouse	
							Wang Yu	relatives within two generations	
Li-Chi Investment Co., Ltd. Representative : Wang Yu	3,506,491	1.70	-	-	-	-	Wang, Ping-Lung	It is a relative within the second class of the director of this company	
							Li, Jing-Ru	It is a relative within the second class of the director of this company	
Taishin International Commercial Bank is entrusted with HARVATEK Employee Stock Ownership Trust	3,057,899	1.49	-	-	-	-	None	None	
Wang Yu	2,254,710	1.10	-	-	-	-	Wang, Ping-Lung	relatives within two generations	
							Li, Jing-Ru	relatives within two generations	
							Li-Chi Investment Co., Ltd.	Company representative	
							Li Yang Investment Co., Ltd.	Company director	
Citibank Taiwan in custody for Barclays Capital Securities Ltd. Investment Account	1,328,000	0.67	-	-	-	-	None	None	

2.9 Shares Held by the Company, Directors, Supervisors, Managers of the Company and Businesses Controlled Directly or Indirectly by the Company of the Same Reinvestment Business and the Consolidated Calculation of the Comprehensive Shareholding Ratio:
December 31, 2025 Unit: Thousand shares

Long-term Investment	Ownership by		Ownership by Directors, Managers And Directly/Indirectly Owned Subsidiaries		Total Ownership	
	Shares	%	Shares	%	Shares	%
Hong Zheng Investment Co., Ltd.	3,833	41.60	-	-	3,833	41.60
Harvatek International (USA) Corp.	1,000	100.00	-	-	1,000	100.00
HONOR LIGHT LIMITED	12,446	100.00	-	-	12,446	100.00
SYNTEK CORPORATION LIMITED	700	70.00	-	-	700	70.00
Consentek Corporation	11,911	92.55	-	-	11,911	92.55
Starlight Display Corporation	2,625	63.13	-	-	2,625	63.13
Cyans visual creative Co.,Ltd.	2,000	40.00	-	-	2,000	40.00
iReach Corporation	2,500	10.32	10,909	44.93	13,409	55.25

Note: It is a long-term investment of the Company using the equity method.

III. Fundraising

3.1 Capital and Shares

3.1.1 Capitalization

April 28, 2026: Unit: Share; NT\$

Month/ Year	Issue Price (Per Share)	Authorized Share Capital		Capital Stock		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Other (Note)
2011.01	29.1	300,000,000	3,000,000,000	195,984,349	1,959,843,490	Convertible bonds into common stock NT\$ 41,408,760	-	Note 1
2011.01	27.8	300,000,000	3,000,000,000	197,761,306	1,977,613,060	Convertible bonds into common stock NT\$ 17,769,570	-	Note 1
2011.01	34.4	300,000,000	3,000,000,000	198,642,119	1,986,421,190	Convertible bonds into common stock NT\$ 8,808,130	-	Note 2
2011.03	27.8	300,000,000	3,000,000,000	199,037,796	1,990,377,960	Convertible bonds into common stock NT\$ 3,956,770	-	Note 1
2011.07	27.8	300,000,000	3,000,000,000	199,149,304	1,991,493,040	Convertible bonds into common stock NT\$ 1,115,080	-	Note 1
2011.01	10	300,000,000	3,000,000,000	203,130,204	2,031,302,040	Stock dividends of Common Stock NT\$ 39,809,000	-	Note 3
2012.09	10	300,000,000	3,000,000,000	205,161,506	2,051,615,060	Stock dividends of Common Stock NT\$ 20,313,020	-	Note 4
2015.01	10	300,000,000	3,000,000,000	207,201,801	2,072,021,010	Stock dividends of Common Stock NT\$ 20,402,950	-	Note 5
2017.04	10	300,000,000	3,000,000,000	206,069,801	2,060,698,010	Buyback shares and cancel NT\$ 11,320,000	-	Note 6
2026.04	10	300,000,000	3,000,000,000	205,761,801	2,057,618,010	Buyback shares and cancel NT\$ 3,080,000	-	Note 7

Note 1: Financial-Supervisory-Securities-First-09600664961 letter approved on December 3, 2007.

Note 2: Approved by Financial-Supervisory-Securities-Corporate-0990024919 on May 24, 2010.

Note 3: Financial-Supervisory-Securities-Corporate-1000035337 approved on July 28, 2011.

Note 4: Financial-Supervisory-Securities-Corporate-10101201920 letter approved on September 28, 2012.

Note 5: Financial-Supervisory-Securities-Corporate-1040029481 letter approved on August 4, 2015.

Note 6: Approved by Financial-Supervisory-Securities-Corporate-1030001883 letter on January 21, 2014; and approved by the Ministry of Economic Affairs by the Ministry of Economic Affairs in the letter No. 1060104480 to change registration on April 2, 2017.

Note 7: Approved by Financial-Supervisory-Securities-Corporate-1120331080 letter on February 7, 2023; and approved by the Ministry of Economic Affairs by the Ministry of Economic Affairs in the letter No. 11530048890 to change registration on April 15, 2026.

April 28, 2026 Unit: share

Type of Stock	Authorized Share Capital			Remark
	Outstanding shares	Unissued Shares	Total	
Common Stock	205,761,801	94,238,199	300,000,000	Listed Stock

3.1.2 Major Shareholders

April 27, 2026

Shareholders	Total Shares Owned	Ownership (%)
Hsun Chieh Investment Co., Ltd	28,023,066	13.62
Wang, Ping-Lung	13,680,237	6.65
Li Yang Investment Co., Ltd.	13,647,214	6.63
YoungTek Electronics Corporation	10,230,336	4.97
Li Fa Investment Co., Ltd.	6,646,735	3.23
Li, Jing-Ru	4,895,995	2.38
Li-Chi Investment Co., Ltd.	3,506,491	1.70
Taishin International Commercial Bank is entrusted with HARVATEK Employee Stock Ownership Trust	3,057,899	1.49
Wang, Yu	2,254,710	1.10
Citibank Taiwan in custody for Barclays Capital Securities Ltd. Investment Account	1,382,000	0.67
Total	87,324,683	42.44

3.1.3 Dividend Policy and Implementation Status

3.1.3.1 Dividend Policy

Where the Company has earnings after annual closing of accounts, it shall first pay taxes and offset accumulated losses in accordance with the law, and then set aside 10% of the remaining balance as legal reserve. However, where the legal reserve has reached the Company's paid-in capital, no further appropriation shall be required. The remaining balance shall then be used to appropriate or reverse special reserve in accordance with applicable laws and regulations.

If there is still any balance remaining, together with accumulated undistributed earnings, the Company shall appropriate at least 50% thereof for distribution as shareholders' dividends; provided, however, that if the aforementioned balance is less than 10% of the paid-in capital, the Company may choose not to make any distribution.

The proposal for distribution of shareholders' dividends shall be prepared by the Board of Directors. Where the distribution is to be made in cash, it shall be approved by a resolution of the Board of Directors. Where the distribution is to be made by issuance of new shares, it shall be submitted to the shareholders' meeting for approval.

With respect to the shareholders' dividends referred to in the preceding paragraph, if such dividends are distributed in cash, the Board of Directors is authorized to approve the distribution by a resolution adopted at a meeting attended by at least two-thirds of all directors and approved by a majority of the directors present at such meeting, and shall report the distribution to the shareholders' meeting.

The Company's dividend policy is formulated in consideration of its current and future development plans, investment environment, capital requirements, domestic and international competitive conditions, and shareholders' interests. Shareholders' dividends may be distributed in the form of cash or shares, provided that cash dividends shall not be less than 20% of the total dividends distributed.

3.1.3.2 Proposed Distribution of Dividend: Not applicable.

3.1.4 Impact to Business Performance and EPS Resulting from Stock Dividend Distribution: Not applicable.

3.1.5 Remuneration to Directors and Profit Sharing Bonus to Employees

3.1.5.1 Percentage or Range of Employees' Remuneration and Directors' Remuneration as Set Forth in the Articles of Incorporation:

The Company's Articles of Incorporation provide that, if the Company makes a profit for the year, it shall appropriate not less than 6% of such profit as employees' remuneration, of which not less than 30% shall be allocated as remuneration to rank-and-file employees, and not more than 1% as directors' remuneration. However, if the Company has accumulated losses, an amount sufficient to offset such losses shall first be reserved. The employees' remuneration and remuneration to rank-and-file employees referred to in the preceding paragraph may be distributed in the form of shares or cash, and the recipients may include employees of controlling or subordinate companies who meet certain conditions. Directors' remuneration may only be distributed in cash. The matters referred to in the preceding two paragraphs shall be approved by a special resolution of the Board of Directors and reported to the shareholders' meeting.

3.1.5.2 The basis for estimating the amount of employee and director remuneration for the current period, the basis for calculating the number of shares for employee remuneration distributed in the form of stocks, and the accounting treatment if the actual distribution amount is different from the estimated amount:

The basis for estimating the amount of employee and director remuneration for the current period is based on the current year's profit status and is estimated at a certain ratio within the range of the percentage specified in the articles of association. If there is a difference between the estimated amount and the actual amount paid, the accounting estimate will be used. Changes are processed and adjusted in the year of issuance.

3.1.5.3 The company estimates NT\$ 2,720,000 for employees and NT\$280,000 for directors in 2025. The board of directors of the company decided on March 11, 2026 to pay employee compensation and director compensation in cash at NT\$ 2,720,000 and NT\$ 280,000, respectively, and there is no significant difference with the estimated amount in the accounts.

3.1.5.4 Actual distribution of employee and director remuneration in the previous year:

The Company's Board of Directors resolved on March 7, 2025 to distribute employees' remuneration and directors' remuneration for 2024 in cash in the amounts of NT\$1,000,000 and NT\$70,000, respectively. There was no difference between the actual cash distribution of the aforementioned employees' and directors' remuneration and the amounts of employees' and directors' remuneration recognized in the accounts. The distribution was fully completed on February 13, 2026.

3.1.6 Buyback of Treasury Stock:

1. Those that have been executed: None.
2. Those still in execution: None.

3.2 Corporate Bonds, Special Stock, Special Shares, Global Depositary Receipts, Employee Stock Option Certificates, Restricted Employee Shares and M&A and Implementation of Capital Utilization Plan

Issuance of Corporate Bonds: None.

- (1) Corporate bond issuance: None.
- (2) Preferred shares issuance: None.
- (3) Issuance of overseas depositary receipts (ODRs): None.
- (4) Issuance of employee stock warrants: None.
- (5) Issuance of restricted employee shares: None.
- (6) Issuance of new shares for mergers or acquisition of other companies' shares: None.

(7) Status of capital utilization plans: As of the end of the quarter preceding the date of this annual report, there were no uncompleted offerings or private placements of securities from prior periods, nor any completed within the past three years for which the expected benefits have yet to be realized.

IV 、Operational Status

4.1 Business Activities

4.1.1 Business scope

4.1.1.1 Major Business

- (1) Semi-conductor chips 、LED packaging R&D 、Design 、Manufacture 、testing
- (2) Above the product import and export trade service

4.1.1.2 Operating proportion

Unit: NT\$ thousands

Major Product	2025	
	Sales amount	Sales percentage (%)
Surface-Mounted Device(SMD LED)	2,060,359	99.51
Construction income	10,070	0.49
Total	2,070,429	100.00

4.1.1.3 Current product (Service) categories

The company currently sells mainly surface-mount light-emitting diodes (SMD LEDs). In recent years, due to the rapid growth of the personal communication and consumer markets, it has made the surface-mount with features such as small size, power saving, long life cycle time and compression resistance. Adhesive light-emitting diodes have been widely used. For example, smart phones, smart home appliances, notebook computers, Gaming applications, small-pitch displays, wearable applications and automotive markets have been widely used.

4.1.1.4 New products (services) planned to be developed

The new products and services that the company plans to develop still focus on surface-mount packaging technology, and focus on derivatives, improvements, or even integrated products of existing products. The content includes circuit components, components, and second-level modules and subsystems.

(1) Circuit components:

- a. Ultra-thin, ultra-small SMD LED
- b. RGB+IC control components
- c. All-in-one full-color components
- d. Light-emitting and light-receiving components_ IR/PD/PT/ITR, all kinds of SMD/PLCC Type Package
- e. ALS (Light Environment Sensing) components/P Sensor
- f. Heartbeat blood oxygen sensing application, compact light-emitting element (infrared and visible light integrated package)
- g. Proximity sensor package components VCSEL/PS (proximity sensor)
- h. Photo coupler, Gate driver
- i. TOF components
- j. Automotive packaging components

(2) Modular type and sub-system type :

- a. IR Receiver Module
- b. Three-in-one proximity + light environment sensing module
- c. Small pitch display module
- d. COB full color display module

- e. Colorful and full-color LED light-emitting modules
- f. Smart display board module
- g. High-brightness commercial display
- h. Mini LED dynamic backlight module
- i. Car display backlight module
- j. RGB+IC module

4.1.2 Industry Overview

4.1.2.1 Industry status and development

Light Emitting Diode (Light Emitting Diode; LED for short) is a light-emitting element composed of III-V compound semiconductor materials (arsenic, gallium, indium, aluminum, phosphorous) and element structure changes. It is a fine solid-state light source. The principle of luminescence is mainly based on applying voltage to compound semiconductor crystals such as AlGaAs (aluminum gallium arsenide), AlGaInP (aluminum indium gallium phosphide), and GaInN (indium gallium nitride). The combination of electrons and holes releases energy to emit light. Energy other than heat is used to directly stimulate the phosphor to absorb and emit light. It has no thermal energy, so it is also called "cold light." Because its light-emitting principle and structure are different from traditional tungsten light bulbs, and LEDs have the characteristics of long life cycle time, low power consumption, good luminous efficiency, adjustable temperature and small size, they are environmentally friendly lighting. In recent years, with the sharp decline in the price of high-brightness LED products and the improvement in their luminous brightness and lifespan, the application of LEDs in household lighting, automotive light sources, traffic signs, outdoor display boards, and light source modules has rapidly expanded. Countries actively encourage the development of industries.

4.1.2.2 Relevance of the industry's upper, middle and lower stream

The development of the light-emitting diode (LED) industry in Taiwan has a history of 20 years. The industrial structure of the upper, middle and lower streams is gradually complete. The main upstream products are single-chip and epi-chips. Single-chips are the substrates of raw materials, and most of them are Binary III-V compound semiconductor materials, such as gallium arsenide (GaAs) or gallium phosphide (GaP), etc.; epitaxial wafers grow multi-layer single crystal thin films of multiple materials with different thicknesses on a single crystal substrate are commonly used technology. There are liquid phase epitaxy (LPE) and metal organic vapor phase epitaxy (MOVPE). According to the requirements of the device structure, the midstream industry first etches and fabricates electrodes on the epitaxial wafer, and then cuts them into fine LED dies. The process technologies used are: photo mask, dry or wet etching, vacuum evaporation and crystal Particle cutting, etc.; downstream is the packaging industry, and according to different packaging technologies, lamps, digital display, dot matrix, or surface mount products have been developed.

The correlation between the upstream, middle and downstream of my country's LED industry is shown in the following table: :

Industry	Main material	Source of material	Product	Major supplier
Upstream	Single-chip	100% Foreign import	Crystal growth, slicing, epitaxy	Wafer work Corp. 、SAS Wafer 、ACME.
Midstream	Epi-Chips	98% above Foreign import	Dies	Opto 、TYNtek 、Epistar 、Genesis photonics 、Xuming Corp. 、HPO 、Epileds 、Cree 、Sanan 、Hcsemitek 、Changelight...etc
Down stream	Dies	Domestic, Foreign supplies	Bulb type LED, digital display LED, dot matrix display	Liteon 、Everlight 、Harvatek 、Lextar 、Kingbright 、Ledtek 、BRT Led 、Ligitek 、AoT...etc supplies
	Resin lead frame, mold	Domestic, Foreign supplies		
	Au wires 、Silver glue	Foreign supplies		
Application	Lamp 、Digital display 、Surface Mount 、Dot Matrix),etc	Domestic supplies	Display screens, brake lights, traffic signs, infrared application products, infrared transmission application products	Edison Opto 、Radiant 、Everlight 、Delta 、Coretronic 、InnoLux

4.1.2.3 Product development trend

(1) High brightness LED

Because high-brightness LEDs are used in outdoor billboards, traffic signs, automotive lamps and some backlight applications, they have the advantages that traditional LEDs cannot achieve. The key lies in whether they can break through the technical bottleneck and expand the new application market. White light LEDs will replace light sources such as general tungsten bulbs and fluorescent lamps, and fluorescent tubes will be replaced by white light LEDs. This will expand the product application areas to outdoor large-scale signage, automotive lighting, mobile phone backlights, full-color backlight modules, etc. Due to its two major competitive advantages in brightness and power saving, the market for LEDs has a very large room for growth.

(2) Blue light LED

Japan's Nichia Chemical was the first manufacturer to use sapphire wafers to invent blue LEDs. It has obtained a number of blue LED technology patents and insisted not to provide external authorizations, resulting in a monopoly of the market and affecting the development of domestic LED downstream products. However, with

changes in the environment, after Nichia Chemical gradually opened up patent authorization, global LED manufacturers have turned towards the development of blue light technology. Driven by the market demand for mobile phone backlights, outdoor large signage, traffic signs, automobiles and lighting, blue LEDs Demand has increased significantly. Although the mainstream market has been replaced by white LEDs, it still accounts for a certain proportion.

(3) White light LED

White light LED has many advantages such as small size, low heat generation, long light-emitting life, not easy to break, high luminous efficiency, no thermal radiation, no mercury, etc. The white light LED that has just entered the popularization stage is mainly used in mobile phone backlights, flash lights, etc. With the continuous reduction in prices and the gradual increase in brightness, the products are expected to be extended to the backlight of LCD panels and automotive applications. In the future, they are expected to replace traditional incandescent lamps and fluorescent lamps to become the mainstream of the lighting market.

(4) SMD LED

With the advent of the era of smart mobile communications, various electronic products are developing towards light, thin, short, and small trends. SMD LEDs, which have the advantages of small size, suitable for automated production and easy assembly, are widely used in smart home appliances, indicator lights, Portable products such as smart phones, sports bracelets, wearable devices and luminous clothing, and applications such as smart control of home lighting also make infrared light-emitting diode packaging quite potential, and the demand for components is gradually moving towards miniaturization and modularization With development, SMD LED products with modularization will become the future development trend. This will not only increase the added value of products and reduce costs, but also save assembly space and time.

4.1.2.4. Market competition

With the rise of mainland Chinese manufacturers, its government policy support and the huge domestic demand market are the biggest competitive advantages of mainland capital. It is not easy to compete with it and they become a competitor that cannot be ignored. Since the establishment of the Harvatek Company, new packaging technology has continued to evolve, and low-cost manufacturing Technology is still the focus of attention. With the increasing luminous efficiency of LEDs, it is still necessary to pay attention to products that meet the direction of application market demand:

- SMD is still the mainstream in the short term, so it is actively looking for ways to reduce costs
- Mini LED technology improvement and looking for ways to reduce costs
- LED technology continues to evolve, providing different products according to the characteristics of different application markets
- Master customers/channels, economies of scale and low cost technology

The company's LED strategy to get rid of price competition; strengthen research and development, improve the brightness, stability, heat dissipation technology and design capabilities of LEDs, lay out LED-related technology patents, and increase product added-value (application). The technology is a leading enterprise compared to China and can meet customer needs for competitive demand.

4.1.3 Technology and R&D Overview

4.1.3.1 R&D expenses and successfully developed technologies or products invested in the most recent year and as of the publication date of the annual report.

(1) Ongoing research and development projects and expenses

Unit: NT\$ thousands

Item \ Year	2025	March 31, 2026
Research and Development Expenses	238,315	44,079

(2) Successfully developed technologies or products

Year	Research achievements
2023	1. The development of MIP (Mini in Package) 1010/0606 display products shows better brightness performance and improved contrast compared to traditional wire bonding products. Additionally, the energy-saving advantages meet current ESG requirements. 2. CSP (Chip Scale Package) without a substrate has successfully integrated 0408 RGB and 0603 white light into client product applications, with continuous monthly shipments based on customer needs. Custom products like 0405/0203 white light are also in the final stages of terminal validation. 3. For infrared products, in addition to the existing heart rate and blood oxygen testing functions in wearable products, we have co-designed with clients to include ECG (electrocardiogram) testing in the current infrared product packaging, which has also passed end-client testing and validation. 4. In the field of Micro LED, we have collaborated with partner manufacturers to develop monochrome 2K 0.49-inch microdisplay technology. We aim to complete the development of 4500 PPI full-color display technology by 2025. The next phase will involve seeking suitable application areas for Micro LED displays, such as AR/VR glasses and other high-end display applications, in collaboration with suppliers and clients.
2024	1. COB/MIP display backlight boards with pixel pitches of 1.5 mm, 1.2 mm, and 0.9 mm entered the order, production, and shipment stages in 2025. Certain materials used in the manufacturing process differ from those of conventional display panel manufacturers, giving the Company's display backlight boards a competitive edge and greater product differentiation in the market. 2. In addition to the existing single-pixel MIP (Mini in Package) products such as 1010 and 0606, the Company developed new 4-in-1 products with P0.9 and P0.6 pixel pitches in 2025. These additions provide customers with a broader range of display component options. MIP products offer enhanced brightness and contrast, and their energy-saving features also align with current ESG (Environmental, Social, and Governance) demands. 3. CSP (Chip Scale Package) technology, which eliminates the need for substrates and gold wire bonding, offers cost advantages compared to traditional LED packaging. Therefore, the Company is actively

	pursuing the development of CSP-based products, including samples featuring 180° wide viewing angles and color temperatures ranging from 2400K to 6000K, which are currently undergoing customer validation. 4. In the field of Micro LED, the Company has successfully developed 0.49-inch monochrome and full-color display modules, which are being applied to smart glasses through collaboration with partner companies. Given the specific requirements of AR glasses—such as high brightness, superior image quality, low power consumption, compact size, and light weight—the next phase will focus on the development of a 0.26-inch display module, along with the necessary investment in related equipment and technologies.
	1. With respect to infrared sensing components, the Company has developed proximity sensing components integrated with a low-cost ASIC architecture. Compared with conventional digital signal proximity sensing components, this product features a built-in comparator within the ASIC and is able to distinguish different reflective materials through simple logic IC operations, thereby determining whether to output a trigger signal. This simplifies the design of back-end modules and effectively reduces overall costs. 2. The Company's high-power infrared components have been successfully introduced into notebook computer applications of branded customers, making the Company one of the key component suppliers for IR camera modules. 3. In terms of Micro LED technology, the Company has preliminarily completed the development of high-precision bonding technology and the establishment of key equipment required for micro displays of less than 1 inch. In the next stage, the Company will apply such technology and equipment to further develop micro displays of less than 0.3 inches. 4. In addition to the existing single-pixel 0606 black MIP LED with a thickness of 0.5 mm, the Company has also developed a transparent thin-type LED with a thickness of 0.3 mm. Its brightness can be increased by approximately 30%, making it suitable for semi-outdoor environments requiring high brightness. 5. The Company's CSP adopts a substrate-free design and uses a special matte RGB three-color package to achieve highly uniform color mixing for keyboard lighting applications. This effectively prevents leakage of RGB single-color light spots when mixing white light, while providing a uniform light-emitting angle of approximately 130° to 140°. The product has currently been provided to customers for certification. 6. In addition to the ultra-black surface treatment version already in mass production, the Company has also developed a fully matte surface treatment version for COB products. Under natural light or indoor fluorescent lighting environments, it can effectively reduce reflection and glossiness, thereby achieving a low-reflection effect. At the same time, the Company continues to optimize performance, enabling brightness to increase by approximately 30% under the same power consumption, or power consumption to decrease by approximately 25% under the same brightness conditions. 7. The Company has developed and mass-produced ARGB products measuring 1.0 mm × 1.0 mm with a thickness of 0.3 mm, which are

	provided to customers for use in wearable products and miniature display signage.
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4.1.4 Long- term and Short-term Business Development Plans

4.1.4.1 Short-term business development plans

(1) Marketing strategy

- a. Maintain a complete product line to meet the needs of different customer levels; at the same time, step up research and development for new products required by the market to maintain customer relationships and expand new customers.
- b. Consolidate existing marketing channels and VIP customer project team services to achieve monthly and quarterly established business goals.
- c. Strengthen the expansion of new channels and customer base, and strengthen business cooperation with distributors and agents in various regions in order to maintain market share.
- d. Increase the sales proportion of high-unit-price products and develop new application markets in order to increase the average sales unit price and profit.

(2) Production strategy

- a. Maintain a complete product line to meet the needs of the business, and speed up the mass production of new products and shorten the time to market.
- b. In the short term, adopt a mixed production method of planning and order. For models with high monthly demand, use planned production; for products with small quantities or high unit prices, order-to-order production is adopted to ensure the most economical inventory and meet the needs of the business demand.

(3) Research & Development strategy

- a. To meet the application requirements of customers' products, develop products that meet the needs.
- b. Develop products with high current resistance, high heat dissipation, long life and high reliability.
- c. Actively develop related products for vehicles, and improve the common derivatives of products.
- d. Infrared sensing application components, mainly for consumer applications, combined with sensing IC requirements, to develop products with corresponding specifications.
- e. Light sensor/proximity sensing is used in the development of 3C/mobile device components.
- f. Development of related application components for heartbeat and blood oxygen.

(4) Business and management strategy

- a. Promote enterprise resource integration computer system to strengthen the overall operating efficiency of the company.
- b. Actively expand the market and strengthen the relationship with customers.
- c. Increase production capacity to meet customer needs and expand the scale of operations.
- d. Actively recruit excellent talents and improve the overall quality of personnel.
- e. KPI management, strengthen internal training to meet company standards.

4.1.4.2 Long- term business development plans

(1) Marketing strategy

Gradually adjust the product structure and application areas, lower the proportion of consumer product sales, and increase the proportion of new products and high-margin sales to avoid excessive fluctuations in turnover that are affected by economic prosperity.

(2) Production strategy

- a. Increase the economic scale of mass production of products to reduce the unit production cost of products.
- b. Use a flexible production system to increase the output of niche products and shorten the production cycle, and to meet the needs of business development.
- c. Gradually establish a global supply chain to provide the best and most timely delivery service for the business.

(3) Research & Development strategy

With the four major application industries of the communications electronics industry, the automotive industry, the consumer entertainment industry, and the color display module industry as the R&D main axis, the development of the above-mentioned high-end products based on its own technology is the R&D-oriented, in order to expand the relationship with other industries. The product gap is toward the mass production of Mini LEDs and the development of advanced technologies such as Chip on board. In addition, in the sensing application part, it seeks strategic cooperation with sensor module manufacturers to develop light source modules.

(4) Business and management strategy

Increase new products to diversify the company's business risks.

4.2 Overview of Marketing and Production/Distribution

4.2.1 Market Analysis

4.2.1.1 Major sales (service) region and marketing share ratio

(1) Major sales (service) region

Unit: NT\$ thousands

Year Sales Region		2024		2025	
		Sales amount	Sales percentage (%)	Sales amount	Sales percentage (%)
	China	945,112	48.20	973,485	47.02
	Asia	249,125	12.71	238,133	11.50
	Others	213,290	10.88	261,711	12.64
	Subtotal	1,407,527	71.79	1,473,329	71.16
Domestic Sales		553,052	28.21	597,100	28.84
Total		1,960,579	100.00	2,070,429	100.00

(2) Market share

The company is mainly engaged in the research, development, design, manufacturing and testing of surface mount light emitting diodes (SMD LED), which belongs to the LED downstream packaging industry. At present, the main competitors include Japan's Nichia, Citizen, Rohm, etc. There are mainly more than ten domestic manufacturers such as Everlight, Lite-On, Lextar, Brltd. and Kingbright, and the company has always occupied a pivotal position in the domestic LED packaging

industry.

4.2.1.2 The future supply and demand situation and growth of the market

The development of light-emitting diodes has been more than 20 years. Because of their small size, fast speed, good shock resistance, long life and other characteristics, they were early used in consumer indicator lights, smart phones, and medium and large-sized backs. However, with technology advancement of its products, the application fields of its products have been expanded to small-pitch full-color display billboards, wearable applications and automotive markets. In recent years, as the price of high-brightness LED products has fallen sharply, the scale of related application markets will surely grow rapidly in the future. In recent years, the market demand for new applications has continued to grow, including UV, infrared, Mini LED, Flip chip, RGB+IC applications, etc.

4.2.1.3 Competitive niche

(1) Complete and novel product line

The company is specialized, dedicated, and emphasized on the development and manufacturing of SMD LEDs, supplemented by a complete SMD LED product project, providing customers with all the choices of one stop shopping, and the forward-looking and novelty of new product launches, comparable to world-class leaders.

(2) Rapid R&D capability

Since 1995, the company has immediately invested in the research and development of SMD LEDs. It is the first company in the country to invest in this product field. After years of research and development, it has accumulated solid know-how of its own technology, so it can use the most streamlined manpower and the most with effective resources and the lowest cost, new products are developed and mass-produced with an average product development time of 3 months, and new products can be adopted by customers in the first time and launched on the market, leading the new design trend of downstream application products.

(3) Strictly controlled product quality

With the top-quality control requirements and cooperation of two major international OEM customers, Avago and OSRAM, the products can quickly occupy the world market with the best quality and the most economical cost.

(4) Strong surrounding team support

Through strategic alliances and industry series cooperation, from the acquisition of important upstream raw materials (such as InGaN blue, green light chips, ultra-thin PCB), packaging and testing (cutting, photoelectric testing, LED chip classification), to finished product application design (such as LED Small-pitch displays, e-sports peripheral displays, and photoelectric IC integration) all have close partners to increase the success rate of market promotion, reduce the risk of new product introduction, and enhance overall competitiveness.

(5) Perfect capital and shareholder structure

The company's financial and capital structure is sound and can flexibly respond to market changes; a strong shareholder lineup gives the company's management team the most powerful support.

4.2.1.4 Advantages and disadvantages of development prospects and countermeasures

(1) Advantage factors

- a. The company's products are widely used in automotive, Netcom, e-sports, consumer, industrial instrumentation, display billboards, smart home appliances, wearable applications, UV sterilization applications and other fields. With the continuous development of new technologies and new products, the overall industry growth is still optimistic.
- b. Diversified and complete product lines that can provide customers One Stop Shopping choices
- c. The company has invested in the SMD LED field for many years and has accumulated solid R&D technology.
- d. Long-term stable supply of raw materials, scattered sources of purchases, and maintaining good cooperative relations with suppliers to ensure that the supply is safe.
- e. Has obtained ISO 9001, IATF16949, Sony GP, ISO14001 , SO14064-1 : 2018 and OHSAS18001 international certifications, and the product quality has been affirmed by international manufacturers.

(2) Disadvantages factors

- a. Competitors continue to join in market, and competition for product price cuts is fierce, resulting in a rapid decline in the price of old products and lower gross profit.
- b. In the face of competition from major international manufacturers, brand awareness needs to be improved, and market share still lags behind major international manufacturers.
- c. Well-known international competitors all have the production capacity of upstream materials, so they can grasp the source of raw materials and reduce production costs.

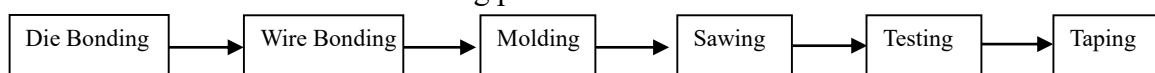
(3) Coping Strategy

- a. Actively research and develop new products and technologies, and continuously improve production processes to effectively reduce production costs.
- b. Continue to develop high-value-added, high-margin and special-purpose products, and strictly control product quality to make products competitive in the market.
- c. Keep abreast of the overall industry trends and market trends, understand customer needs and future product development trends, so as to produce products that meet customer needs.
- d. Actively expand the Asia-Pacific, European and American markets, and cooperate with major international manufacturers to improve the company's overall corporate image and brand awareness.
- e. Disperse the source of procurement, reduce the risk of centralized procurement, and keep abreast of the dynamic information of the raw material market to control the cost of raw materials.

4.2.2 Important Applications and Process of Main Products

Surface mount light emitting diodes are widely used in various products such as communication industry, information appliance industry, computer industry, automobile industry, security industry, optoelectronic industry, etc. The main purpose is display light source and signal light source, such as smart phone flash and panel display light source , LCD backlight, automotive dashboard backlight, OA product panel light source, Netcom product signal display light source, information smart home appliance product panel signal light source, photoelectric industry light source product, indoor and outdoor signage display light source, etc.

SMD LED manufacturing process



4.2.3 Supply Status of Major Raw Materials

The main raw materials used by the company are LED DICE and printed circuit boards. Light-emitting diode chips and printed circuit boards are both mature industries. There are many domestic and foreign manufacturers, so they have sufficient supply and have cooperated with raw material suppliers for many years. The quality and delivery time are extremely stable, and there is no shortage of concerns.

4.2.4 Suppliers and Clients who have more than 10% of Total Purchases and Sales in any of the most Last Two years

4.2.4.1 Major Supplier

Unit: NT\$ thousand

Item	2024				2025				March 31, 2026			
	Supplier	Procurement Amount	As % of 2022 Total Net Procurement	Relation to HARVATEK	Supplier	Procurement Amount	As % of 2024 Total Net Procurement	Relation to HARVATEK	Supplier	Procurement Amount	As % of March 31, 2025 Total Net Procurement	Relation to HARVATEK
1	EPISTAR	152,858	17.83	None	ENNOSTAR	153,835	16.72	None	ENNOTAR	39,298	17.53	None
2	SUBTRON TECHNOLOGY CO., LTD	131,941	15.39	None	ORSAM	112,560	12.23	None	Nova International	25,884	11.55	None
3	OSRAM	109,079	12.72	None	-	-	-	None	ORSAM	22,708	10.13	None
4	Others	463,499	54.06	-	Others	653,644	71.05	-	Others	136,242	60.79	-
-	Total Net Procurement	857,377	100.00	-	Total Net Procurement	920,039	100.00	-	Total Net Procurement	224,132	100.00	-
Reason for increase or decrease: The changes in purchase amount and percentage were mainly due to changes in customers' product demand.												

4.2.4.2 Major Clients

Unit: NT\$ thousands

Item	2024				2025				March 31, 2026			
	Customer	Net Revenue	As % of 2022 Total Net Revenue [%]	Relation to HARVATEK	Customer	Net Revenue	As % of 2024 Total Net Revenue [%]	Relation to HARVATEK	Customer	Net Revenue	As % of March 31, 2025 Total Net Revenue [%]	Relation to HARVATEK
1	A	422,655	21.56	None	A	420,060	20.29	None	A 客戶	90,070	17.91	None
2	B	-	-	-	B	-	-	-	-	-	-	None
3	-	1,537,924	78.44	-	OTHER	1,650,369	79.71	-	OTHER	412,883	82.09	-
-	Total Net Revenue	1,960,579	100.00	-	Total Net Revenue	2,070,429	100.00	-	Total Net Revenue	502,953	100.00	-
Reason for increase or decrease: The changes in sales amount and percentage were mainly due to changes in customers' product demand.												

4.3 Information of Employees

Information of employees in the most recent two years and as of the publication date of the annual report

March 31, 2026

Year		2024	2025	March 31,2026
Number of Employees	Engineers	170	175	165
	Management Staff	172	175	189
	Technicians	189	196	188
	Total	531	546	542
Average Age		39.8	41	40.8
Average Years of Service		9.4	9.9	10.5
Education	Ph.D.	0.5	0.8	0.7
	Masters	9.5	8.4	8.7
	Bachelor's Degree	47.4	49.4	50
	Senior High School	19.5	18.3	18.1
	Below Senior High School	23.1	23.1	22.5

4.4 Information on Environmental Protection Expenditure

4.4.1 Losses suffered due to environmental pollution in the most recent year and up to the date of publication of the annual report (including compensation and violations of environmental protection regulations as a result of environmental protection audits, the date of the punishment, the font size of the punishment, the provisions of the violation of laws and regulations, the content of the violation of the laws and regulations, and the content of the punishment) : No new environmental penalty cases were imposed in 2025. The penalty case from 2024 was notified and subsequently handled in 2025, and the relevant improvement measures have been implemented.

Date of punishment	January 7, 2025	February 13, 2025
Disciplinary number	Official Document No.: Huan-Ye-Zi No. 1133403328	Fu-Shou-Huan-Zong-Zi No. 1140031117
Violation of regulations	Violation: In violation of Article 31, Paragraph 1, Subparagraph 1 of the Waste Disposal Act, and penalized in accordance with Article 52 of the same Act. Penalty: One-hour environmental education session imposed pursuant to Article 23 of the Environmental Education Act.	In violation of Article 9, Paragraph 2 of the Toxic and Concerned Chemical Substances Control Act, and Article 4, Paragraph 1 of the Regulations for the Operation and Release Records of Toxic and Concerned Chemical Substances. Penalized in accordance with Subparagraph 3, Article 59 of the same Act. environmental education session imposed pursuant to Article 23 of the Environmental Education Act.
Violation of regulations	On November 11, 2024, the Hsinchu County Environmental Protection Bureau conducted an inspection at the Company's branch in the Hsinchu Science Park. The audit revealed that the	The Company (Control No. O17M5783) failed to complete the required reporting for toxic chemical substances acetonitrile and boron

	reported monthly output for March 2024 of mixed plastic waste (D-0299), categorized as non-production-process waste (Net Reporting Code: 000000), was 3.99 metric tons/month. This exceeded the maximum approved monthly output (1.5 metric tons/month) stated in the Company's Waste Disposal Plan by more than 10%. The Company failed to apply for a revision to its Waste Disposal Plan in advance, thus violating the above-mentioned provision. In violation of Article 31, Paragraph 1, Subparagraph 1 of the Waste Disposal Act, and penalized in accordance with Article 52 of the same Act.	trifluoride for August 2024 by the deadline of September 10, 2025.
Contents of punishment	Penalty: NT\$6,000 One-hour environmental education session	Penalty: NT\$60,000 Two-hour environmental education session

Note: All the above violations have been corrected.

4.4.2 It also discloses the estimated amount and response measures that may occur currently and in the future. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be explained.

The Company's main environmental protection expenditures and projects are as follows:

Unit: Thousands of NTD

Category	Description	2025 Expenses	2026 Expenses
1. Pollution prevention and control	Including air pollution prevention and control costs, water pollution prevention and control costs, and other pollution prevention and control costs	180	220
2. Business waste disposal and recycling	Including incineration, burying and other industrial waste disposal costs	920	900
3. Other environmental protection related costs	Including employee environmental education expenses, environmental management system architecture and certification acquisition expenses, and environmental load monitoring expenses	950	950
Total		2,050	2,070

4.5 Employer-employee Relations

4.5.1 The company's various employee welfare measures, further education, training, and retirement systems and their implementation, as well as the agreements between labor and management and various employee rights protection measures:

Employee welfare measures:

1. Bonus system

- (1) Allowance: Full attendance allowance
- (2) Bonuses: Incentive bonuses (season bonuses, year-end bonuses, long-term bonuses, retention bonuses, etc.) are issued according to operating conditions
- (3) Annual salary adjustment based on personal performance
- (4) Appropriate surplus dividends

2. Insurance system

- (1) Labor insurance
- (2) Health insurance
- (3) Labor pension (according to the law, 6% of the salary of colleagues is allocated as a pension)
- (4) Group insurance: including life insurance, accident insurance, medical insurance, and cancer prevention insurance
- (5) Family group insurance: targets include spouses and children
- (6) Overseas travel safety insurance: When colleagues travel overseas on business, the company provides overseas travel safety insurance

3. Other welfares

- (1) Provide regular free health check (blood/urine/x-ray/bone density) and long-term night work check-ups for half a year
- (2) Organize lectures on physical and mental health: quit smoking, weight loss, meridian health lectures, stress relief lectures... etc.
- (3) The company has an AED, and offers professional courses to teach colleagues how to use it in case of emergency
- (4) Professional doctors visit the factory regularly for consultation, and professional nurses stay in the factory
- (5) Gift certificates and gifts for the Spring Festival, Dragon Boat Festival, Mid-Autumn Festival, etc., employee birthday gifts, May Day gifts and gifts
- (6) Provide subsidy of wedding payment, funeral subsidy, childbirth subsidy, and hospitalization subsidy for injury and illness
- (7) Full subsidy for education and training, and irregular dinner subsidy for department
- (8) All kinds of competition activities or parent-child activities connect with colleagues (In 2024, the Company organized various activities, including a six-month walking and carbon reduction competition, World Meat Free Day activities, a smoke-free and health-promoting workplace program, aerobic exercise sessions, stress-relief handicraft workshops, and a one-day blood donation event held in collaboration with the local community. s... etc.)
- (9) Preferential discounts in many special stores
- (10) Provide free coffee for employees to enjoy and discounts for 7-Eleven vending machines
- (11) Hanging paintings and literary works in each factory area for colleagues to enjoy
- (12) Distribution company windproof jacket
- (13) Payroll account transfer discount, factory ATM and discount machine
- (14) The service of purchasing all kinds of tickets (superstore gift vouchers and movie ticket vouchers)
- (15) Year-End dinner party and lottery
- (16) Free parking for cars and motorcycles and reserved parking spaces for pregnant women
- (17) Set up a comfortable and warm breastfeeding room
- (18) Greenery reception area

Employee Training, Development Measures, and Implementation Status :

1. Training and Development Policy & Commitment

The Company firmly believes that continuous learning and training are essential for enhancing employee competencies, achieving corporate goals, and fulfilling the expectations of customers, employees, and shareholders. By cultivating a learning-oriented organization, the Company seeks to enhance human capital and product competitiveness, becoming a leader in the industry. The Company's training and development policy includes:

- (1) Promoting the development of a learning organization by exploring innovative and diverse teaching methods to find optimal solutions.
- (2) Assisting employees in strengthening their existing capabilities, formulating sound human capital development plans, and enhancing workplace competitiveness.
- (3) Providing systematic and effective training to meet the Company's human resource needs, instilling quality concepts and skills, and nurturing talent to serve as a foundation for productivity enhancement.
- (4) Enabling every employee to adapt to a rapidly changing environment, maintain a balanced state of mind and body, and confidently face various challenges.

2. Comprehensive Training System and Diverse Learning Channels

The Company has established a well-structured training policy and process that aligns closely with its mission, vision, and core values. Each year, the Company conducts training needs assessments and competency gap analyses based on organizational strategy, departmental requirements, and employee development goals. Courses are designed accordingly to help employees quickly adapt and excel in their roles. The training system includes new employee orientation, on-the-job training (OJT), and self-development programs.

(1) New Employee Training

- (1.1) All new hires are required to undergo general training to understand company policies and culture, including corporate values, organizational structure, workflow, HR regulations, benefits, and occupational safety and health.
- (1.2) Based on their job roles, new employees receive hands-on training from senior staff, complete assessments within three months, and obtain required certifications.
- (1.3) Each new employee is assigned a mentor to help them adapt to the workplace, resolve work or personal concerns, and provide emotional support as needed.

(2) On-the-Job Training (OJT)

- (2.1) Professional Training: Departments submit annual training plans for technical and functional development in areas such as manufacturing, engineering, materials, quality, marketing, EHS, finance, and HR.

- (2.2) Management Training: To strengthen leadership and team development, managers and potential successors receive internal and external training tailored to their roles.
- (2.3) Practical Training (OJT): Regular, hands-on training sessions are provided to ensure job-specific skills are acquired through learning-by-doing.
- (2.4) Reading Groups: Regular internal sharing sessions and experience exchanges help create a shared departmental language and promote knowledge sharing.
- (2.5) External Training: Employees are encouraged to attend external courses to strengthen professional competitiveness.
- (2.6) Monthly Leadership Meetings: These meetings, led by senior executives, help unify team understanding of business philosophy and reinforce positive work attitudes and behaviors.

3. Self-Development

The Company encourages employees to pursue further education and improve language skills. Financial support programs are available to promote continuous personal and professional growth.

4. Internal Trainer System

The Company places strong emphasis on developing internal trainers. All internal training courses are taught by certified in-house instructors, enabling efficient knowledge transfer while maximizing internal resources. Training materials are designed by professionals with relevant certifications and extensive experience, helping instructors to further refine their teaching and leadership capabilities.

5. RBA Code of Conduct: Implementing Corporate Responsibility

Each year, the Company regularly conducts RBA training for approximately 520 employees across the entire plant. The training focuses on labor rights, health and safety, environmental responsibility, business ethics, and management systems. A strict post-training assessment is conducted, with a passing score of 80. For foreign employees, the Company also provides language-friendly training materials to ensure that every Harvatek employee clearly understands his or her rights and to fulfill the Company's commitment to human rights and sustainable operations.

(3). Training Implementation Results :

In 2025, the Company conducted training for 4,790 participants, with a total of 8,211 training hours.

Employee Retirement System :

In compliance with legal regulations, since July 1, 2005, the Company has contributed 6% of monthly wages to employees' personal pension accounts at the Bureau of Labor Insurance for new hires and for existing employees who opted for the new retirement scheme. For employees who remain under the old pension system, or who retained seniority under it while switching to the new system, appropriate contributions are made to a dedicated pension reserve account at the Bank of Taiwan based on the applicable payout standard. Employees transferred within the corporate group

maintain uninterrupted seniority, thereby supporting internal talent mobility and ensuring retirement protection.

Labor-Management Relations :

The Company highly values employee relations. In addition to enhancing communication between supervisors and subordinates regarding goals, capabilities, and performance, regular management meetings—chaired by the Chairman—are held to communicate company strategies, culture, and values, reinforcing employee alignment and morale. Periodic labor-management meetings are conducted to gather employee feedback and foster mutual understanding, facilitating alignment of labor and management toward common goals. Furthermore, the Company has established smooth communication channels that are open to all employees for suggestions and opinions at any time.

- 4.5.2 From the most recent year to the date of publication of the annual report, the company suffered losses due to labor disputes, and disclosed the estimated amount and corresponding measures that may occur at present and in the future: None.

4.6 Information Security Management Strategy and Framework:

In order to strengthen the control and supervision of information security risks, protect corporate assets, improve the company's constitution, and strengthen the functions of the board of directors, the company follows the provisions of Article 27 of the Code of Practice for Governance of Listed OTC Companies. The company established the Information Security Committee (hereinafter referred to as the Committee) on November 10, 2022, and formulated the organization's regulations for compliance.

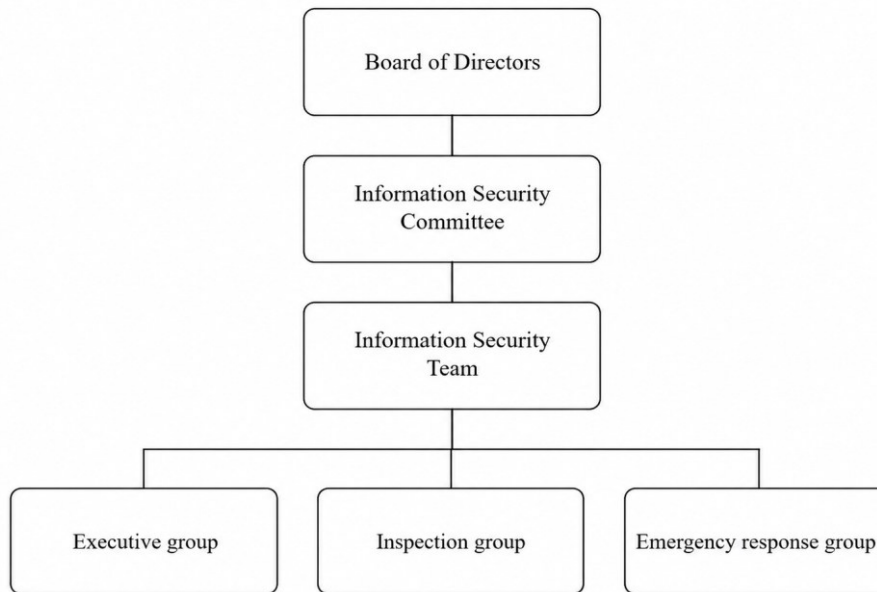
The members of the Information Security Committee are composed of all independent directors, with a total of 3 seats. The term of office of the members of this committee is the same as that of the appointed board of directors, and this committee meets at least once a year.

The duties of this committee are as follows:

1. Review the information security management policy, formulate the information security management structure and organizational functions, and regularly review the development, establishment, and implementation results of the company's overall information security management mechanism.
2. Review the information security management mechanism of new business.
3. Review the annual information security promotion plan.
4. Review and respond to major information security incident losses.
5. Review matters that need to be reported to the board of directors if there are other regulations or requirements in the competent authority, the board of directors, and various information security policies.

4.6.1 Information Security Management structure

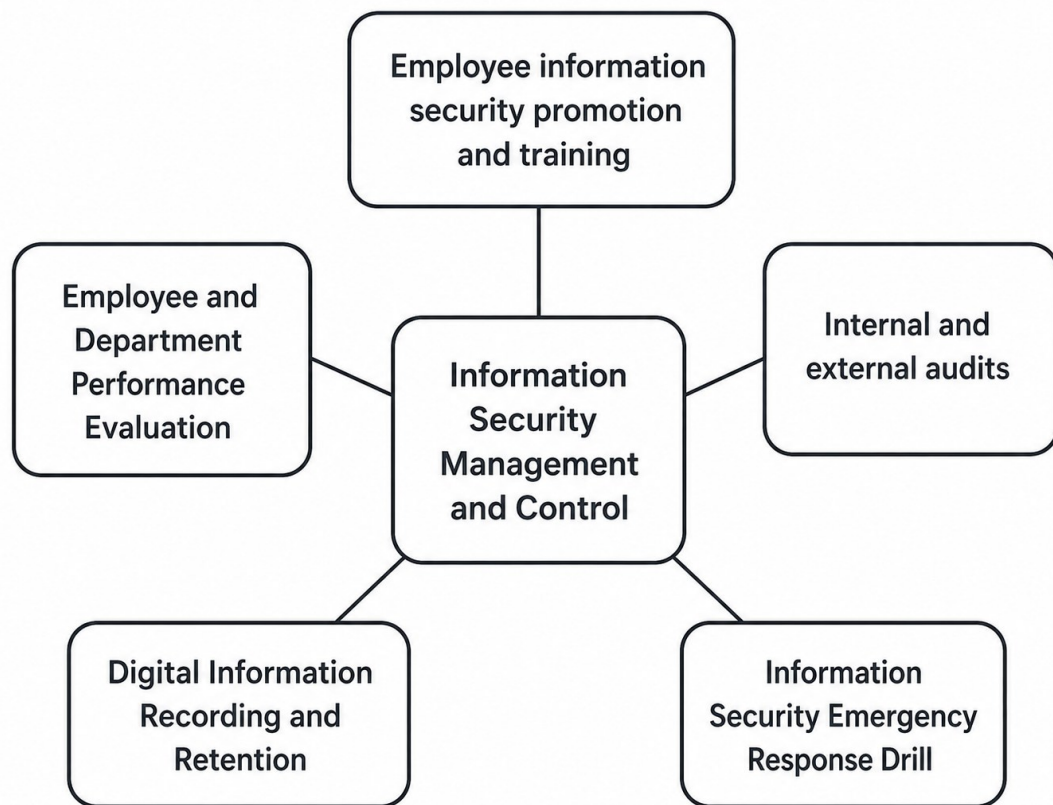
Information Security Management Risk Structure



4.6.2 Information Security Policy

- 4.6.2.1. Review the applicability and protection measures of the information security policy from time to time, and review and implement the effectiveness. The "planning stage" focuses on enterprise information security risk management, reduces the enterprise from information security threats and hazards from the system, technical and procedural levels, and establishes confidential information protection and services that meet customer needs and high standards. The "implementation stage" continues to review, construct information security protection measures and solutions, and gradually introduce innovative information security defense technologies, and integrate and build information security control mechanisms into software and hardware maintenance and information security management. Information security management operations and systematic monitoring of information security to maintain the confidentiality, integrity and availability of the company's important assets. "Inspection phase" actively monitors the effectiveness of information security management, conducts information security index measurement and quantitative analysis based on the audit results, and conducts information security maturity assessment through regular simulation exercises of information security attacks. The "action stage" focuses on review and continuous improvement, and implements supervision and audit to ensure the continued effectiveness of information security standards. Regular quarterly information security simulation exercises, information security education and training courses for new colleagues, and annual information security training are held. The annual information security education and training is a compulsory course for the company's employees. It strengthens the employees' awareness of information security, information security publicity and other improvement actions, so as to ensure that the company's important confidential information is not leaked and reduce the risk of information security hazards.

4.6.2.2 Specific management plan structure



- ◆ The server host of the company's information system and the computer information equipment used by employees are all equipped with anti-virus software, and a virus protection and control system is built to regularly schedule virus scanning and virus pattern updates.
- ◆ Scan and correct the weaknesses of the server host system and computer operating system from time to time, and schedule system updates from time to time to prevent information security risks caused by virus infection and operating system vulnerabilities.
- ◆ External network communication system, e-mail transmission has built-in e-mail security protection system to prevent spam, malicious e-mail attacks, viruses entrained in e-mails, and suspicious URLs to prevent blocking.
- ◆ The import and export end of the Internet connection gateway is monitored and controlled through the firewall device, and the network packet is managed through the intrusion detection device to prevent the Internet from connecting to the company's internal network service and monitor abnormal behavior. Packet for information security protection.
- ◆ Web browsing security monitoring, employees connect to the Internet to browse web pages to monitor web information security, scan suspicious websites for viruses and virus programs, and prevent computer browsing web page poisoning.
- ◆ Holding computer equipment operation and information security education and training for employees from time to time to enhance employees' awareness of information security protection, and implement the most secure, rigorous and meticulous information security protection.

4.6.2.3 Invest the resources and promote the results of Information Security management:

(1) Information Security Improvement Measures

- On November 7, 2025, the operation of information security management for the year was reported at the second meeting of the second term of the Information Security Committee.
- The information security protection system for computer endpoint devices used for external Internet access was comprehensively improved. Daily inspections are conducted to check the protection status, including computer viruses and EDR alert events.
- A local area network alert blocking and protection system was introduced, together with 24/7 information security incident analysis and monitoring.

(2) Information Security Management Training and Awareness Promotion

- Five information security announcements were issued to strengthen employees' awareness of information security protection.
- A social engineering drill was conducted in April 2025.
- In May 2025, information security education and training was provided to employees who demonstrated relatively weak information security awareness based on the results of the social engineering drill.
- Information security education and training courses were arranged for new employees in 2025, with an employee attendance rate of 100%.

(3) Information Security Review and Improvement

- Computer equipment with operating systems for which vulnerability patches are no longer available has been replaced or upgraded.
- The Company has strengthened training, awareness promotion, and simulation drills for phishing emails.

4.6.3 Information technology security risks and management measures.

The company has established network and computer-related information security protection measures, but there is no guarantee that the computer system that can completely control or maintain the company's manufacturing operations, accounting and other important corporate functions can be completely avoided from any the third-party network attacks and paralyzes the maintenance and operation of the entire system and network.

Most of the network attacks are in the form of illegal intrusion, intruding into the company's internal network and system, and destroying the company's operations and company reputation.

In the case of serious cyber-attacks, the company's system may lose important company data, and the production line may also be shut down.

The company will continue to review and evaluate relevant information security procedures, mainly to ensure its appropriateness and effectiveness, but this cannot guarantee that it will not be affected by new risks and attacks in the ever-changing information security threats and attacks.

Cyber-attacks may also attempt to steal a company's trade secrets and other confidential information, such as proprietary information of customers, other interested parties, personal data of company employees, etc.

Malicious hackers can also try to implant computer viruses, destructive ransomware, etc.

into the company's network and computer system to interfere with the company's operations, blackmail, and extortion after data theft, and may also gain control of the computer system, spy on Confidential Information.

These attacks may cause the company to compensate customers for losses due to delay or interruption of orders; or to undertake remedial and improvement measures at huge costs to strengthen the company's network security system; it may also cause the company to have confidentiality due to the involvement of the company Responsible for relevant legal cases or regulatory investigations caused by information leakage of obliged employees, customers or third parties, and bear major legal responsibilities.

Therefore, the company implements relevant improvement measures and continues to update them, such as strengthening network firewalls and network control to prevent computer viruses from spreading across machines and across factories; establishing endpoint anti-virus measures according to computer types; introducing relevant information security improvements and solutions Plans, strengthening phishing email detection, social engineering drills to enhance employees' information security awareness, etc.

Although the company continues to strengthen information security protection measures, it still cannot guarantee that the company is free from malicious software and hacker attacks, which may seriously damage the company's commitment to customers and other stakeholders, while the company's operating results, financial status, prospects, and reputation may also be materially and adversely affected as a result.

- 4.6.4 Disclosure shall be made of any losses suffered, potential impacts, and response measures resulting from material information security incidents during the most recent year and up to the date of publication of the annual report. If such losses or impacts cannot be reasonably estimated, the facts and reasons for the inability to make a reasonable estimate shall be stated: As of the date hereof, the Company has not suffered any losses resulting from information security incidents.

4.7 Important Contract

Contract Type	Party	Contract Term	Subject Matter of Contract	Restrictive Condition
Sales Contract	OSRAM	July 22,1998～	Sales Surface-Mounted Device	N/A
Sales Contract	Avago	June 15,1999～	Sales Surface-Mounted Device	N/A

V. Review and analysis of financial status and financial performance and risk issues

5.1 Financial Status

Comparative analysis of financial status

Unit: NT\$ thousands

ITEM \ YEAR	2025	2024	Difference	
			Amount	%
Current Assets	2,215,803	2,391,556	(175,753)	(7.35)
Property, Plant and Equipment (PPE)	665,261	718,418	(53,157)	(7.40)
Intangible Assets	22,307	24,994	(2,687)	(10.75)
Other Assets	904,114	931,647	(27,533)	(2.96)
Total Assets	3,807,485	4,066,615	(259,130)	(6.37)
Current Liabilities	587,527	764,863	(177,336)	(23.19)
Non-Current Liabilities	56,331	148,548	(92,217)	(62.08)
Total Liabilities	643,858	913,411	(269,553)	(29.51)
Capital Stock	2,060,698	2,060,698	0	0.00
Capital Surplus	481,008	490,863	(9,855)	(2.01)
Retained Earnings	240,221	250,838	(10,617)	(4.23)
Other Equity	243,260	211,149	32,111	15.21
Treasury Stock	(5,521)	(5,521)	0	0.00
Non-Controlling Interests	143,961	145,177	(1,216)	(0.84)
Total Equity	3,163,627	3,153,204	10,423	0.33
1. Analysis and explanation of the increase or decrease ratio exceeding 20%: (1) Decrease in current liabilities: Mainly due to the repayment of long-term borrowings due within one year during the current period. (2) Decrease in non-current liabilities: Mainly due to the repayment of long-term notes payable to related parties during the current period. (3) Decrease in total liabilities: Mainly due to the repayment of long-term borrowings due within one year and long-term notes payable to related parties during the current period. 2. Future Response Plans: The above changes reflect normal operating conditions. No specific contingency plans are required at this time.				

5.2 Financial Performance

Financial Performance Comparative Analysis Table

Unit: NT\$ thousands

ITEM \ YEAR	2025	2024	Difference	
			Amount	(%)
Net operating income	2,070,429	1,960,579	109,850	5.60
Operating costs	1,548,194	1,463,255	84,939	5.80
Operating profit	523,166	498,255	24,911	5.00
Operating expenses	563,805	570,781	(6,976)	(1.22)
Net operating profit	(40,639)	(72,526)	31,887	(43.97)
Non-operating income and expenses	55,051	54,217	834	1.54
Net profit before tax	14,412	(18,309)	32,721	(178.72)
Income tax expense	(16,286)	(1,845)	(14,441)	782.71
Net profit for the period	(1,874)	(20,154)	18,280	(90.70)
1. Analysis and explanation of the increase or decrease ratio exceeding 20%: (1) Decrease in operating income: Mainly due to the increase in gross profit and the decrease in operating expenses. (2) Increase in income before tax: Mainly due to the increase in operating income. (3) Increase in income tax expense: Mainly due to the turnaround from loss before tax to income before tax. (4) Increase in net income for the period: Mainly due to the turnaround from loss before tax to income before tax. 2. Future Response Plans: 2. These changes are due to normal business operations. No special plans are deemed necessary.				

5.3 Cash Flow

5.3.1 Cash flow analysis for the last two years

Unit: NT\$ thousands

ITEM	2025	2024	Increase (decrease) changes	
			Amount	%
Business Activities	(55,608)	96,737	(152,345)	(157.48)
Investment activities	(29,705)	(227,543)	197,838	(86.95)
Fundraising Activities	(179,598)	(103,047)	(76,551)	74.29
Description of increase/decrease ratio changes : (1) Decrease in net cash inflow from operating activities: Mainly due to the decrease in net income for the period, the increase in inventories, and the decrease in accounts payable.				

- (2) Decrease in net cash outflow from investing activities: Mainly due to the increase in purchases of equipment and refundable deposits.
- (3) Increase in net cash outflow from financing activities: Mainly due to the repayment of long-term borrowings during the current period.

5.3.2 Cash liquidity analysis for the next year

Unit: NT\$ thousands

Beginning cash balance	Net cash flow from operating activities for the full year	Full year cash outflow	Cash Remaining (Deficit) Amount	Remedial measures for cash shortage	
				Investment Plan	Financial Planning
307,440	50,000	100,000	257,440	-	-
Liquidity Analysis and Funding Shortfall Contingency Plan: Not applicable.					
One-Year Cash Liquidity Outlook:					
(1) The Company expects that cash flows from operating activities over the next year will remain in a net inflow position as a result of maintaining normal business operations.					
(2) The Company expects that cash outflows over the next year will mainly be used to support the purchase of equipment and the construction of plant facilities.					

5.4 Impact of major capital expenditures on financial operations in the most recent year: None

5.5. Recent annual investment policy, the main reasons for profit or loss, its improvement plan and investment plan for the next year:

In 2025, the Company made no new material reinvestments. Xiamen YoungTek Electronics Co., Ltd., an investee company, recorded a net loss after tax of NT\$26.516 million in 2025 due to orders falling short of expectations. The company continues to expand its customer base, and its future operations are expected to improve. The Company currently has no material investment plans for 2026.

5.6. Risk Analysis and Assessment

- (I) Impact of Interest Rate and Exchange Rate Fluctuations and Inflation on the Company's Profit or Loss, and Future Response Measures. In 2024 and 2025, the Company and its subsidiaries recorded interest expenses of NT\$3.093 million and NT\$4.084 million, respectively, representing 0.15% and 0.20% of consolidated net sales revenue for the respective periods. As such ratios were minimal, the impact on the Company's profit or loss was not material. Nevertheless, the Company and its subsidiaries regularly refer to the opinions of various research institutions, monitor interest rate trends, and maintain good cooperative relationships with financial institutions in order to obtain lower funding costs. Going forward, in addition to continuing to apply a conservative and prudent approach to the use of working capital, the Company and its subsidiaries will also continue to improve their financial structure to effectively control funding costs. With respect to exchange rate fluctuations, as export sales accounted for 71.16% of the total revenue of the Company and its subsidiaries, the Company and its subsidiaries are susceptible to the impact of exchange rate movements. In 2024 and 2025, the Company and its subsidiaries recognized gains of NT\$30.067 million and NT\$12.611 million, respectively, accounting for 1.53% and 0.61% of net operating revenue for the respective periods. The Company and its subsidiaries conduct hedging transactions in accordance with the "Procedures for Acquisition or Disposal of Assets" and maintain a certain hedging ratio to reduce the impact of exchange rate fluctuations on the Company's profitability. The Company's hedging strategy is aimed at avoiding most market price

risks. Inflation has not had a significant impact on the profit or loss of the Company and its subsidiaries at present. The Company and its subsidiaries will continue to closely monitor inflation developments, strive to reduce various costs, closely observe supply and demand conditions and price movements of raw materials and supplies, adjust inventory levels in a timely manner, and develop high value-added products as response measures.

- (II) Policies on High-risk and Highly Leveraged Investments, Loans of Funds to Others, Endorsements and Guarantees, and Derivative Transactions; Main Reasons for Gains or Losses; and Future Response Measures. The Company does not engage in high-risk or highly leveraged investments. In addition, the Company and its subsidiaries provide loans of funds or endorsements and guarantees only to invested subsidiaries in response to their operational needs. The Company has established the “Procedures for Lending Funds to Others,” the “Procedures for Endorsements and Guarantees,” and the “Procedures for Acquisition or Disposal of Assets” as the basis for control and management. The Company’s derivative financial instruments are not held for trading purposes. Forward foreign exchange contracts are entered into mainly to hedge risks arising from exchange rate fluctuations in foreign currency-denominated receivables and payables. The Company’s hedging strategy is aimed at avoiding most market price risks.
- (III) Future Research and Development Plans and Estimated Research and Development Expenses. For the Company’s future research and development plans, please refer to “IV. Operational Highlights — I. Business Activities — (IV) Long-term and Short-term Business Development Plans” on pages 67 to 68 of this annual report. The Company expects to invest approximately NT\$148.898 million in research and development expenses in 2026.
- (IV) Impact of Important Domestic and Foreign Policy and Legal Changes on the Company’s Finance and Business, and Response Measures. The Company has adopted appropriate measures in response to important domestic and foreign policy and legal changes in the most recent year. Such changes are not expected to have a material impact on the Company’s finance or business.
- (V) Impact of Technological Changes, Including Information and Communication Security Risks, and Industry Changes on the Company’s Finance and Business, and Response Measures. Technological changes and industry changes in the most recent year did not have a material impact on the Company’s finance or business. The Company continues to respond through ongoing quality improvement and innovation activities. For information security-related information, please refer to pages 78 to 81 of this annual report.
- (VI) Impact of Changes in Corporate Image on the Company’s Crisis Management, and Response Measures. The Company conducts its operations based on the principles of openness, transparency, and integrity, and continues to move toward the goal of strengthening corporate governance.
- (VII) Expected Benefits, Possible Risks, and Response Measures for Mergers and Acquisitions: None.
- (VIII) Expected Benefits, Possible Risks, and Response Measures for Plant Expansion: None.
- (IX) Risks Associated with Concentration of Purchases or Sales, and Response Measures.

The Company's sources of purchases and sales are diversified, and the Company is not significantly affected by any single customer.

(X) Impact and Risks of Significant Transfer or Change of Shareholdings by Directors, Supervisors, or Major Shareholders Holding More Than 10% of the Shares, and Response Measures: None.

(XI) Impact and Risks of Changes in Management Control on the Company, and Response Measures: None.

(XII) Material Litigation, Non-litigation, or Administrative Dispute Cases Involving the Company, Its Directors, Supervisors, President, De Facto Responsible Person, Major Shareholders Holding More Than 10% of the Shares, or Subsidiaries, Whether Final and Binding or Pending, Where the Outcome May Have a Material Impact on Shareholders' Equity or Securities Prices. The Company shall disclose the disputed facts, amount involved, commencement date of litigation, principal parties involved, and the status of handling as of the date of publication of the annual report for any such cases: None.

(XIII) Other Material Risks: None.

5.7. Other Significant Matters: None

VI. Special Notes

6.1 Information of associated enterprises

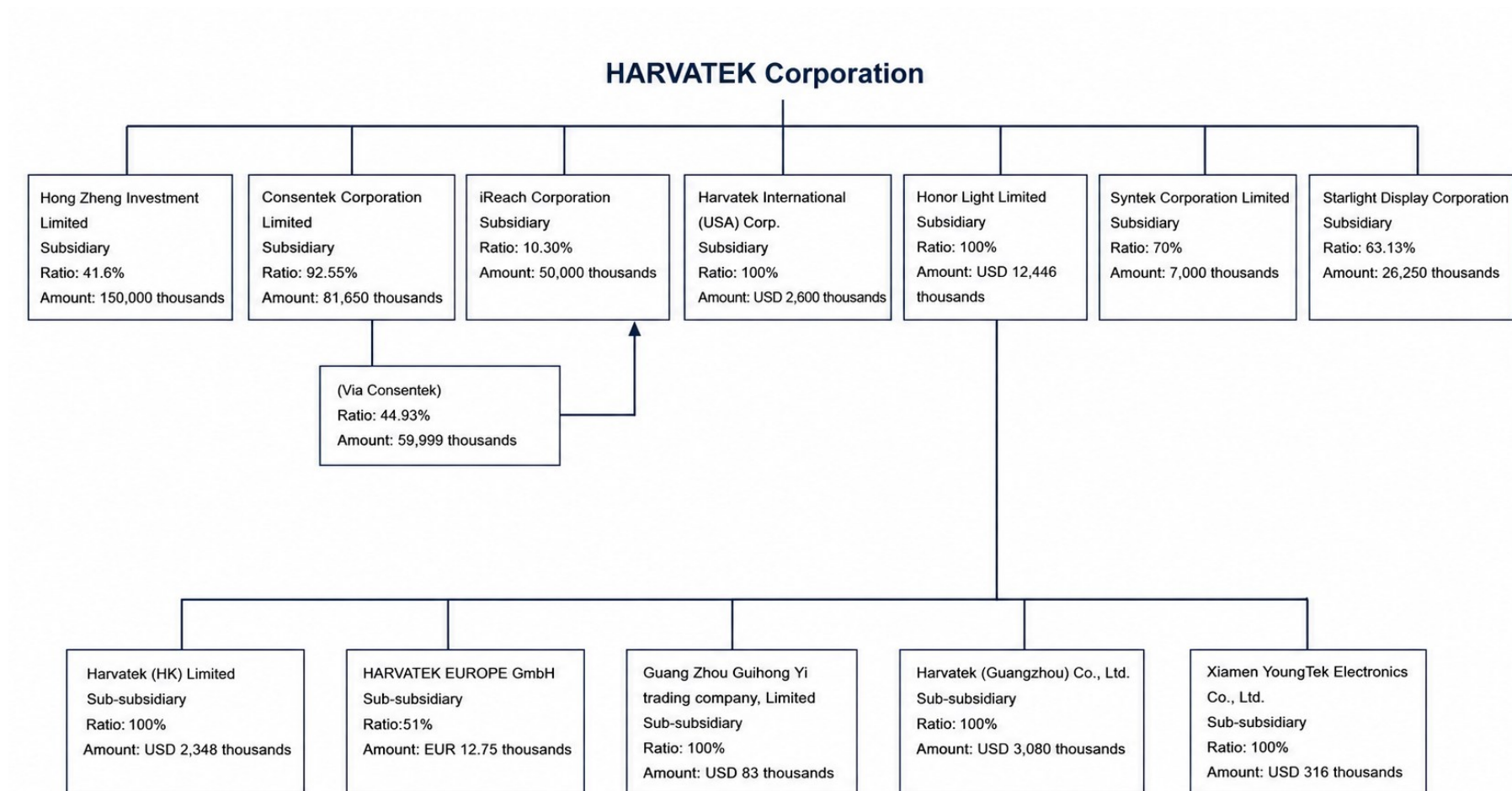
6.1.1 Consolidated business report

6.1.1.1 Organizational status

Organizational chart

December 31, 2025

Unit: NT\$ thousands



Backgrounds of affiliated enterprises

Investee	Established Date	Location	Paid-in Capital		Main Business or Products
			Currency	Amount (thousand)	
Hong Zheng Investment Limited	2009.02.13	Hsinchu City, Taiwan	NT\$	92,134	Investment holding
Consentek Corporation	2020.06.10	Hsinchu City, Taiwan	NT\$	64,344	Manufacturing and sales of electronic components
iReach Corporation	2018.01.09	Hsinchu City, Taiwan	NT\$	121,390	Manufacturing and sales of electronic components
Syntek Corporation Limited	2015.07.08	Hsinchu City, Taiwan	NT\$	10,000	Manufacturing and sales of electronic components
Starlight Display Corporation	2021.09.28	Hsinchu City, Taiwan	NT\$	20,790	Manufacturing and sales of electronic components
Harvatek International (USA) Corp.	2004.12.10	U.S.A	USD	2,600	Sales of electronic components
Honor Light Limited	2007.01.15	Samoa	USD	12,446	Investment holding
Harvatek(HK) Limited	2011.06.29	Hong Kong	USD	2,348	Investment holding
HARVATEK EUROPE GmbH	2013.09.17	Germany	EUR	25	Sales of electronic components
Guang Zhou Giuhong Yi trading company, Limited	2014.06.26	Guangzhou City, China	CNY	500	Sales of electronic components
Harvatek (Guangzhou) Co., Ltd.	2018.01.24	Guangzhou City, China	CNY	20,000	Manufacturing and sales of electronic components
Xiamen YoungTek Electronis Co., Ltd.	2009.08.26	Xiamen	USD	29,750	Manufacturing and sales of electronic components

6.1.1.2. Common Shareholders among Controlling and Controlled Entities: None.

6.1.1.3. The overall coverage of operations: The overall coverage of operations mainly includes manufacturing and sales of electronic components

6.1.1.4. Backgrounds of GM, supervisors and presidents of affiliated enterprises

December 31, 2025

Name of Company	Title	Name or Representative	Shareholding	
			Shares	Ratio(%)
Hong Zheng Investment Limited	Chairman	Li Fa Investment Limited	2,912,722	31.61
	Supervisor	Huang, Hui-Yen	-	-
Consentek Corporation	Chairman	Harvatek Corporation Representative : Jou, Ming-Jiunn	11,910,861	92.55
	Director	Harvatek Corporation Representative : Wang, Ping-Lung		
	Director	Harvatek Corporation Representative : Huang, Chia Che		
	Supervisor	Su, Yu-Hui	-	-
Harvatek International (USA) Corp.	Chairman	MABEL CHENG	-	-
Honor Light Limited	Chairman	Wang, Ping-Lung	-	-
Syntek Corporation Limited	Chairman	Harvatek Corporation Representative : Chuang, Feng-Hui	700,000	70.00
	Director	Harvatek Corporation Representative : Chang, Chia-Pin		
	Director	Harvatek Corporation Representative : Hsiao, Hui-Chun		
	Supervisor	Yang, Chih-Chao	-	-
Harvatek(HK) Limited	Chairman	Wang, Ping-Lung	-	-
HARVATEK EUROPE GmbH	Director	Honor Light Limited	12,750	51.00
	Director	Andreas Mugele	12,250	49.00
Guang Zhou Giuhong Yi trading company, Limited	Chairman	Xiao, Sung-Yi	-	-
	Supervisor	Cheng, Wei-Yuan	-	-
Harvatek (Guangzhou) Co., Ltd.	Executive Director	Xiao, Sung-Yi	-	-
	Supervisor	Chen, Chia-Ming	-	-
Xiamen YoungTek Electronis Co., Ltd.	Executive Director	Xiao, Sung-Yi	-	-
	Supervisor	Lin, Ming-Hsiung	-	-
iReach Corporation	Chairman	Consentek Corporation Limited Representative : Jou, Ming-Jiunn	10,909,000	44.93
	Director	Consentek Corporation Limited Representative :		

		Chen, Shou-Long		
	Director	EPSTAR Representative : LI,TSUN-CHUNG	7,000,000	28.83
	Supervisor	Huang, Chia Che	-	-
Starlight Display Corporation	Chairman	Harvatek Corporation Representative : Yang, Pang-Yen	2,625,000	63.13
	Director	Harvatek Corporation Representative : Chuang, Feng-Hui		
	Director	Chiu, Hsien-Ming	400,000	9.62
	Supervisor	Su, Yu-Hui	-	-

6.1.1.5. Performance of affiliated enterprises

December 31, 2025; Unit: NT\$ thousands

Name of Company	Paid-in Capital	Total assets	Total liabilities	Net Worth	Operating revenues	Operating income	Net income (loss)	Earnings Per Share(in dollar)
Hong Zheng Investment Limited	92,134	291,327	2,019	289,307	11,614	11,447	15,654	1.70
Consentek Corporation Limited	64,344	60,457	104	60,352	0	(1,233)	(14,656)	(1.14)
iReach Corporation	121,390	158,634	57,212	101,422	155,816	(33,436)	(32,114)	(1.32)
Harvatek International (USA) Corp.	83,574	38,743	5,903	32,839	20,246	(2,072)	472	0.47
Honor Light Limited	370,974	332,386	206,498	125,888	35,467	(26,402)	(60,485)	(4.86)
Harvatek(HK) Limited	71,050	32,276	0	32,276	0	(84)	(84)	(0.04)
HARVATEK EUROPE GmbH	999	1,594	59	1,535	0	(115)	(59)	(2.36)
Harvatek (Guangzhou) Co., Ltd.	90,648	10,728	11,523	(796)	13,039	428	392	-
Guang Zhou Giuhong Yi trading company, Limited	2,426	7,513	2,004	5,509	10,470	2,380	2,267	-
Xiamen YoungTek Electronis Co., Ltd.	871,920	99,530	192,911	(93,381)	11,957	(21,434)	(26,516)	-
Syntek Corporation Limited	10,000	953	0	953	0	(191)	(187)	(0.19)
Starlight Display Corporation	20,790	5,378	5,985	(607)	13,209	(13,561)	(13,380)	(3.22)

Note: Calculated based on actual shares at the end of the year

6.1.2 Consolidated financial statements of related companies:

Statement

For the fiscal year 2025 (January 1, 2025 to December 31, 2025), the companies required to be included in the preparation of the Consolidated Financial Statements of Affiliated Enterprises in accordance with the “Regulations Governing the Preparation of Affiliated Enterprises' Combined Business Reports, Consolidated Financial Statements, and Affiliation Reports” are identical to those included in the Consolidated Financial Statements of Parent and Subsidiary Companies prepared under International Financial Reporting Standard No. 10 (IFRS 10).

All required disclosures for affiliated enterprises have already been presented in the aforementioned consolidated financial statements of parent and subsidiary companies. Therefore, the Company will not separately prepare consolidated financial statements of affiliated enterprises.

Sincerely declared.

Company Name: Harvatek Corporation

Representative: Wang, Ping-Long

Date: March 11, 2026

6.1.3 Reports on Affiliations: None.

6.2 Organization of the Latest Private Placement Securities as of the Date of Printing of the Annual Report: None.

6.3 Other matters requiring supplementary information: None.

VII. Disclosures of Events Which May Have a Significant Influence on Stockholders' Equity or Share Price: None.

Harvatek Corporation

Chairman Wang, Ping-Lung