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Senao International Co., Ltd.

2025 Annual Report

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Prepared by Senao International Co., Ltd.

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Contents

I. Message to Shareholders

Dear Shareholders:

Senao International reported consolidated revenue of NT$ 33.125 billion for 2025, with net profit for the period of NT$ 444 million and net profit attributable to owners of the parent company of NT$ 445 million, translating into earnings per share of NT$ 1.72. Compared to 2024, revenue increased by 2.53%; however, due to fluctuations in overall market consumer confidence, increased investment in the 3C market by domestic and international brands, and enhancements in product specifications, net profit declined compared with the previous year. It is due to wavering consumer confidence in the overall market and increased competition from domestic and foreign brands in the 3C market with enhanced product specifications. The decline primarily resulted from slower growth momentum in the overall market, intensified price competition for telecommunication products, and a change in the subsidy structure for high-end models, which compressed gross profit in distribution channels. Meanwhile, adjustments in product mix and increased promotional resources also contributed to higher operating costs, collectively affecting net profit after tax.

Looking back at 2024, driven by the rapid transformation of the global technology industry, “Artificial Intelligence (AI)” has become one of the most prominent technological trends. Major technology enterprises and startup teams have comprehensively demonstrated the application of AI technologies in areas such as terminal devices, data analysis, and intelligent control, formally signaling that the industry has entered the first year of AI.

In the smartphone industry, which is most closely related to Senao International’s operations, major brands have successively launched next-generation devices equipped with core AI functionalities, bringing significant innovations in areas such as automatic image recognition, voice assistants, personalized recommendations, real-time translation, and user experience optimization. These transformations not only enhance the value of end products but also gradually reshape consumers’ expectations of technology products and their daily usage habits.

Following this major industry trend, in 2025, Senao International actively accelerated digital transformation and omni-channel service deployment, with specific implementation in the following aspects:

Omni-channel (OMO) integration advancement: integrating data analysis and customer behavior communication across online e-commerce platforms and physical stores to enhance the overall customer journey experience; AI application in operations and sales: introducing AI-driven product recommendation and intelligent sales assistance tools to improve product exposure and conversion efficiency across online and offline channels; AI experiential environments: establishing AI smartphone and smart device experience zones in key stores to enable consumers to immediately experience the practical applications of AI functions; data-driven membership management: utilizing AI segmentation and precision push mechanisms to strengthen targeted marketing and long-term customer engagement management.

Through the implementation of the above strategies, Senao not only captures opportunities arising from industry transformation but also deepens and extends its brand presence within smart living technology service scenarios, progressively embedding AI applications into retail, service, and experiential touchpoints.

Under this trend, Senao International maintains close cooperation with its parent company, Chunghwa Telecom, continuing to provide services through a total of 241 stores across 17 counties and cities in Taiwan and outlying islands. Centered on mobile communications and home fixed-line networks, the Company integrates smart home devices and tariff plans, extending technology from fingertips into the home and creating a comprehensive smart living ecosystem.

In addition, Senao collaborates with its affiliated enterprise, the EnGenius brand under Senao Networks Technology, to offer a full range of networking products covering both enterprise and household applications, as well as new AI surveillance solutions, and to provide a stable, high-speed, cloud-managed network infrastructure for future AI + IoT applications. EnGenius has achieved strong performance throughout Taiwan and continues to integrate technologies from other partners, extending from IoT-connected intelligent surveillance to AIoT smart home appliance networking, and continuously providing integrated network solutions for individual, household, and enterprise users. In the current year, the Company will continue to promote AI intelligent surveillance and AI computing capabilities, establishing a comprehensive and stable integrated service platform for future AI applications.

Senao International also actively fulfills its corporate social responsibility. When a severe typhoon struck Hualien and disrupted communications, the Company promptly launched the “An-Shin Instant Communication” initiative, providing refurbished devices or new Android devices to affected residents, inspiring a community "device donation" movement and demonstrating the Company's responsiveness and commitment.

At the same time, the Company has partnered with its subsidiary, Senao Insurance Agency, to promote health lectures and AI smart living seminars, and collaborated with the Tzuyueh Foundation to produce the "Top 100 Medical Talks" program, promoting preventive medicine concepts and establishing a nationwide health platform, thereby demonstrating the social value of integrating technology and public welfare.

Looking ahead to 2026, Senao International will continue to:

Maintain steady operations of its core business, deepen its presence in community-based commercial districts and OMO digital membership management, expand cross-industry collaboration scenarios and the integration of health-oriented lifestyles, and strive to become "a professional navigator between customers and technology," enabling AI to serve not only as a technological trend but also as a creator of value in everyday life.

The management team will also continue to uphold the principle of integrity in operations and integrate corporate social responsibility, striving to maximize value for all shareholders and achieve sustainable corporate development.

We hereby express our most sincere gratitude and highest respect to all shareholders who have long supported Senao International.

Finally, we wish all shareholders
good health and success

Chairman: Cheng-Hsien Yu

President: Pao-Yung Lin

I. 2025 Operating Result

(I) Operating Result and financial expenditure:

Annual consolidated operating income reached NT$33.125 billion; profit before tax was NT$530 million; net income was NT$440 million; net income attributable to owners of parent was NT$445 million; earnings per share was NT$1.72.

(II) Budget execution: the financial forecast for 2025 was not disclosed, hence it is unknown that whether or not the budget has been achieved.

(III) Profitability Analysis:

Profitability Analysis

Year Item	2025	2024
Return on Assets (%)	4.32	4.81
Return on Equity (%)	6.89	7.41
Net Profit Margin (%)	1.34	1.47
Earnings per Share (NT$)	1.72	1.85

Note: Amounts in the table are data from the consolidated financial statements of the Company and its subsidiaries.

(IV) Research and Development:

Since 2024, with the deepening trend of AI smartphones, the global smartphone market is expected to maintain moderate growth. Device-side AI, generative image processing, smart assistants, and context-aware services continue to mature, driving the expansion of AI functionalities from high-end models to mid-to-high-end products. Through the integration of software, hardware, and system services, these developments are also enhancing consumers' willingness to upgrade their devices. Meanwhile, foldable smartphones continue to advance in structural design, display technology, and system experience. With growing market acceptance, they have become a key growth driver in the premium segment.

In terms of brand competition, major brands are strengthening their proprietary chips, operating systems, and AI application services while deepening ecosystem integration to enhance product differentiation and user stickiness. Chinese brands, on the other hand, sustain market growth through competitive pricing strategies and the broader adoption of AI features. Overall, deep AI integration, optimization of software experience, and innovation in foldable devices remain the core drivers of industry competition.

Against this backdrop, in 2026, the Company is expected to continue benefiting from upgrades in high-end imaging specifications and the rising demand for foldable smartphones. In response to the increasing penetration of foldable devices, the Company will strengthen its agency and product portfolio for related products. At the same time, by integrating manufacturers' AI functionalities, system services, and diverse application scenarios, and expanding across telecom channels, enterprise customers, and online platforms, the Company aims to enhance product value and further drive revenue growth.

- Development trends in smartphones: In terms of hardware specification, there are several main items described below:

(1) Processor: Looking back at 2025, AI applications rapidly penetrated from the cloud to end devices, driving high-performance, low-power-consumption SoCs to become the core key for the upgrading of various smart devices. In addition to smartphones, foldable devices, tablet computers, AI PCs, and other edge AI devices have all simultaneously enhanced on-device AI computing capabilities to support generative imaging, real-time voice inference, contextual computing, and cross-device collaborative applications. With the diversification of application scenarios, high-end and upper mid-range terminal products have successively adopted 3-nanometer SoCs, driving processor demand away from merely improving single-point performance and toward a comprehensive upgrade in system integration and AI computing efficiency.

Based on observations of market development trends, the mainstream SoC platforms for high-end terminal devices in 2025 were still mainly represented by the Qualcomm Snapdragon 8 Elite and MediaTek Dimensity 9400 series. Both adopt advanced process technologies and have undergone integrated enhancements in CPU, GPU, and NPU architecture to address the needs of cross-device AI computing and multitasking. In addition to being widely used in smartphones, such processors are also gradually expanding into high-end tablets, foldable devices, and other smart terminals with display and computing requirements, thereby driving the overall expansion of the AI SoC application landscape.

Overall, processor development has evolved from a single hardware specification competition to a total solution that combines operating systems, image algorithms, and AI application services. This trend helps widen the experience gap between flagship and mid-range products and provides a more concrete and communicable product focus for channel partners' "AI solution"-centered value-based sales model.

(2) Screen: In terms of screen specifications and design, the 2025 smartphone market continued the development trends of the previous year. Large screens of 6.5 inches or above have become the mainstream configuration for mid-to-high-end models, and are widely used in diverse scenarios such as video streaming, multitasking, mobile gaming, and AI visual interaction. As smartphones gradually transform from single communication tools into core carriers of personal digital life and AI assistants, screens have become important interfaces for carrying service experiences and human-machine interaction.

In addition, foldable-screen smartphones are still regarded as an important direction for expanding the high-end market. Major brands continue to invest resources in display performance, durability, and crease reduction, enabling foldable devices to gradually move from demonstrative products toward practical products. The above screen development trends have had a positive impact on the Company's overall operations. At the Company's directly operated stores, actual device displays can clearly present different screen formats and application scenarios, thereby enhancing consumers' understanding of product value and service experience. In terms of brand distribution and agency business, mid-to-high-end and foldable models with clearly defined screen specifications and product positioning help reduce purely price-based competition, further driving overall sales momentum.

(3) Display panel: According to a TrendForce survey, global smartphone panel shipments reached 586 million units in the third quarter of 2025, representing a quarter-on-quarter increase of 8.1% and a year-on-year increase of 5.3%, indicating moderate growth in market demand. In terms of panel structure, OLED and AMOLED remained the primary growth drivers, showing that brands and the supply chain are accelerating their deployment of high-end display technologies and continuously upgrading display specifications for mid-to-high-end smartphones.

In addition to resolution and refresh rate, peak brightness has also become a key indicator in recent years. Many new models support high-brightness displays, significantly improving visibility in outdoor, mobile working, and AI real-time application scenarios. The comprehensive upgrading of display specifications has extended product differentiation from single hardware specifications to content presentation, interactive experience, and service application levels, thereby further expanding the scope for value communication at the point of sale. For the Company, actual retail displays help enhance the overall shopping experience and strengthen its professional brand image while also providing steady support for channel revenue.

(4) Battery: In 2025, as AI computing applications became more widespread and 5G usage scenarios expanded, the overall power demand of smartphones increased correspondingly, driving battery specifications toward higher capacity and optimized life performance. Mid-to-high-end models have generally been equipped with battery capacities of more than 6,000 mAh, and some models are further equipped with battery capacities exceeding 7,000 mAh, combined with high-wattage fast charging and wireless charging technologies to support prolonged and high-frequency use of smart applications.

Long battery life and fast charging not only reduce consumers' anxiety over insufficient power but also serve as an important foundation that supports AI real-time computing, mobile office work, and cross-device service experiences. As battery technology continues to evolve, battery life performance has gradually shifted from being an added-value feature in the past to becoming an important evaluation criterion when consumers select smartphones. It has become a basic market expectation. This trend also brings new opportunities for the Company in product portfolio planning and channel operations, helping to enhance overall product value perception and channel competitiveness by pairing long-battery-life models with service applications and scenario-based sales.

(5) Camera: As AI applications and image signal processors (ISPs) continue to evolve, the focus of competition in smartphone cameras has gradually shifted from simple hardware specifications to the integrated applications of "AI computational photography" and "generative image processing." When AI is able to compensate for certain hardware limitations, lens pixel count is no longer the only evaluation metric. The ability of software-hardware collaboration, algorithm maturity, and actual user experience have become the key factors affecting camera value.

Most mainstream flagship models continue to feature high-pixel main cameras, combined with next-generation AI imaging engines, spatial zoom, generative compensation, and other technologies, significantly improving image quality and stability in scenarios such as high-magnification zoom, low light, and motion shooting. At the same time, certain brands have expanded smartphone camera application scenarios and creative flexibility through cooperation with professional optical brands or through extended plug-in lens accessories. Overall, camera development has formed a positive cycle in which AI applications drive hardware demand, which in turn feeds back into specification innovation.

For the Company, AI imaging has become an important communication focus in driving consumers to upgrade to flagship models. Senao will continue to combine high-specification lenses and on-device AI computing capabilities as the core sales and product education narrative at its stores, and will work with original manufacturers to introduce AI photography experiences, instructional courses, and scenario-based demonstrations, thereby upgrading the sales focus from “parameter comparison” to “AI imaging creation solutions,” so as to increase overall ASP and the sales proportion of high-end models.

(6) Memory and storage capacity: To ensure the smooth operation of generative AI and multitasking applications, smartphone memory specifications continue to develop toward higher capacities. In recent years, flagship models have gradually established 12 GB RAM as the benchmark configuration for generative AI applications, while some high-end models have further positioned 16 GB RAM as the standard for the ultimate AI experience to support more complex on-device model computing and multitasking needs.

In terms of storage capacity, as demand for 8K video recording, AI image generation, and persistent model operation increases, 512 GB storage capacity is gradually replacing 256 GB and becoming the mainstream configuration for mid-to-high-end models. However, due to the substantial growth in demand for high-bandwidth memory (HBM) from AI servers, the global memory industry has entered a new “super cycle.” Production capacity for consumer DRAM and storage components has been squeezed, causing costs to rise significantly and gradually be reflected in end-product selling prices.

In response to changes in memory supply structure and cost pressure, the Company will continue to maintain close communication with original manufacturers and preserve flexibility in product pricing and supply strategies. At the same time, through trade-in discounts, sales of previous-generation models, and the deployment of Senao-certified pre-owned smartphones, the Company provides diversified and attractive purchasing solutions for price-sensitive customer segments, thereby maintaining channel competitiveness and sales momentum in an environment of price fluctuations.

(7) AI applications: In 2025, the development of smartphones and related smart terminal products continued to move toward the deepening of AI functionalities, with all major brands using the enhancement of on-device AI capabilities as an important positioning feature for flagship and upper mid-range products. AI applications are no longer confined to a single function; instead, they combine processors, operating systems, and application services, covering content generation assistance, image and video processing, productivity tools, and contextual intelligent functions, thereby gradually shaping an integrated cross-device user experience.

At the brand strategy level, all major ecosystems continue to deepen the integration of AI and systems. Through on-device computing, private cloud collaboration, and model optimization, they strengthen capabilities such as real-time translation, image processing, contextual recognition, and multimodal interaction, and extend such functionalities to tablets, personal computers, and other smart terminals, thereby establishing cross-device collaborative experiences. Industry research generally believes that AI has become the core foundation for brand differentiation and product upgrades, and also supports the overall shipment volume of terminal devices in maintaining moderate growth.

Overall, the key development priorities for AI applications in 2025 include the continued deepening of AI functionalities in flagship and upper mid-range products, enhanced image and language model processing capabilities, and the expansion of brands from single product lines into diversified terminals and system-level integration. Looking ahead to 2026, with the maturation of device-side AI architecture, improvements in model efficiency, and the continued advancement of ecosystem development, AI functionalities are expected to become one of the core standard specifications of smart terminals, further driving market penetration and the expansion of application scenarios.

For the Company, AI is not only an upgrade in product specifications but also a key engine for the transformation of retail and service models. The Company will continue to introduce AI capabilities into in-store experiences, sales support, and membership management processes. By integrating the OMO architecture, AI applications will be implemented at every consumer touchpoint, deepening the positioning in smart living services and strengthening long-term operational growth momentum.

- Development trends of wearable accessories: In 2025, driven by the comprehensive implementation of AI technologies, the smart and wearable accessories market has officially transformed from traditional functional peripherals into important carriers of personalized intelligent assistants. Product development trends have shifted from competition based on single hardware specifications to holistic experience design integrating sensing technologies, AI algorithms, and contextual applications, gradually becoming indispensable key nodes in the smart living ecosystem. The following describes the development trends by major product categories:

(1) True wireless Bluetooth earbuds: The competitive focus of the true wireless Bluetooth earbuds market has shifted from purely sound quality performance to deep integration of health monitoring and contextual adaptability. Mainstream brands continue to enhance call quality and daily user experience through active noise cancellation, voice enhancement, and environmental perception algorithms, while gradually incorporating hearing assistance and physiological sensing functions, transforming earbuds from entertainment accessories into tools for daily health management.

In addition, open-ear headphones experienced rapid growth in 2025. Their non-in-ear design balances wearing comfort with environmental awareness needs, making them popular among outdoor sports users and business users. Overall, true wireless earbud products have gradually formed a segmented market oriented toward high-end health and lifestyle scenarios, enabling distribution channels to enhance product value communication and average transaction value through differentiation in functions and application scenarios.

(2) Smartwatches and smart bands: Smartwatch and smart band products continued to develop toward specialization and personalization in 2025. In addition to continuous optimization in display technology,

battery life, and durability, a more critical breakthrough lies in the deepened application of AI technology in health data analysis. Through machine learning models, brands transform long-term collected physiological data into personalized exercise recommendations, sleep improvement plans, and health risk alerts, shifting wearable devices from passive recording tools to proactive health management assistants.

At the same time, functional designs targeting specific user groups have become increasingly mature, such as fall detection and emergency alert mechanisms for the elderly, and location tracking and safety geofencing functions for children, further expanding the family user market. This development trend enables distribution channels to deepen multi-age customer engagement centered on “safety, health, and care,” and enhance the strategic value of wearable products within the overall sales portfolio.

(3) AI smart glasses products: In 2025, the AI smart glasses market reached a key turning point, shifting from previously bulky display devices to AI smart glasses with practical usability and suitability for daily wear. The new generation of products emphasizes lightweight design and “seamless wearing,” with appearances close to traditional optical glasses, significantly increasing consumers’ willingness to use them daily.

Equipped with built-in multimodal AI models and miniature cameras, AI smart glasses possess real-time environmental perception capabilities and can be applied to scenarios such as object recognition, cross-language real-time translation, navigation guidance, and contextual reminders. The overall interaction model is primarily based on voice and simple visual prompts, allowing technology to be naturally integrated into daily life. Such products are regarded as the next-generation information interaction interface following smartphones, possessing high growth potential and providing new opportunities for distribution channels to introduce innovative experiential products.

(4) Charging products: Charging and power-related peripheral products experienced dual innovation in technical specifications and material applications in 2025. In addition to the widespread adoption of the Type-C interface, the commercial implementation of the Qi2.2 wireless charging protocol has increased the upper limit of wireless charging power to 25 W, and through magnetic alignment and thermal control optimization, has effectively improved charging efficiency and heat

management.

At the same time, portable power products utilizing solid-state battery technology have gradually entered the market, offering advantages in high energy density, lightweight design, and safety, effectively supporting high-wattage fast charging requirements. With Android flagship devices fully supporting Qi2.2, power peripherals combining magnetic fast charging and high-performance batteries have become an important driver of growth in the 2025 accessories market, and also provide favorable conditions for distribution channels to enhance accessory portfolio value and additional sales.

➢Trends in the development of IT appliances:

Against the backdrop of a more conservative macroeconomic environment, consumer spending has become increasingly cautious, resulting in a relatively slower growth momentum in the home appliance market. In particular, major appliances—highly correlated with new home renovations—have been affected by the slowdown in housing transactions and delivery schedules. As a result, part of the purchasing demand has been deferred, and market competition has gradually shifted toward structural optimization and service value as core differentiators.

In 2025, the Company continues to deepen its product portfolio management and channel differentiation strategies. Through Chunghwa Telecom tariff bundling, proprietary stores, and online platforms, it strengthens focus on core products and enforces pricing discipline to avoid irrational promotions that could erode gross margins. At the same time, through precise inventory planning and structural adjustments, the Company reduces the risk of aged inventory and enhances overall capital utilization efficiency while maintaining service stability.

In response to the short-term deferral of demand for major appliances, the Company balances product depth and supply pacing, maintains market visibility through solution-based selling and channel integration, and prepares for the eventual recovery of demand. Looking ahead to 2026, as housing delivery schedules gradually normalize, deferred demand is expected to be released in the medium to long term. The Company will continue to focus on high-performance and high value-added home appliances, expand its presence in growth categories such as audiovisual and health and beauty appliances, and further deepen OMO integration and membership management. Under prudent risk control, it aims to create long-term value-driven growth for shareholders.

2026 represents a critical turning point for the transformation of the notebook IT industry. With the rapid advancement of AI technologies, notebooks are no longer merely computing tools but are gradually evolving into "AI personal agents." Based on industry observations, AI PCs are expected to account for more than 50% of new notebook shipments. However, rising memory costs and fluctuations in end-product pricing may slow replacement cycles in the short term.

The main development directions include:

(1) AI PCs transitioning from specification-oriented to agent-based applications: AI tasks are increasingly executed on-device, enhancing privacy protection and operational efficiency.

(2) Ultra-thin design: Achieving a balance between durability and aesthetics through the application of new materials.

(3) Diversification of processor architectures: ARM architecture continues to grow, and the market is no longer dominated by a single architecture.

(4) Upgrades in OLED panel technology: The introduction of high-end OLED technology in notebooks extends panel lifespan and improves display quality.

➢Development trend of dietary supplements:

Taiwan and the Asian market, influenced by factors such as an aging population, rising health awareness, and expanding export opportunities (such as compliance requirements of the U.S. FDA), possess competitive advantages in the research and development, manufacturing, and export of health supplements. Market competition has evolved from single-product sales toward a trust-based model centered on scientific validation, regulatory compliance, and supply chain transparency.

As consumers place increasing emphasis on health management, product design has shifted to focus more on ingredient sourcing, functional efficacy, and long-term usage value. Early deployment in regulatory compliance, quality management, and cross-channel sales capabilities will enable companies to capture emerging growth opportunities. For the Company, integrating physical store experiences, professional consultation, and data-driven membership management effectively strengthens customer trust while enhancing the strategic importance and long-term growth potential of health products within the overall product portfolio.

II. 2026 Business Plan

(I) Business Policy

(1) Build a precision member ecosystem by integrating data from physical stores and online platforms, leveraging AI-based segmentation and precision push mechanisms to optimize customer journey management, deepen engagement with both mobile and fixed-line customer segments, and enhance member stickiness and long-term customer lifetime value.

(2) Transform stores into multi-functional service experience venues, shifting from traditional retail spaces into integrated service hubs that combine technology consulting, educational services, and local engagement. Through an omni-channel strategy, position stores as service endpoints for online traffic while also serving as the starting point for building offline trust, thereby strengthening local operations and emotional brand connections.

(3) Promote the servitization of ICT distribution by upgrading the traditional 3C distribution sales model into an "integrated solution service model" that combines equipment, network, and backend services, forming a core competitive advantage that is difficult for general 3C channels to replicate.

(4) Continue to develop the Company's certified pre-owned phone brand by enhancing market trust and recognition through standardized inspection procedures, comprehensive inspection reports, and a six-month warranty system, thereby expanding the scale and value of the pre-owned phone business.

(II) Business Objectives:

(1) Deepen telecom contract-based services to stabilize the revenue structure while balancing stability and growth. Simultaneously optimize the product layout of smart home appliances and AIoT offerings, promote smart home solutions, and enhance the added value of products.

(2) Implement AI in operations and sales applications. Through omni-channel OMO integration—from online intelligent recommendations and guided shopping tools to offline AI experience environments—embed AI across retail, service, and experiential touchpoints to strengthen the Company's positioning in smart living technology services.

(3) Expand the solution-as-a-service model for distributors by providing integrated, cross-product, and cross-scenario solutions, enhancing long-term partnership stickiness and establishing differentiated

competitive barriers.

(4) Advance operating system upgrades in parallel with sustainable development. Through system upgrades and process reengineering, improve resource utilization efficiency, reduce environmental impact, and continue advancing ESG objectives. Expand pre-owned phone recycling and sales channels to improve recycling efficiency, and strive to become the leading brand in the pre-owned phone market.

(III) Production and sales policy:

(1) Communication products: The Company will continue to strengthen its leading position in the ICT industry by adopting a dual-track agency strategy of “iPhone-led high-end momentum” and “diversified Android brand portfolio,” ensuring both stability and growth of its communication product mix. In the high-end segment, the iPhone will continue to drive overall sales momentum, while a diversified Android brand portfolio will address different price ranges and functional needs, maintaining competitive flexibility. In addition, the Company regards the “Chunghwa Telecom mobile device purchase policy” as the core guiding principle of its communication product operations, prioritizing contract-based purchases by its users and deepening long-term strategic cooperation with the leading telecom operator. Through highly integrated channel resources and service capabilities, the Company will continue to reinforce its leading position in the telecom channel market and build a channel moat that is difficult to replicate.

(2) Home appliance and IT products: The home appliance and IT product business will focus on market demand and risk management, adopting prudent inventory strategies and flexible supply mechanisms. Product portfolios and sales pacing will be planned based on channel characteristics to mitigate the risks related to inventory turnover and price fluctuations. Through precise coordination between procurement and sales and optimized inventory structure management, the Company will enhance capital efficiency and operational stability while maintaining service quality.

For IT products, the Company will focus on key brands such as Acer, ASUS, and MSI, introduce AI-related products with strong market attention, and expand application scenarios and sales depth by incorporating diverse peripheral products tailored to user needs.

(3) Application peripherals: The Company will continue to focus on

developing its private label brand “MEGA KING,” collaborating with suppliers to introduce accessories aligned with market trends, featuring practicality and stable quality, thereby strengthening brand recognition and optimizing gross profit structure.

At the same time, it will actively secure agency rights for leading international brands, and introduce connected wearables and smart peripherals across various domains, expanding both product breadth and customer segments. Through a dual strategy of private label development and branded agency products, the Company aims to increase the contribution of peripherals to its overall revenue structure.

(4) Health products: The core strategy for health products will center on “trust building” and “experience orientation.” Through experiential sales models in physical stores—integrating product trials, health consultations, and professional seminars—the Company will gradually establish long-term customer trust.

On this foundation, it will integrate e-commerce private traffic and membership systems, leveraging official communities and health education content to deepen customer engagement and brand loyalty. Supported by data-driven precision marketing, AI analytics, and personalized recommendation mechanisms, the Company will establish a digital transformation loop from offline experience to online purchasing, and from one-time transactions to long-term relationship management, thereby enhancing brand influence and repurchase rates.

(5) The Company positions itself as a key bridge connecting consumers to the smart future, committed to embedding the convenience of AI technology into all aspects of everyday life. Starting from core telecom and home appliance products, it continues to expand into diverse lifestyle, health, and beauty product categories to meet the needs of consumers across different age groups and life stages.

Through deep integration of the “Senaonline” online platform with AI-driven data capabilities, the Company precisely matches consumers with the most suitable products and services—transforming technology from a distant concept into a tangible, reliable, and caring presence in daily life.

III. The Company’s Future Development Strategy

In 2026, Senao International will lead AI into everyday life. Within a stable telecommunications market, the Company leverages big data to precisely identify member needs and combines its professional network integration capabilities to transform stores from single sales outlets into locally rooted technology service and trust centers that connect communities.

The Company not only provides product choices but also delivers comprehensive technology integration and application implementation services, enabling consumers to experience the convenience of smart technology firsthand at its retail stores. Looking ahead, as consumers pursue new technology-driven lifestyles, the Company will continue to position itself as the most professional and trusted brand of choice.

IV. Effect of External Competition, the Legal Environment, and the Overall Business Environment

In 2025, Taiwan’s economy demonstrated strong growth, supported by demand from AI-related industries, robust momentum in the semiconductor sector, expansion in exports and investment, and increased consumption driven by the government stimulus measures. Looking ahead to 2026, although the global economy remains resilient, the United States and Europe are expected to enter an interest rate-cutting cycle, which may stimulate consumption and investment. In addition, continued expansion of global trade is expected to support Taiwan’s export performance and private investment. However, due to the high base effect in 2025, overall economic growth in 2026 is expected to be relatively moderate. The Taiwan Institute of Economic Research (TIER) forecasts a GDP growth rate of 4.05% for 2025.

Furthermore, while global economic conditions in 2026 may be supported by AI-related investments and accommodative monetary policies, rising global protectionism and increasing tariff barriers could drive up product import costs. In addition, geopolitical risks that disrupt supply chains or fluctuations in energy prices may affect the stability of end-product supply and the Company’s gross margin structure. The Company will continue to strengthen its supply chain management and risk control capabilities to respond effectively to changes in the external environment and maintain stable operational growth.

II. Corporate Governance Report

I. Background information of Directors, President, Vice- Presidents, Assistant Vice-Presidents and heads of departments and branch offices

(I) Background of Directors (As of February 28, 2026)

Title	Nationality or Place of registration	Name	Gender Age	On-Board Date	Term of office	Date first Elected	Shareholdings when elected		Current Shareholding		Spouse's and Minor's Shareholdings		Shareholding through nominees		Major Education and Experience	Concurrent position held at the Company and Other Companies	Who are Spouses or a Second-degree Relative of Consanguinity to Each Other			Remark (Note 3)
							Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings			Title	Name	Relation	
Director	R.O.C.	Chunghwa Telecom Co., Ltd.		2025.05.28	2028.05.27	2007.01.15	71,773,155	27.79%	71,773,155	27.79%	0	0	0	0	–	–	–	–	–	–
Chairman (Note 1)	R.O.C.	Cheng-Hsien Yu	Male 61–70 years old	2025.05.28	2028.05.27	2025.03.26	4,000	0	4,000	0	0	0	0	0	Chairman, Taiwan Sugar Corporation Minister of the Interior, Republic of China Kaohsiung County Magistrate Legislative Yuan Member Master of Management Science, I-Shou University	Director, Taiwan Sugar Corporation Vice Chairman, Chinese Taipei Baseball Association Chairman, Kaohsiung Gaoyuan Commercial and Industrial Vocational High School Chairman, Ba Gua Liao Foundation	None	None	None	
Director (Note 1)	R.O.C.	Wen-Chih Lin	Male 51–60 years old	2025.05.28	2028.05.27	2016.10.24~107.03.26	0	0	0	0	0	0	0	0	Vice President, Administration Division, Chunghwa Telecom Co., Ltd. Master in Automatic Control Engineering, Feng Chia University	Executive Vice President, Marketing Department, Chunghwa Telecom Co., Ltd. Chairman, Smartfun Digital Co., Ltd. Director, Chunghwa Telecom Foundation Director, Chunghwa Digital Culture and Creation Management Consulting Co., Ltd. Director, Spring House Entertainment Technology Inc.	None	None	None	
Director (Note 1)	R.O.C.	Hsueh-Hai Hu	Male 61–70 years old	2025.05.28	2028.05.27	2023.07.19	0	0	0	0	0	0	0	0	President, Personal and Family Group, Chunghwa Telecom Master in Transportation Management, National Cheng Kung University	President, Personal and Family Group, Chunghwa Telecom Director, So-Net Entertainment Taiwan Limited Director, Taipei Financial Center Corp. Director, Honghwa International CO., LTD. Director, Chunghwa Investment Co., Ltd. Director, Chunghwa Digital	None	None	None	

																Culture and Creation Management Consulting Co., Ltd.				
Director (Note 1)	R.O.C.	Su-Chiu Ke	Female 61–70 years old	2025.05.28	2028.05.27	2024.01.01	0	0	0	0	0	0	0	0	Vice President, Personal and Family Group, Chunghwa Telecom Department of Land Administration, National Chengchi University	Vice President, Personal and Family Group, Chunghwa Telecom Director, Smartfun Digital Co., Ltd.	None	None	None	None
Director (Note 1)	R.O.C.	Chung-Yung Chia	Male 61–70 years old	2025.05.28	2028.05.27	2025.05.28	0	0	0	0	0	0	0	0	Vice President, Network Technology Group, Chunghwa Telecom Co., Ltd. Ph.D. in Computer Science, National Yang Ming Chiao Tung University	President, Network Technology Group, Chunghwa Telecom Co., Ltd. General Manager, Chunghwa Telecom Europe GmbH Director, Taiwan International Standard Electronics Ltd. Director, Senao Networks, Inc.	None	None	None	None
Director	R.O.C.	Cheng Kang Investment Co., Ltd.		2025.05.28	2028.05.27	2007.04.12	14,820,975	5.74%	14,820,975	5.74%	0	0	0	0	–	–	–	–	–	–
Vice-Chairman (Note 2)	R.O.C.	Pao-Yung Lin	Male 71–80 years old	2025.05.28	2028.05.27	1994.06.20	6,532,345	2.53%	8,343,345	3.23%	5,549,777	2.15%	0	0	Vice-Chairman and President, Senao International Co., Ltd. Taichung Municipal Tung-Shin Junior High School	Vice-Chairman and President, Senao International Co., Ltd.; Director, Senao Networks, Inc.; Chairman, Engenius Technologies Co., Ltd.; Chairman, Cheng Feng Investment Company	Director/ Special Assistant Director	Cheng-Feng Lin Cheng-Kang Lin	Father and son Father and son	None
Director (Note 2)	R.O.C.	Cheng-Feng Lin	Male 41–50 years old	2025.05.28	2028.05.27	2013.05.22	153,420	0.06%	743,420	0.29%	0	0	0	0	Special assistant, Senao International Co., Ltd. Master, International MBA English Program, National Chengchi University	Director, Senao International Co., Ltd.; Special assistant, Senao International Co., Ltd.; Director, E-Life Mall Corporation; Director, Tsann Kuen Enterprise Co., Ltd.; Director, NTU Innovation & Incubation Co., Ltd.; Director, Youth Co., Ltd.; Director, Sen Yang Insurance Agency Co., Ltd.	Vice Chairman/ President Director	Pao-Yung Lin Cheng-Kang Lin	Father and son Brothers	None
Director (Note 2)	R.O.C.	Cheng-Kang Lin	Male 41–50 years old	2025.05.28	2028.05.27	2013.12.16	98,091	0.04%	238,091	0.09%	0	0	0	0	Director, Business Management Office, Senao International Co., Ltd. IMBA, National Chengchi University, Japanese, the University of British Columbia	Director, Senao International Co., Ltd.; Director, Business Management Office, Senao International Co., Ltd.; Director, E-Life Mall Corporation	Vice Chairman/ President Director/ Special Assistant	Pao-Yung Lin Cheng-Feng Lin	Father and son Brothers	None
Independent Director	R.O.C.	Kung-Liang Yeh	Male 71–80 years	2025.05.28	2028.05.27	2016..06.27	0	0	0	0	162	0	0	0	Chairman, Fubon Securities Co., Ltd.	Director, Fubon Securities Co., Ltd.; Independent Director, Senao Internaional	None	None	None	None

			old												EMBA, Finance, National Taiwan University	Co., Ltd.;				
Independent Director	R.O.C.	Wen-Tsan Wu	Male 61–70 years old	2025.05.28	2028.05.27	108..06.14	0	0	0	0	0	0	0	0	Chairman, Metanoia Communications Inc. Ph.D. In Electrical Engineering, University of Washington, U.S.A.	Chairman, Metanoia Communications Inc.; Independent Director, Senao International Co., Ltd.	None	None	None	None
Independent Director	R.O.C.	Fu-Hai Yeh	Male 71–80 years old	2025.05.28	2028.05.27	2022.06.15	0	0	0	0	0	0	0	0	Director and CEO, WPG Holdings President, Arrow Electronics Taiwan Ltd. Vice- President, Acer Incorporated Bachelor's degree in Electronic Engineering, Feng Chia University	Vice Chairman, WPG Holdings; Director, LaaS Limited; Independent Director, Senao International Co., Ltd.; Independent Director, Benq Materials Corp; Independent Director, E-Life Mall Corporation, Independent Director, Senao International Co., Ltd.	None	None	None	None
Independent Director	R.O.C.	Min-Ching Cheng	Male 71–80 years old	2025.05.28	2028.05.27	Served as the Director from 2011.10.20 to 2016.10.24	0	0	0	0	0	0	0	0	Chairman, Honghwa IC International Technology Co., Ltd. Bachelor's degree in Electrical Engineering, National Kaohsiung University of Applied Sciences	Independent Director, Senao International Co., Ltd.	None	None	None	None
Independent Director	R.O.C.	Ying-Chi Ho	Male 51–60 years old	2025.05.28	2028.05.27	2025.05.28	0	0	0	0	0	0	0	0	Master of Business Administration, National Taiwan UniversityGeneral Manager, Yahoo Taiwan E-Commerce Chairman, Kou Ki International Enterprise Co., Ltd. Master of Business Administration, National Taiwan University	Chairman/Joint CEO, 91APP; Chairman, iCHEF Co., Ltd.; Chairman, iInvoice Co., Ltd.; Chairman, 91APP (TAIWAN), INC.; Chairman, ubitech co.; Director, 91APP HK Limited; Director, Omni-Channel Retail System Corporation; Representative of juristic person director, Omnichat Limited; Representative of juristic person director, EasyStore Commerce Sdn. Bhd.; Representative of juristic person director, Great & Best Tech. Co.; Director, NineYi Capital Inc.; Director, N-Team, Inc.	None	None	None	None

Note 1: The corporate shareholder representative of Chunghwa Telecom Co., Ltd.

Note 2: The corporate shareholder representative of Cheng Kang Investment Co., Ltd.

Note 3: Where the general manager or the person holding an equivalent position of the Company (the highest level of managers) and the Chairman, are the same person, spouses or first-degree relatives, the Company shall disclose relevant information, including the reasons, reasonableness, necessity and the response measures, etc. (such as increasing the number of independent directors and over half of the directors must not concurrently serve as the employee or manager).

(II) Corporate shareholder's major owners

Name of corporate shareholder	Corporate shareholder's major owners	Percentage of Shareholdings
Chunghwa Telecom Co., Ltd.	Ministry of Transportation and Communications	35.29%
	CTBC Bank Trust Account - CHT Employee Stock Ownership Trust Plan	3.83%
	Shin Kong Life Insurance Co., Ltd.	3.73%
	Cathay Life Insurance Co., Ltd.	2.73%
	JP Morgan Chase Bank, N.A., acting as depositary and representative of CHT ADRS	2.39%
	Chunghwa Post Co., Ltd.	2.06%
	Labor Pension Fund of the New Labor Pension System, R.O.C.	1.98%
	Labor Insurance Fund, R.O.C.	1.19%
	Taishin International Bank Co., Ltd., acting as custodian of the Taiwan ESG Sustainable High Dividend ETF Securities Investment Trust Fund under the Cathay Taiwan High Dividend Umbrella Securities Investment Trust Fund Special Account	1.11%
	Labor Pension Fund of the Old Labor Pension System, R.O.C.	1.07%
Cheng Kang Investment Co., Ltd.	Global Solution Malaysia Co., Ltd.	83.92%
	Cheng Feng Investment Company	13.99%
Cheng Feng Investment Company	Pao-Yung Lin	57.67%
	Yung-Ming Liu	33.46%
	Cheng-Feng Lin	0.03%
	Cheng-Kang Lin	0.03%

Note: Source of information was the investor relation information on the Chunghwa Telecom website or the company registration information provided by the Ministry of Economic Affairs, Department of Commerce.

(III)Names of major shareholders of corporate shareholder's major owners who are corporate shareholders

Name of corporate shareholder	Major shareholders of corporate shareholder	Percentage of Shareholdings
Shin Kong Life Insurance Co., Ltd.	TS Financial Holding Co., Ltd.	100.00%
Cathay Life Insurance Co., Ltd.	Cathay Financial Holdings Co., Ltd.	100.00%
Chunghwa Post Co., Ltd.	Ministry of Transportation and Communications	100.00%
Cheng Feng Investment Company	Pao-Yung Lin	57.67%
	Yung-Ming Liu	33.46%
	Cheng-Feng Lin	0.03%
	Cheng-Kang Lin	0.03%
Global Solution Malaysia Co., Ltd.	Global Solution Investment Co., Ltd.	100.00%

Note: The source of information is the 2024 annual reports of listed and OTC companies, the Insurance Industry Public Information Disclosure Platform, or company registration data of the Department of Commerce, Ministry of Economic Affairs.

(IV) Disclosure of directors' professional qualifications and the independence of independent directors:

Condition / Name	Professional qualification and experience (Note 1)	Independence Status (Note 2.3)	Number of public companies also serving as independent directors
Cheng-Hsien Yu	Have professional qualification and at least five years of experience in the area needed by the Company.	(1) Occurrence of incidents specified in Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act: none (2) The director is not a spouse or relative within the second degree of kinship of other directors, the supervisor is not a spouse or relative within the second degree of kinship of other supervisors and the director is not a spouse or relative within the second degree of kinship of other supervisors: none	0
Pao-Yung Lin	Have professional qualification and at least five years of experience in the area needed by the Company.	(1) Occurrence of incidents specified in Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act: none (2) The director is not a spouse or relative within the second degree of kinship of other directors, the supervisor is not a spouse or relative within the second degree of kinship of other supervisors and the director is not a spouse or relative within the second degree of kinship of other supervisors: Yes	0
Wen-Chih Lin	Have professional qualification and at least five years of experience in the area needed by the Company.	(1) Occurrence of incidents specified in Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act: No (2) The director is not a spouse or relative within the second degree of kinship of other directors, the supervisor is not a spouse or relative within the second degree of kinship of other supervisors and the director is not a spouse or relative within the second degree of kinship of other supervisors: none	0
Hsueh-Hai Hu	Have professional qualification and at least five years of experience in	(1) Occurrence of incidents specified in Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act: No (2) The director is not a spouse or relative within the second degree of kinship of other directors, the supervisor is not a spouse or	0

Condition / Name	Professional qualification and experience (Note 1)	Independence Status (Note 2.3)	Number of public companies also serving as independent directors
	the area needed by the Company.	relative within the second degree of kinship of other supervisors and the director is not a spouse or relative within the second degree of kinship of other supervisors: none	
Su-Chiu Ke	Have professional qualification and at least five years of experience in the area needed by the Company.	(1) Occurrence of incidents specified in Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act: No (2) The director is not a spouse or relative within the second degree of kinship of other directors, the supervisor is not a spouse or relative within the second degree of kinship of other supervisors and the director is not a spouse or relative within the second degree of kinship of other supervisors: none	0
Chung-Yung Chia	Have professional qualification and at least five years of experience in the area needed by the Company.	(1) Occurrence of incidents specified in Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act: No (2) The director is not a spouse or relative within the second degree of kinship of other directors, the supervisor is not a spouse or relative within the second degree of kinship of other supervisors and the director is not a spouse or relative within the second degree of kinship of other supervisors: none	0
Cheng-Feng Lin	Have professional qualification and at least five years of experience in the area needed by the Company.	(1) Occurrence of incidents specified in Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act: No (2) The director is not a spouse or relative within the second degree of kinship of other directors, the supervisor is not a spouse or relative within the second degree of kinship of other supervisors and the director is not a spouse or relative within the second degree of kinship of other supervisors: Yes	0
Cheng-Kang Lin	Have professional qualification and at least five	(1) Occurrence of incidents specified in Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act: No (2) The director is not a spouse or relative within	0

Condition / Name	Professional qualification and experience (Note 1)	Independence Status (Note 2.3)	Number of public companies also serving as independent directors
	years of experience in the area needed by the Company.	the second degree of kinship of other directors, the supervisor is not a spouse or relative within the second degree of kinship of other supervisors and the director is not a spouse or relative within the second degree of kinship of other supervisors: Yes	
Kung-Liang Yeh	Have professional qualification and at least five years of experience in the area of commerce, law, finance, accounting, or work experience. Doesn't have any of the circumstances set forth in Article 30 of the Company Act.	(1) Does this person, this person's spouse, or this person's relative within the second degree of kinship serve as the director, supervisor or employee of the Company or its affiliate: no (2) The number of the Company's shares or weight held by this person, this person's spouse, or this person's relative within the second degree of kinship (or held through nominees): no (3) Does he serve as the director, supervisor or employee of the company that is in a specific relationship with the company: no (4) Amount of remuneration gained from the commerce, law, finance and accounting services provided by the Company or its affiliate in the last two years: no	0
Wen-Tsan Wu	Have professional qualification and at least five years of experience in the area of commerce, law, or work experience. Doesn't have any of the circumstances	(1) Does this person, this person's spouse, or this person's relative within the second degree of kinship serve as the director, supervisor or employee of the Company or its affiliate: no (2) The number of the Company's shares or weight held by this person, this person's spouse, or this person's relative within the second degree of kinship (or held through nominees): no (3) Does he serve as the director, supervisor or employee of the company that is in a specific relationship with the company: no	0

Condition / Name	Professional qualification and experience (Note 1)	Independence Status (Note 2.3)	Number of public companies also serving as independent directors
	set forth in Article 30 of the Company Act.	(4) Amount of remuneration gained from the commerce, law, finance and accounting services provided by the Company or its affiliate in the last two years: no	
Fu-Hai Yeh	Have professional qualification and at least five years of experience in the area of commerce, law, or work experience. Doesn't have any of the circumstances set forth in Article 30 of the Company Act.	(1) Does this person, this person's spouse, or this person's relative within the second degree of kinship serve as the director, supervisor or employee of the Company or its affiliate: no (2) The number of the Company's shares or weight held by this person, this person's spouse, or this person's relative within the second degree of kinship (or held through nominees): no (3) Does he serve as the director, supervisor or employee of the company that is in a specific relationship with the company: no (4) Amount of remuneration gained from the commerce, law, finance and accounting services provided by the Company or its affiliate in the last two years: no	2
Min-Ching Cheng	Have professional qualification and at least five years of experience in the area of commerce, law, or work experience. Doesn't have any of the circumstances set forth in Article 30 of the Company Act.	(1) Does this person, this person's spouse, or this person's relative within the second degree of kinship serve as the director, supervisor or employee of the Company or its affiliate: no (2) The number of the Company's shares or weight held by this person, this person's spouse, or this person's relative within the second degree of kinship (or held through nominees): no (3) Does he serve as the director, supervisor or employee of the company that is in a specific relationship with the company: no (4) Amount of remuneration gained from the commerce, law, finance and accounting services provided by the Company or its affiliate in the last two years: no	0

Condition Name	Professional qualification and experience (Note 1)	Independence Status (Note 2.3)	Number of public companies also serving as independent directors
Ying-Chi Ho	Have professional qualification and at least five years of experience in the area of commerce, law, or work experience. Doesn't have any of the circumstances set forth in Article 30 of the Company Act.	(1) Does this person, this person's spouse, or this person's relative within the second degree of kinship serve as the director, supervisor or employee of the Company or its affiliate: no (2) The number of the Company's shares or weight held by this person, this person's spouse, or this person's relative within the second degree of kinship (or held through nominees): no (3) Does he serve as the director, supervisor or employee of the company that is in a specific relationship with the company: no (4) Amount of remuneration gained from the commerce, law, finance and accounting services provided by the Company or its affiliate in the last two years: no	0

Note 1: Professional qualification and experience: Describe the professional qualification and experience of individual director and supervisor. If the director or supervisor is a member of Audit Committee and has expertise in accounting or finance, the accounting or finance background and work experience shall be specified. It is also required to explain if the member has any of the circumstances set forth in Article 30 of the Company Act. Refer to the director information on page 78 for professional qualification and experience.

Note 2: It is required to describe whether or not the independent director meets independence, including but not limited to whether or not this person, this person's spouse, or this person's relative within the second degree of kinship serve as the director, supervisor or employee of the Company or its affiliate; the number of the Company's shares or weight held by this person, this person's spouse, or this person's relative within the second degree of kinship (or held through nominees); whether or not this person serves as the director, supervisor or employee of the company that is in a specific relationship with the company (refer to the paragraph 1, sub-paragraph 5 to 8 of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and the amount of remuneration gained from the commerce, law, finance and accounting services provided by the Company or its affiliate in the last two years.

Note 3: As for whether or not the director is a spouse or relative within the second degree of kinship of other directors, the supervisor is a spouse or relative within the second degree of kinship of other supervisors, and the director is a spouse or relative within the second degree of kinship of other supervisors, please refer to page 145 for the relationships among top ten shareholders to see if one is a related party of another and if one is a spouse or relative within the second degree of kinship of another.

Note 4: For diversity and independence, please refer to page 52 III (I) Has the Board of Directors formulated and executed a policy on diversity and concrete management goal.

(V) Background of the Management Team (As of February 28, 2026)

Title	Nationality	Name	Gender	On-Board Date	Shareholding		Spouse’s and Minor’ Children's Shareholding		Shareholding through nominees		Major Education and Experience	Current adjunct positions at other companies	Managers Who are Spouses or a Second-degree Relative of Consanguinity to Each Other			Remark
					Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings			Title	Name	Relation	
President	R.O.C.	Pao-Yung Lin	Male	2007.04.12	8,343,345	3.23%	5,549,777	2.15%	0	0	Senao International Co., Ltd. Vice Chairman and President Graduated from Taichung Municipal Tung Shih Junior High School	Director, Senao Networks, Inc. Chairman, Engenius Technologies Co., Ltd. Chairman Chairman, Cheng Feng Investment Co., Ltd. Chairman	Special Assistant	Cheng-Feng Lin	Father and son	None
Chief Financial Officer	R.O.C.	Pei-Yu Chiang	Female	2024.12.31	0	0	0	0	0	0	Director of the Accounting Department, Chunghwa Telecom Laboratories Graduate of the Department of Accounting, Tunghai University	—	None	None	None	None
Executive Vice President	R.O.C.	Chi-Hung Liao	Male	2022.11.02	162	0.00%	0	0	0	0	Sales Manager, Samsung Electronics Co., Ltd. EMBA, National Cheng Kung University	Director, Youth Co., Ltd.	None	None	None	None
Executive Vice President	R.O.C.	Yen-Yen Cheng	Female	2024.08.02	0	0	0	0	0	0	Special assistant, Operation Planning Office, Senao International Co., Ltd. Master’s Degree, Graduate Institute of Management, National Taiwan University of Science and Technology	Chairman, Sen Yang Insurance Agency Co., Ltd.	None	None	None	None
Vice President	R.O.C.	Tsai-Hung Yu	Female	2009.11.08	77,546	0.03%	0	0	0	0	Accounting Manager, Senao International Co., Ltd. Master in Accounting, Soochow University	Supervisor, Youth Co., Ltd.	None	None	None	None
Vice President	R.O.C.	Chen-San Chou	Male	2022.11.02	0	0	0	0	0	0	Assistant Vice President, Southern Branch, Senao International Co., Ltd.	—	None	None	None	None

Title	Nationality	Name	Gender	On-Board Date	Shareholding		Spouse's and Minor' Children's Shareholding		Shareholding through nominees		Major Education and Experience	Current adjunct positions at other companies	Managers Who are Spouses or a Second-degree Relative of Consanguinity to Each Other			Remark
					Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings			Title	Name	Relation	
											Master in Shipping & Transportation Management, National Taiwan Ocean University					
Senior Assistant Vice President (Finance Department Manager and Corporate Governance Manager)	R.O.C.	Chia-Chi Chen	Male	2023.05.02	0	0	0	0	0	0	Senior Assistant Vice President, Administration Division, Asia Pacific Telecom Master's in Management Science, National Chiao Tung University	—	None	None	None	None
Senior Assistant Vice President	R.O.C.	Pi-Tzu Chen	Female	2025.08.01	0	0	0	0	0	0	Chief Financial Officer, E-Life Corporation Master's Degree in Accounting, National Taiwan University	—	None	None	None	None
Assistant Vice-President	R.O.C.	Sheng-Kai Chen	Male	2008.01.01	12,000	0	0	0	0	0	Product Service Manager, Siemens Telecommunication Systems Ltd. Bachelor's degree in Electronic and Computer Engineering, National Taiwan University of Science and Technology	—	None	None	None	None
Assistant Vice-President	R.O.C.	Chih-Hsiang Kuo	Male	2014.01.01	0	0	0	0	0	0	Manager, Tait Marketing and Distribution Co., Ltd. Associate Degree in Shipping Management, National Keelung Maritime Vocational High School	—	None	None	None	None
Assistant Vice-President	R.O.C.	Chun-Chieh Chiu	Male	2022.11.02	104,746	0.04%	12,000	0%	0	0	Assistant Vice-President, Senao International Co., Ltd. Msc Food Economics and Marketing, University of Reading	—	None	None	None	None

Title	Nationality	Name	Gender	On-Board Date	Shareholding		Spouse’s and Minor’ Children's Shareholding		Shareholding through nominees		Major Education and Experience	Current adjunct positions at other companies	Managers Who are Spouses or a Second-degree Relative of Consanguinity to Each Other			Remark
					Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings			Title	Name	Relation	
Assistant Vice-President	R.O.C.	Chen-Chun Chen	Female	2022.09.19	0	0	0	0	0	0	Manager, Far Eastone Telecommunications Co., Ltd. MBA, CUNY Brooklyn College	—	None	None	None	None
Assistant Vice-President (Accounting Manager)	R.O.C.	Jin-Ding Liu	Female	2023.04.28	0	0	0	0	0	0	Senior Accounting Manager, Taihan Precision Technology Co., Ltd. B.A. in Economics, Fu Jen Catholic University Passed the Republic of China Certified Public Accountant Examination	—	None	None	None	None
Assistant Vice-President	R.O.C.	Chang-Hsun Wu	Male	2025.04.16	0	0	0	0	0	0	Senior Manager, Information Department, Xunwei Technology Co., Ltd. Graduate of the Executive Master’s Program of the College of Communication	—	None	None	None	None
Assistant Vice-President	R.O.C.	Lei-Hsing Yu	Male	2025.08.01	0	0	0	0	0	0	Technical Consultant, RUCKUS Sales Team, CommScope Taiwan Ltd. Graduate of the Department of Information Technology, Takming University of Science and Technology	—	None	None	None	None
Special Assistant	R.O.C.	Cheng-Feng Lin	Male	2013.06.01	743,420	0.29%	0	0	0	0	Special assistant, Senao International Co., Ltd. IMBA, National Chengchi University	Director, E-Life Mall Corporation Director, Tsann Kuen Enterprise Co., Ltd. Director, Sen Yang Insurance Agency Co., Ltd. Director, Youth Co.,	President	Pao-Yung Lin	Father and son	None

Title	Nationality	Name	Gender	On-Board Date	Shareholding		Spouse’s and Minor’ Children's Shareholding		Shareholding through nominees		Major Education and Experience	Current adjunct positions at other companies	Managers Who are Spouses or a Second-degree Relative of Consanguinity to Each Other			Remark
					Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings			Title	Name	Relation	
												Ltd. Director, NTU Innovation & Incubation Co., Ltd.				
Special Assistant	R.O.C.	Yu-Chun Sung	Female	2025.09.01	0	0	0	0	0	0	Department Head, Supply Chain Management Division, TCI Co., Ltd. Graduate of the Department of Japanese Language and Literature, Fu Jen Catholic University	—	None	None	None	None
Special Assistant	R.O.C.	Wen-Chin Huang	Male	2026.01.05	0	0	0	0	0	0	BD Assistant Manager, Building Automation Business Group, Delta Electronics, Inc. Graduate of the Master’s Program in the Department of Computer Science, National Chung Hsing University	—	None	None	None	None

II. Remuneration paid to directors (including independent directors), President and Vice Presidents during the most recent year:

(I) Remuneration to directors

Year 2025 Unit: thousand shares/ NT$ thousand/%

Title	Name	Directors' remuneration								The sum of A, B, C and D and a percentage of after-tax profit (%)		Compensation as company employee								The sum of A, B, C, D, E, F, and G and a percentage of after-tax profit (%)		Compensation from investments other than subsidiaries or parent company
		Return (A)		Pension(B)		Director Remuneration (C)		Fees for services rendered(D)(Note 7)				Salaries, bonuses, special allowances etc. (E) (Note 8)		Pension(F)		Employee remuneration(G)						
		The Company	All Companies included in the financial statements	The Company	All Companies included in the financial statements	The Company	All Companies included in the financial statements	The Company	All Companies included in the financial statements	The Company	All Companies included in the financial statements	The Company	All Companies included in the financial statements	The Company	All Companies included in the financial statements	The Company		All Companies included in the financial statements		The Company	All Companies included in the financial statements	
																Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
Chairman	Cheng-Hsien Yu (Note 1)(Note 3)	0	0	0	0	8,205	8,205	550	550	8,755 (1.97%)	8,755 (1.97%)	17,381	17,381	0	0	2,260	0	2,260	0	28,396 (6.38%)	28,396 (6.38%)	20,471
Director	Hsueh-Hai Hu (Note 1)																					
Director	Wen-Chih Lin (Note 1)																					
Director	Min-Hung Tsai (Note 1)(Note 4)																					
Director	Chung-Yung Chia (Note 1)(Note 5)																					
Director	Su-Chiu Ke (Note 1)																					
Vice-Chairman	Pao-Yung Lin (Note 2)																					
Director	Cheng-Feng Lin (Note 2)																					
Director	Cheng-Kang Lin (Note 2)																					
Independent Director	Kung-Liang Yeh	4,531	4,531	0	0	0	0	270	270	4,801 (1.08%)	4,801 (1.08%)	0	0	0	0	0	0	0	0	4,801 (1.08%)	4,801 (1.08%)	None
Independent Director	Wen-Tsan Wu																					
Independent Director	Fu-Hai Yeh																					
Independent Director	Min-Ching Cheng																					
Independent Director	Ying-Chi Ho (Note 6)																					

Note 1: The corporate shareholder representative of Chunghwa Telecom Co., Ltd.

Note 2: The corporate shareholder representative of Cheng Kang Investment Co., Ltd.

Note 3: Chairman Cheng-Hsien Yu assumed office on March 26, 2025.

Note 4: Director Min-Hung Tsai was dismissed on May 28, 2025.

Note 5: Director Chung-Yung Chia assumed office on May 28, 2025.

Note 6: Independent Director Ying-Chi Ho assumed office on May 28, 2025.

Note 7: The transportation fees for attending the board of directors' meeting in 2025.

Note 8: Salary, allowances, bonuses and benefits paid to director who concurrently works as company employee in 2025.

Note 9: Remuneration paid to independent director was recognized in the board of directors' meeting that includes fixed monthly compensation and transportation fees for each attendance of board of directors' meeting. Independent directors are obligated to perform their duties as independent directors in a board of directors' meeting evaluating and reviewing material decisions on corporate governance and shall be excluded from distributions of the earnings of the Company.

Remuneration brackets table

Ranges of remuneration paid to the Company's directors	Name of director			
	Sum of the first 4 items (A + B + C + D)		Sum of the first 7 items (A + B + C + D+ E + F + G)	
	The Company	All Companies included in the financial statements	The Company	All Companies included in the financial statements
Less than NT$1,000,000	Cheng-Hsien Yu, Hsueh-Hai Hu, Wen-Chih Lin, Min-Hung Tsai, Su-Chiu Ke, Chung-Yung Chia, Wen-Tsan Wu,Ying-Chi Ho, Pao-Yung Lin, Cheng-Feng Lin, Cheng-Kang Lin	Cheng-Hsien Yu, Hsueh-Hai Hu, Wen-Chih Lin, Min-Hung Tsai, Su-Chiu Ke, Chung-Yung Chia, Wen-Tsan Wu,Ying-Chi Ho, Pao-Yung Lin, Cheng-Feng Lin, Cheng-Kang Lin	Hsueh-Hai Hu, Wen-Chih Lin, Min-Hung Tsai, Su-Chiu Ke, Chung-Yung Chia, Wen-Tsan Wu, Ying-Chi Ho	Hsueh-Hai Hu, Wen-Chih Lin, Min-Hung Tsai, Su-Chiu Ke, Chung-Yung Chia, Wen-Tsan Wu, Ying-Chi Ho
NT$1,000,000 (inclusive) – NT$2,000,000 (exclusive)	Kung-Liang Yeh, Fu-Hai Yeh, Min-Ching Cheng	Fu-Hai Yeh, Kung-Liang Yeh, Min-Ching Cheng	Fu-Hai Yeh, Kung-Liang Yeh, Min-Ching Cheng, Cheng-Kang Lin	Fu-Hai Yeh, Kung-Liang Yeh, Min-Ching Cheng, Cheng-Kang Lin
NT$2,000,000 (inclusive) – NT$3,500,000 (exclusive)	0	0	Cheng-Hsien Yu, Cheng-Feng Lin	Cheng-Hsien Yu, Cheng-Feng Lin
NT$3,500,000 (inclusive) – NT$5,000,000 (exclusive)	Chunghwa Telecom Co., Ltd. Cheng Kang Investment Co., Ltd.	Chunghwa Telecom Co., Ltd. Cheng Kang Investment Co., Ltd.	Chunghwa Telecom Co., Ltd. Cheng Kang Investment Co., Ltd.	Chunghwa Telecom Co., Ltd. Cheng Kang Investment Co., Ltd.
NT$5,000,000 (inclusive) – NT$10,000,000 (exclusive)	0	0	0	0
NT$10,000,000 (inclusive) – NT$15,000,000 (exclusive)	0	0	Pao-Yung Lin	Pao-Yung Lin
NT$15,000,000 (inclusive) – NT$30,000,000 (exclusive)	0	0	0	0
NT$30,000,000 (inclusive) – NT$50,000,000 (exclusive)	0	0	0	0
NT$50,000,000 (inclusive) – NT$100,000,000 (exclusive)	0	0	0	0
NT$ 100,000,000 and above	0	0	0	0
Total	16	16	16	16

(II) Remuneration to the President and Vice Presidents

Year 2025 Unit: NT$thousand/ thousand shares/%

Title	Name	Salary(A) (Note 3)		Pension(B)		Bonuses and special allowances etc. (E) (Note 4)		Employee remuneration (D)				The sum of A, B, C and D and a percentage of after-tax profit (%)		Compensation from investments other than subsidiaries or parent company
		The Company	All Companies included in the financial statements	The Company	All Companies included in the financial statements	The Company	All Companies included in the financial statements	The Company		All Companies included in the financial statements		The Company	All Companies included in the financial statements	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
President	Pao-Yung Lin	23,547	23,787	11,025	11,025	6,504	6,504	3,900	0	3,900	0	44,975 (10.10%)	45,215 (10.15%)	1,052
Executive Vice-President	Chi-Hung Liao													
Executive Vice-President	Yen-Yen Cheng													
Chief Financial Officer	Pei-Yu Chiang													
Vice President	Ching-Lang Chang (Note 1)													
Vice President	Tsai-Hung Yu													
Vice President	Chen-San Chou													
Vice President	Chuan-Cheng Lin (Note 2)													

Note 1: Vice President Ching-Lang Chang retired on August 31, 2025.

Note 2: Vice President Chuan-Cheng Lin resigned on February 28, 2025.

Note 3: It is the salary and allowances paid to President and Vice Presidents in 2025.

Note 4: It is the bonuses, allowances and other benefits paid to President and Vice Presidents in 2025.

Remuneration brackets table

Ranges of remuneration paid to the Company's President and Vice Presidents	Name of President and Vice Presidents	
	The Company	All Companies included in the financial statements
Less than NT$1,000,000	Chuan-Cheng Lin	Chuan-Cheng Lin
NT$1,000,000 (inclusive) – NT$2,000,000 (exclusive)	0	0
NT$2,000,000 (inclusive) – NT$3,500,000 (exclusive)	Pei-Yu Chiang, Tsai-Hung Yu, Chen-San Chou	Pei-Yu Chiang, Tsai-Hung Yu, Chen-San Chou
NT$3,500,000 (inclusive) – NT$5,000,000 (exclusive)	Chi-Hung Liao, Yen-Yen Cheng	Chi-Hung Liao, Yen-Yen Cheng
NT$5,000,000 (inclusive) – NT$10,000,000 (exclusive)	0	0
NT$10,000,000 (inclusive) – NT$15,000,000 (exclusive)	Pao-Yung Lin, Ching-Lang Chang	Pao-Yung Lin, Ching-Lang Chang
NT$15,000,000 (inclusive) – NT$30,000,000 (exclusive)	0	0
NT$30,000,000 (inclusive) – NT$50,000,000 (exclusive)	0	0
NT$50,000,000 (inclusive) – NT$100,000,000 (exclusive)	0	0
NT$ 100,000,000 and above	0	0
Total	8	8

(III) Names of managers entitled to employee remuneration and amount entitled:

December 31, 2025 Unit: NT$ thousand/%

	Title	Name	Amount paid in shares	Amount paid in cash	Total	Total as a percentage of after-tax profit (%)
Manager	President	Pao-Yung Lin	0	5,450	5,450	1.22
	Executive Vice President	Chi-Hung Liao				
	Executive Vice President	Yen-Yen Cheng				
	Chief Financial Officer	Pei-Yu Chiang				
	Vice President	Tsai-Hung Yu				
	Vice President	Chen-San Chou				
	Senior Assistant Vice President (Finance Department Manager and Corporate Governance Manager)	Chia-Chi Chen				
	Senior Assistant Vice President	Pi-Tzu Chen				
	Assistant Vice-President	Chun-Chieh Chiu				
	Assistant Vice-President	Chih-Hsiang Kuo				
	Assistant Vice-President	Sheng-Kai Chen				
	Assistant Vice-President	Chang-Hsun Wu				
	Assistant Vice-President	Chen-Chun Chen				
	Assistant Vice-President	Lei-Hsing Yu				
	Assistant Vice-President (Accounting Manager)	Jin-Ding Liu				
	Special Assistant	Cheng-Feng Lin				
	Special Assistant	Yu-Chun Sung				

(IV) Total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by the Company and by all companies included in the consolidated financial statements during the past 2 fiscal years to directors, President and Vice Presidents, and remuneration policies, standards and packages, the procedure for determining remuneration and its linkage to operating performance and future risk exposure.

	Ratio of total remuneration paid to after-tax profit in 2025	Ratio of total remuneration paid to after-tax profit in 2024
The Company	14.58%	10.99%
All Companies included in the financial statements	14.63%	11.60%

1. Remuneration paid to directors

Our independent directors collect fixed monthly compensation and shall be excluded from distributions of the director’s compensation. Transportation fees for each attendance of board of directors’ meeting were recognized in the board of directors’ meeting. No other variable compensation has been disbursed.

For the rest of the compensation for directors, besides transportation fees for each attendance of board of directors’ meeting, Article 27 of Articles of Incorporation specified that if the Company records a profit in a year, the Company shall appropriate no more than 3% of the profit for director’s compensation. Considering operating performance, financial position and duties of a director and connection with profit from business performance, the compensation for directors has been submitted to the Board of Directors’ meeting for resolution after review by the Remuneration Committee.

2. Remuneration paid to the President and Vice Presidents

Remuneration paid to the President and Vice Presidents includes fixed salary and floating salary where fixed salary is paid in compliance with the Company’s “Rules for Remuneration and Benefits” with respect to employee’s responsibility and professional skills; floating salary includes year-end bonus.

The annual bonus is calculated according to the profit status of the company and the individual performance evaluation result. KPI of manager (revenue completion, profit achievement rate, budget control, leadership and subordinate on-job training) is also put into consideration. Article 27 of Articles of Incorporation specified that the Company appropriates no less than 3% of the profit for employee’s compensation. The total employee's compensation is submitted to the Board of Directors' meeting for resolution and distributed based on performance appraisal. Appropriation and issuance of employee's compensation are connected to profit from operating performance of the Company, and submitted to the Board of Directors' meeting for resolution after review by Remuneration Committee.

III. Information on the operations of corporate governance

(I) Operation of the board of directors

A total of eight board of director's meetings were held in 2025 and the attendance records of directors and are listed below:

Title	Name (Note 1)	Actual attendance	Proxy Attendance	Percentage of actual attendance (%) (Note 2)	Remarks
Chairman	Cheng-Hsien Yu (Note 3)	7	—	100%	Inaugurated on March 26, 2025
Vice-Chairman	Pao-Yung Lin (Note 4)	8	—	100%	—
Director	Wen-Chih Lin (Note 3)	8	—	100%	—
Director	Hsueh-Hai Hu (Note 3)	8	—	100%	—
Director	Min-Hung Tsai (Note 3)	4	—	100%	Discharged on May 28, 2025
Director	Chung-Yung Chia (Note 3)	4	—	100%	Inaugurated on May 28, 2025
Director	Su-Chiu Ke (Note 3)	8	—	100%	—
Director	Cheng-Feng Lin (Note 4)	8	—	100%	—
Director	Cheng-Kang Lin (Note 4)	8	—	100%	—
Independent Director	Kung-Liang Yeh	8	—	100%	—
Independent Director	Wen-Tsan Wu	4	4	50%	—
Independent Director	Fu-Hai Yeh	6	2	75%	—
Independent Director	Min-Ching Cheng	8	—	100%	—
Independent Director	Ying-Chi Ho	4	—	100%	Inaugurated on May 28, 2025

Other matters that shall be recorded:

I. For board of director meetings that meet conditions described in Article 14-3 of the Securities and Exchange Act or are subject to any other documented objections or qualified opinions raised by independent director against board resolution, the date, session, the agenda, independent directors' opinions and how the company has responded to such opinions shall be stated: Refer to page 123.

II. Disclosure regarding avoidance of interest-conflicting agendas, including the names of directors concerned, the agendas, the nature of conflicting interests, and the voting process:

(1) March 26, 2025, the 21st Meeting of the 11th Board of Directors, Discussion Item 3: Proposal for adjustment of managerial remuneration, submitted for discussion (Vice Chairman Pao-Yung Lin, an interested party, recused himself). Resolution: Except Vice Chairman Pao-Yung Lin had avoided the discussion and voting due to conflict of interests, the agenda was passed as proposed unanimously by remaining directors present at the meeting.

(2) March 26, 2025, the 22nd Meeting of the 11th Board of Directors, Discussion Item: Proposal for approval of the Chairman's remuneration, submitted for discussion (Chairman Cheng-Hsien

Yu, an interested party, recused himself). Resolution: Except Chairman Cheng-Hsien Yu had avoided the discussion and voting due to conflict of interests, the agenda was passed as proposed unanimously by remaining directors present at the meeting.

(3) May 28, 2025, the 1st Meeting of the 12th Board of Directors, Discussion Item: Proposal for appointment of the 6th Remuneration Committee, submitted for discussion (Directors Kung-Liang Yeh, Fu-Hai Yeh, Min-Ching Cheng, and Ying-Chi Ho, as interested parties, recused themselves). Resolution: Although directors Kung-Liang Yeh, Kung-Liang Yeh, Min-Ching Cheng, and Ying-Chi Ho had avoided the discussion and voting due to conflicts of interest, the agenda was passed as proposed unanimously by the remaining directors present at the meeting.

(4) August 1, 2025, the 2nd Meeting of the 12th Board of Directors, Discussion Item 2: Reviewed 2024 managers' and employees' compensations disbursement. (Vice-Chairman Pao-Yung Lin and directors Cheng-Feng Lin and Cheng-Kang Lin abstained from the discussion and voting due to conflict of interests.) Resolution: Resolution: Except Vice Chairman Pao-Yung Lin, directors Cheng-Feng Lin and Cheng-Kang Lin had avoided the discussion and voting due to conflict of interests, the agenda was passed as proposed unanimously by all directors present at the meeting.

(5) December 12, 2025, the 4th Meeting of the 12th Board of Directors, Discussion Item 3: Proposal for performance evaluation of the Chairman and managers for 2025 and distribution of year-end bonuses, submitted for discussion (Chairman Cheng-Hsien Yu, Vice Chairman Pao-Yung Lin, and Directors Cheng-Feng Lin and Cheng-Kang Lin, as interested parties, recused themselves). Resolution: Except Chairman Cheng-Hsien Yu, Vice Chairman Pao-Yung Lin, directors Cheng-Feng Lin and Cheng-Kang Lin had avoided the discussion and voting due to conflict of interests, the agenda was passed as proposed unanimously by all directors present at the meeting.

III. TWSE/GTSM-Listed Companies shall disclose evaluation cycles, evaluation periods, scope, method and content of self-evaluation of performance of board members (for themselves or peers) as follows:

The Company's Regulations Governing the Board Performance Evaluation was established and passed by the board of directors' meeting on December 27, 2019, stipulating that the board's evaluation shall cover evaluation of the board as a whole, individual directors, audit committee and remuneration committee at least once a year. External professional independent institutions or external expert and scholar teams evaluate the performance at least every three years. Internal performance evaluation of the Board of Directors of the year shall be conducted by the end of every year. Results of external performance evaluation of the Board of Directors shall be completed before the end of Q1 of the next year.

Internal performance evaluation of the Board of Directors is described as follows:

The criteria for evaluating the performance of the board of directors include the following five aspects:

(I) Participation in the operations of the company.
(II) Improvement of the quality of the board of directors' decision making.
(III) Composition and structure of the board of directors.
(IV) Election and continuing education of the directors.
(V) Internal control.

The criteria for evaluating the performance of the board members should cover, at a minimum, the following six aspects:

(I) Alignment of the goals and missions of the company.
(II) Awareness of the duties of a director.
(III) Participation in the operations of the company.
(IV) Management of internal relationship and communication.
(V) The director's professionalism and continuing education.
(VI) Internal control.

The criteria for evaluating the performance of functional committees should cover, at a minimum, the following five aspects:

(I) Participation in the operations of the company.
(II) Awareness of the duties of the functional committee.
(III) Improvement of quality of decisions made by the functional committee.
(IV) Makeup of the functional committee and election of its members.
(V) Internal control.

The administration unit shall conduct the board's internal evaluation, collect relevant information about the board of directors, individual directors, and functional committees by December 31 of every year, and distribute following surveys:

(I) "Self-assessment for the board's (including functional committee) performance": Individual director's evaluation on the board of directors' performance as a whole (including functional committee)
(II) "Self-assessment on individual board member's performance:" Self-evaluation on each individual director's performance.

When administration unit calculates the evaluation results, it shall count the self-assessment score for the board of directors (including functional committee) and board members separately. The self-assessment score is the average of sum of scores from all items, and the average score represents a evaluation result as follows:

(I) For average score equal or above 4, the evaluation result is "Excellent."
(II) For average score less than 4 but above 3, the evaluation result is "Good".
(III) For average score less than 3, the evaluation result is "To be improved."

External performance evaluation of the Board of Directors is described as follows:

The external evaluation institution or external expert and scholar team appointed for performance evaluation of the board of directors shall meet the regulations below:

(I) The external evaluation institution or external expert and scholar team appointed for shall be professional and independent.
(II) The external evaluation institution is primarily the relevant institution or management consultant company holding the education training course and providing the enterprise corporate governance service.
(III) In the external expert and scholar teams, at least three experts or scholars in the Board of Directors or in the corporate governance field shall be assigned to evaluate performance evaluation of the Board of Directors and write the external evaluation analysis report.

IV. Measures taken to strengthen the functionality of the Board of Directors (e.g., Establishment of audit committee or improvement of transparency) for the present year and the most recent year and assessment on the implementation: three independent directors were elected on June 14, 2019 for the Company and on the same date, the Audit Committee was established. The number of independent directors is increased up to five on June 15, 2025. Please refer to page 52, 2 (3) "3. Composition and duties of the board of director" of this Chapter for the functionality of the board of directors and assessment on the implementation in 2025.

Note 1: If the directors are corporations, the names of the corporate shareholders and the names of their representatives should be disclosed.

Note 2: (1) The date of resignation is specified for Directors who had resigned prior to the close of the financial year. The percentage of actual attendance (%) is calculated based on the number of board of directors meetings held and the number of actual attendance during active duty.
(2) If a re-election of Directors had taken place prior to the close of the financial year, Directors of both the previous and the current term are listed; in which case, the remarks column would specify the re-election date and whether or not the Director was elected in the previous term, the new term, or both. The percentage of actual attendance (%) is calculated based on the number of board of directors meetings held and the number of actual attendance during active duty.

Note 3: The corporate shareholder representative of Chunghwa Telecom Co., Ltd.

Note 4: The corporate shareholder representative of Cheng Kang Investment Co., Ltd.

Implementation of evaluation on the board of directors

Evaluation cycles	Evaluation periods	Evaluation scope	Evaluation method	Evaluation content
Once every year	The evaluation on the board's performance from January 1, 2025 to December 31, 2025	Performance evaluations of the board of directors as a whole, individual directors and functional committees	Internal self-assessment of the board of directors, self-assessment of individual directors and self-assessment of functional committees or other proper method of performance evaluation.	1. Performance evaluation of the board of directors: including participation in the operation of the company, improvement of the quality of the board of directors' decision making, composition and structure of the board of directors, election and continuing education of the directors, and internal control. 2. Performance evaluation of individual directors: including alignment of the goals and missions of the company, awareness of the duties of a director, participation in the operation of the company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control. 3. Performance evaluation of functional committees: including participation in the operation of the company, awareness of the duties of the functional committee, quality of decisions made by the functional committee, makeup of the functional committee and election of its members, and internal control.
Once every three years	The evaluation on the board's performance from January 1, 2023 to June 30, 2025	Performance evaluation of the Board of Directors	In May 2025, the Company commissioned the external organization, the "Taiwan Board Performance Enhancement Association"	1. Evaluate the seven aspects and 50 explicit indicators by survey and interview with the Chairman, President and one independent director (including convener of functional committee). The seven aspects are "Composition and structure of the board of directors," "Election and continuing education of the

			to appoint three experts who have no business dealings with the Company, possess independence, and have signed statements of independence and data confidentiality obligations (Professor Tai-Chang Wang, Chairman of the Taiwan Board Performance Enhancement Association; Professor Hsiu-Wei Lin of the Department of International Business, College of Management, National Taiwan University; and CPA Han-Ni Fang, Audit and Assurance Partner of Deloitte & Touche) to conduct a performance evaluation.	directors," "Participation in the operations of the company," "Improvement of the quality of the board of directors' decision making," "Internal control," "Sustainable development" and "Value creation." 2. Suggestion and the improvement made by the company: (1) Recommendation: It is recommended to establish a formalized orientation training system for newly appointed directors to assist them in becoming familiar with the relevant regulations and industry overview. Improvement measure: Upon assuming office, newly appointed directors will be provided with the relevant regulations, industry overview, and key matters for attention to facilitate familiarity with their duties and authorities. (2) Recommendation: It is recommended that independent directors arrange separate communication sessions with the certifying CPAs to strengthen the rigor of the operation of the internal control system. Improvement measure: Since November 7, 2025, arrangements have been made for independent directors to conduct separate communications with the certifying CPAs. (3) Recommendation: It is recommended to disclose the duties and participation of independent directors in the ESG Committee on the official website and in the sustainability report. Supplementary

				explanation: In response to the latest ESG evaluations, the Company will plan for board members to participate in the ESG Committee to demonstrate the Board’s proactive commitment to sustainable development.

The attendance records of independent directors for the board meetings held in 2025 are listed below:

◎Attendance in person ☆Attendance by proxy－Not applicable

	2025.02.14	2025.03.26	2025.03.26	2025.05.02	2025.05.28	2025.08.01	2025.11.07	2025.12.12
	The 20th meeting of the 11th board of directors	The 21st meeting of the 11th board of directors	The 22nd meeting of the 11th board of directors	The 23rd meeting of the 11th board of directors	The 1st meeting of the 12th interim board of directors	The 2nd meeting of the 12th board of directors	The 3rd meeting of the 12th board of directors	The 4th meeting of the 12th board of directors
Kung-Liang Yeh	◎	◎	◎	◎	◎	◎	◎	◎
Wen-Tsan Wu	◎	◎	◎	◎	☆	☆	☆	☆
Fu-Hai Yeh	◎	☆	☆	◎	◎	◎	◎	◎
Min-Ching Cheng	◎	◎	◎	◎	◎	◎	◎	◎
Ying-Chi Ho	－	－	－	－	◎	◎	◎	◎

(II) Operations of Audit Committee:

The Audit Committee of the Company consists of five independent directors. The operation of the Committee aim to supervise the following:

I. Adequate expression of the financial statement of the Company
II. Election and dismissal, independence and performance of external auditors
III. Effective implementation of internal control
IV. Compliance to relevant regulations and rules
V. Control of existing or potential risk

The Audit Committee held six meetings in 2025. Its exercise of duties are as follows:

I. Establish or amend the internal control system based on Article 14-1 of the Securities and Exchange Act.
II. Evaluate effectiveness of internal control system.
III. Establish or amend the procedures governing the acquisition or

disposal of assets, derivatives trading, loans to others, endorsements/guarantees made for others associated with major financial operations.

IV. Issues that directors have a stake in
V. Major assets or derivatives trading
VI. Major loans, endorsements and guarantees
VII. Offering, issuance and private placement of securities
VIII. The appointment, dismissal and remuneration of external auditors
IX. Appoint and dismiss financial, accounting or internal auditing officers.
X. Annual and semiannual financial statements
XI. Material matters specified by other companies or competent authorities

A total of six board of director's meetings were held in 2025, and the attendance records of directors and are listed below:

Title	Name	Actual attendance	Proxy Attendance	Percentage of actual attendance (%)	Remark
Independent Director	Kung-Liang Yeh	6	–	100%	–
Independent Director	Wen-Tsan Wu	3	3	50%	–
Independent Director	Fu-Hai Yeh	5	1	83.33%	–
Independent Director	Min-Ching Cheng	6	–	100%	–
Independent Director	Ying-Chi Ho	3	–	100%	Inaugurated on May 28, 2025

Other matters that shall be recorded:

I. For Audit Committee that meet conditions described in Article 14-5 of the Securities and Exchange Act or are subject to any other documented objections or qualified opinions raised by independent director against board resolution, the date, session, the agenda, independent directors' opinions and how the company has responded to such opinions shall be stated: Refer to page 135.

II. Independence Disclosure regarding avoidance of interest-conflicting agendas, including the names of independent directors concerned, the agendas, the nature of conflicting interests, and the voting process: none of the preceding condition occurred during this year.

III. The communications between the independent directors, and the internal auditors: (that shall include material matters, methods and results regarding the Company's financial status or business development)

Meeting date	Major meeting agenda

	2025/02/14	● Report of the results of internal audit from November 2024 to January 2025 to the independent directors by internal auditors, including audit items for stated period and the follow-up of corrective actions for the annual audit items: (1) E-commerce cycle (2) Information flow security inspection and information technology cycle (3) Management of the operation of board meetings + Procedures for Preventing Insider Trading and Handling Material Inside Information (4) Management of the operations of the remuneration committee and labor and wage cycle (5) Legal compliance (6) Financial derivatives audit from November to December, 2024 ● Independent directors did not express any specific opinions at this meeting.	
	2025/03/26	● Report of the results of internal audit from February to March, 2025 to the independent directors by internal auditors, including audit items for stated period and the follow-up of corrective actions for the annual audit items: (1) Sale and receipt cycle (2) Supervision and management of subsidiaries; acquisition, disposal, and management of long-term investments and financial instruments (3) Loans to others and endorsements and guarantees for the fourth quarter of 2024 (4) Financial derivatives audit from January to February, 2025 ● Independent directors did not express any specific opinions at this meeting.	
	2025/05/02	● Report of the result of internal audit in April, 2025 to the independent directors by internal auditors, including audit items for stated period and the follow-up of corrective actions for the annual audit items: (1) Audit of acquisition or disposal of assets (2) Financial derivatives audit for March 2025 ● Independent directors did not express any specific opinions at this meeting.	
	2025/08/01	● Report of the results of internal audit from May to July, 2025 to the independent directors by internal auditors, including audit items for stated period and the follow-up of corrective actions for the annual audit items: (1) Purchase and payment cycle - Type: Product (2) Financial statements cycle and management of application of International Financial Reporting Standards, procedures for professional accounting judgments, processes for making changes in accounting policies and estimates, and management for transaction of related party (3) Audit on finance cycle and management of the use of seals (4) Financial derivatives audit from April to June, 2025 (5) Loans to others and endorsements and guarantees for the first quarter of 2025 ● The independent directors expressed the following opinions at this meeting:	

	Issues where requisition and procurement are handled by the same individual should be formally communicated to second-tier supervisors of all departments, and implementation should be required.
2025/11/07	● Report of the results of internal audit from July to October, 2025 to the independent directors by internal auditors, including audit items for stated period and the follow-up of corrective actions for the annual audit items: (1) Inventory cycle (2) Subsidiary audit – Weigu (3) Payroll cycle (4) Loans to others and endorsements and guarantees for the second and third quarters of 2025 (5) Financial derivatives audit from July to September, 2025 ● The independent directors expressed the following opinions at this meeting: (1) With respect to issues identified in logistics expense claims under the inventory cycle audit, verification of supporting documents falls within the responsibility of accounting, and accounting personnel shall verify and confirm such claims and ensure proper implementation. (2) Each channel has redesigned its lump-sum fee usage mechanism, and the Chunghwa direct sales department has, since November, redesigned a charging method for freight in line with current conditions; please report back to the Audit Committee.
2025/12/12	● Report of the results of internal audit from October to November 2025 to the independent directors by internal auditors, including audit items for stated period and the follow-up of corrective actions for the annual audit items: (1) Audit of major e-commerce operations and Senao Coin promotional activities (2) Purchase and payment cycle - Repair (3) Audit on compliance of Personal Information Protection Act (4) Management of sustainability information (5) Financial derivatives audit for October 2025 ● Independent directors did not express any specific opinions at this meeting.
Monthly	Prepare the monthly internal auditor's report in accordance with the annual audit plan and submit to independent directors for review. For any questions regarding the report raised by independent directors, the internal audit manager shall make further explanation and communicate to independent directors for supervision with a clear understanding of the audit result and consequent control measures.

IV. The communications between the independent directors, and the independent auditors: (that shall include material matters, methods and results regarding the Company's financial status or business development)

Meeting date	Major meeting agenda
2025/05/02	1. The CPAs presented and explained the 2025 Q1 governance communication report to independent directors Kung-Liang Yeh, Wen-Tsan Wu, Fu-Hai Yeh, and Min-Ching Cheng.

	2. The CPAs discussed the questions from independent directors Kung-Liang Yeh, Wen-Tsan Wu, Fu-Hai Yeh and Min-Ching Cheng and negotiated with each other. 3. Independent directors did not raise any opinion on such matter.
2025/08/01	1. The CPAs presented and explained the 2025 Q2 governance communication report to independent directors Kung-Liang Yeh, Min-Ching Cheng, Fu-Hai Yeh, and Ying-Chi Ho. 2. The CPAs discussed the questions from independent directors Kung-Liang Yeh, Min-Ching Cheng, Fu-Hai Yeh and Ying-Chi Ho and negotiated with each other. 3. Independent directors did not raise any opinion on such matter.
2025/11/07	1. The CPAs presented and explained the 2025 Q3 governance communication report, as well as the audit planning for the 2025 consolidated financial statements and governance communications, to independent directors Kung-Liang Yeh, Min-Ching Cheng, Fu-Hai Yeh, and Ying-Chi Ho. 2. The CPAs discussed the questions from independent directors Kung-Liang Yeh, Min-Ching Cheng, Fu-Hai Yeh and Ying-Chi Ho and negotiated with each other. 3. Independent directors did not raise any opinion on such matter. (This communication session was conducted solely between the CPAs and independent directors Kung-Liang Yeh, Min-Ching Cheng, Fu-Hai Yeh, and Ying-Chi Ho.)

(III) Deviation and causes of deviation of the Company’s actual governance from the Corporate Governance Best-Practice Principles for TWSE/GTSM- Listed Companies

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
I. Does Company follow the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” to establish and disclose its corporate governance practices?	V		60 articles of the “Senao Internaional Co., Ltd. Corporate Governance Best Practice Principles” were passed by the resolution of the board’s meeting, in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” set by the TWSE and TPEx. The Principles were uploaded to the Company’s website on Internal Policies page of Investors Section for shareholders’ inquiry.	No major deviation
II. The shareholding structure and shareholders’ equity of the Company				
(I) Does the Company have the internal procedures regulated to handle shareholders’ proposals, doubts, disputes, and litigation matters; in addition, have the procedures been implemented accordingly?	V		(I) The Company has appointed the spokesperson, acting spokesperson and share affairs unit for handling matters related to shareholders, and the share affairs were handled in accordance with relevant internal procedures for share affairs.	No major deviation
(II) Is the Company constantly informed of the identities of its major shareholders and the ultimate controller?	V		(II) The Company is constantly informed of the shareholding of its directors, managers and major shareholders individually holding ten percent or more of the Company’s shares and makes monthly reports on the Market Observation Post System as required by the competent authority in accordance with Article 25 of the Securities and Exchange Act.	The major shareholder prescribed in article 19 of the Corporate

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
				Governance Best-Practice Principles for Securities Firms refers to those who owns 5 percent or more of the outstanding shares of the company or the shareholding stake thereof is on the top 10 list; The share register is available to the Company during the closure period, and based on the register, the Company may be informed of the list of top shareholders.
(III) Has the company established and implemented risk	V		(III) The Company has adopted the "Accounting Guidelines for Related Party Transactions," built and implemented the risk management practices and firewalls for companies it is affiliated with.	No major deviation

<table>
<tr><th rowspan="2">Assessment criteria</th><th colspan="3">Implementation status</th><th rowspan="2">Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td>management practices and firewalls for companies it is affiliated with?</td><td></td><td></td><td></td><td></td></tr>
<tr><td>(IV) Has the company established internal policies that prevent insiders from trading securities against non-public information?</td><td>V</td><td></td><td>(IV) The Company has adopted the “Procedures for Preventing Insider Trading and Handling Material Inside Information” and constantly organized annual information session of insider trading prevention and material insider information handling for the insiders (including notifying directors not to trade securities during the closing period 30/15 days before the financial statement is announced) to prevent insiders from trading securities against non-public information.</td><td>No major deviation</td></tr>
<tr><td colspan="5">III. Composition and duties of the board of directors:</td></tr>
<tr><td>(I) Has the Board of Directors formulated and executed policy on diversity and concrete management goal?</td><td>V</td><td></td><td>(I) The Company has implemented the “Corporate Governance Best Practice Principles” that set forth the diversity among the board members in Article 20 (Abilities possessed by the board members). In addition to that directors concurrently serving as company officers shall not exceed one-third of the total number of the board members, an appropriate policy on diversity and management goal based on the company’s business operations, operating dynamics and development shall be formulated.
Among current 13 directors on the 12th board of directors (there are 3 directors who hold position as employees, 23.08% out of all directors; 5 independent directors, 38.46% out of all directors; two males and 0 female whose ages range from 30 to 50 years old, ten males older than 51 years old, one female older than 51 years old; 7.69% of the directors are females). These directors provided relevant opinions on the Company’s operation</td><td>No major deviation</td></tr>
</table>

Assessment criteria	Implementation status Yes	 No	 Explanation	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
			based on their professional background (e.g., law, accounting, industry, finance, marketing, technology), as well as their comprehensive abilities, such as ability to make operational judgments, ability to perform accounting and financial analysis, ability to conduct management administration, ability to conduct crisis management, knowledge of the industry, an international market perspective, ability to lead and ability to make policy decisions. In addition, the Company also places emphasis on gender equality in the composition of the Board of Directors, with a target that female directors shall account for one-third or more of the board seats. The Company has not yet achieved the target of one-third female representation on the Board, primarily because most directors are appointed by institutional shareholders. However, the Company has actively communicated with institutional shareholders and will continue to promote policies on gender diversity, with the aim of gradually increasing the number of female directors in the 13th term to achieve the target. The abilities possessed by the board members are as follows:	

Title	Name	Gender	Audit Committee	Remuneration Committee	Professional background			Professional capabilities							
					Finance and accounting	Marketing or technology	E-commerce	Ability to make operational judgments	Ability to perform accounting and financial analysis	Ability to conduct management administration.	Ability to conduct crisis management.	Knowledge of the industry.	An international market perspective.	Ability to lead.	Ability to make policy decisions.
Chairman	Cheng-Hsien Yu	Male				V		V		V	V	V	V	V	V

<table>
<tr><th rowspan="2">Assessment criteria</th><th colspan="3">Implementation status</th><th rowspan="2">Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Vice-Chairman</td><td>Pao-Yung Lin</td><td>Male</td><td></td><td></td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Director</td><td>Hsueh-Hai Hu</td><td>Male</td><td></td><td></td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Director</td><td>Wen-Chih Lin</td><td>Male</td><td></td><td></td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Director</td><td>Su-Chiu Ke</td><td>Female</td><td></td><td></td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Director</td><td>Chung-Yung Chia</td><td>Male</td><td></td><td></td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Director</td><td>Cheng-Feng Lin</td><td>Male</td><td></td><td></td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Director</td><td>Cheng-Kang Lin</td><td>Male</td><td></td><td></td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Independent Director</td><td>Kung-Liang Yeh</td><td>Male</td><td>V (Convener)</td><td>V (Convener)</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Independent Director</td><td>Wen-Tsan Wu</td><td>Male</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Independent Director</td><td>Fu-Hai Yeh</td><td>Male</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Independent Director</td><td>Min-Ching Cheng</td><td>Male</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
<tr><td>Independent Director</td><td>Ying-Chi Ho</td><td>Male</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td></tr>
</table>
Note: Major professional and academic background is on page 18 (I) Director Information.</td><td></td></tr>
<tr><td>(II) Apart from the Remuneration Committee and Audit Committee, has the Company assembled other functional</td><td></td><td>V</td><td>(II) The Company established the Remuneration Committee and Audit Committee in accordance with relevant laws. The Audit Committee consists of the independent directors. In the event of a merger or acquisition, the Committee may call for a meeting to evaluate the fairness and reasonableness of such a transaction.</td><td>No major deviation</td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
committees at its own discretion?				
(III) Has the Company established a set of policies and assessment tools to evaluate the board's performance? Is performance evaluated regularly at least on an annual basis? Are the results of performance assessments submitted to the board of directors and used as reference in determining compensation for individual directors, their nomination and additional office term?	V		(III) The Company's Regulations Governing the Board Performance Evaluation was established and passed by the board of directors' meeting on December 27, 2019, stipulating that the board's evaluation shall cover evaluation of the board as a whole, individual directors, audit committee and remuneration committee at least once a year. External professional independent institutions or external expert and scholar teams evaluate the performance at least every three years. Internal performance evaluation of the Board of Directors of the year shall be conducted by the end of every year. External performance evaluation of the Board of Directors shall be completed before the end of Q1 of the next year. Internal performance evaluation of the Board of Directors is described as follows: The criteria for evaluating the performance of the board of directors include the following five aspects: I. Participation in the operations of the company. II. Improvement of the quality of the board of directors' decision making. III. Composition and structure of the board of directors. IV. Election and continuing education of the directors. V. Internal control. The criteria for evaluating the performance of the board members should cover, at a minimum, the following six aspects: I. Alignment of the goals and missions of the company.	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
			II. Awareness of the duties of a director. III. Participation in the operations of the company. IV. Management of internal relationship and communication. V. The director's professionalism and continuing education. VI. Internal control. The criteria for evaluating the performance of functional committees should cover, at a minimum, the following five aspects: I. Participation in the operations of the company. II. Awareness of the duties of the functional committee. III. Improvement of quality of decisions made by the functional committee. IV. Makeup of the functional committee and election of its members. V. Internal control. The administration unit shall conduct the board’s internal evaluation, collect relevant information about the board of directors, individual directors, and functional committees by December 31 of every year, and distribute following surveys: I. “Self-assessment for the board’s (including functional committee) performance”: Individual director’s evaluation on the board of directors’ performance as a whole (including functional committee) II. “Self-assessment on individual board member’s performance:” Self-evaluation on each individual director’s performance. When administration unit calculates the evaluation results, it shall count the self-assessment score for the board of directors (including functional	

<table>
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<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>committee) and board members separately. The self-assessment score is the average of sum of scores from all items, and the average score represents a evaluation result as follows:
I. For average score equal or above 4, the evaluation result is “Excellent.”
II. For average score less than 4 but above 3, the evaluation result is “Good.”
III. For average score less than 3, the evaluation result is “To be improved.”
The Company completed the performance evaluation of the Board of Directors, individual directors, the Audit Committee, and the Remuneration Committee on December 12, 2025. The average scores for 2025 were 4.71, 4.82, 4.89, and 4.91, respectively, all of which were rated as excellent, and were reported to the Board of Directors on February 11, 2026. The overall operation is sound and in compliance with the corporate governance requirements.

External performance evaluation of the Board of Directors is described as follows:
The external evaluation institution or external expert and scholar team appointed for performance evaluation of the board of directors shall meet the regulations below:
I. The external evaluation institution or external expert and scholar team appointed for shall be professional and independent.
II. The external evaluation institution is primarily the relevant institution or management consultant company holding the education training course</td><td></td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
			and providing the enterprise corporate governance service. III. In the external expert and scholar teams, at least three experts or scholars in the Board of Directors or in the corporate governance field shall be assigned to evaluate performance evaluation of the Board of Directors and write the external evaluation analysis report. In May 2025, the Company commissioned the external organization, the “Taiwan Board Performance Enhancement Association” to appoint three experts who have no business dealings with the Company, possess independence, and have signed statements of independence and data confidentiality obligations (Professor Wang Tai-Chang, Chairman of the Taiwan Board Performance Enhancement Association; Lin Hsiu-Wei, Convener of the Finance and Accounting Discipline of the National Science Council, Executive Yuan; and CPA Fang Han-Ni of Deloitte & Touche) to conduct the evaluation, and the evaluation report was issued in November 2025. The recommendations and the Company’s implementation of improvements measures were reported to the Board of Directors on February 11, 2026. The relevant details are as follows: 1. Recommendation: It is recommended to establish a formalized orientation training system for newly appointed directors to assist them in becoming familiar with the relevant regulations and industry overview. Improvement measure: Upon assuming office, newly appointed directors will be provided with the relevant regulations, industry overview, and key matters for attention to facilitate familiarity with their duties and authorities. 2. Recommendation: It is recommended that independent directors arrange	

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
			separate communication sessions with the certifying CPAs to strengthen the rigor of the operation of the internal control system. Improvement measure: Since November 7, 2025, independent directors and the certifying CPAs have conducted separate communications. 3. Recommendation: It is recommended to disclose the duties and participation of independent directors in the ESG Committee on the official website and in the sustainability report. Supplementary explanation: In response to the latest ESG evaluations, the Company will plan for board members to participate in the ESG Committee to demonstrate the Board's proactive commitment to sustainable development.	
(IV) Are external auditors' independence assessed on a regular basis?	V		(IV) Our Audit Committee evaluates the independence and competence of auditor every year. Auditors are required to provide the "claims of independence" and "Audit Quality Indicators (AQIs)." The Audit Committee evaluates the auditors based on the standard in Note 1 and 13 AQIs. It is confirmed that the auditor is not involved in other financial benefit or business relationship with us besides the fee for audit or taxation case. The family member of the auditor did not violate the independence requirements. After referring to AQI information, the Company confirms that the audit experience and number of training hours are higher than the average among competitors. Besides, the digital audit tool will still continue to be introduced in three years to enhance audit quality. The evaluation result of the most recent year was discussed and passed by Audit Committee on February 14, 2025. It was submitted to the Board of Directors to for resolution and approval of independence and competency evaluation of the auditor.	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
			Note 1  	
(V) Has the Company planned for succession of board members and important management team?	V		Succession plan and its operation of the board members: (1) Our "Articles of Incorporation" explicitly specified that all candidates are nominated for election of the directors. "Corporate Governance Best-Practice Principles" and "Procedures for Election of Directors" explicitly stated that composition of the Board of Directors shall put diversity into consideration. The diversity approach is set up according to our operation, operational status and development need, including but not limited to standards in two aspects, basic condition and value, and professional knowledge and skill.	

神腦國際企業股份有限公司
113年度會計師獨立性及適任性評估表

評鑑日期：113.12.30

一、基本資料：

會計師姓名	林永智	事務所名稱	資誠聯合會計師事務所
主要學經歷	學歷：輔仁大學會計系、英國貝爾法斯特女王大學(Queen' s University, Belfast) 財務碩士		
	專業資格：中華民國會計師執照，代表性客戶包括茂訊科技、南帝化學工業、大億金茂子、統一實業及統記洋行等。		

二、評估內容：

參酌會計師法第47條及會計師職業道德規範第10號公報訂定下列標準，並依審計品質指標(AQIs)評估獨立性及適任性，請詳附件內容所示。

項次	評估標準	評估結果	
1	截至最近一次簽證作業，未有七年未更換之情事。	■是	□否
2	與委託人無重大財務利害關係。	■是	□否
3	避免與委託人有任何不適當關係。	■是	□否
4	會計師應使其助理人員確守誠信、公正及獨立性。	■是	□否
5	執業前兩年內服務機構之財務報表，不得查核簽證。	■是	□否
6	會計師名義不得為他人使用。	■是	□否
7	未持有本公司及關係企業之股份。	■是	□否
8	未與本公司及關係企業有金錢借貸之情事。	■是	□否
9	未與本公司及關係企業有共同投資或分享利益之情事。	■是	□否
10	未兼任本公司或關係企業之經常工作，支領固定薪水。	■是	□否
11	未涉及本公司或關係企業制定決策之管理職能。	■是	□否
12	未兼營可能喪失其獨立性之其他事業。	■是	□否
13	與本公司管理階層人員無配偶、直系血親、直系姻親或二親等內旁系血親之關係。	■是	□否
14	未收取任何與業務有關之佣金。	■是	□否
15	截至目前為止，未受有處分或損及獨立原則之情事。	■是	□否

三、工作表現及計畫

主要服務產業包括電子業、航運業、食品業及農業生技等，熟悉公開發行公司申請股票上市、上櫃之各項相關政策及流程，與提供會計制度及內部控制制度之設計。

四、評估結果

林永智會計師與本公司具獨立性，對於未來提供本公司各項財務、稅務諮詢及簽證，應能即時、允當且適任。

神腦國際企業股份有限公司
113年度會計師獨立性及適任性評估表

評鑑日期：113.12.30

一、基本資料：

會計師姓名	潘慧玲	事務所名稱	資誠聯合會計師事務所
主要學經歷	學歷：東吳大學會計系、台灣大學EMBA會計組		
	專業資格：中華民國會計師執照，代表性客戶包括神準科技、偉律科技、康那香及鼎誠興業等。		

二、評估內容：

參酌會計師法第47條及會計師職業道德規範第10號公報訂定下列標準，並依審計品質指標(AQIs)評估獨立性及適任性，請詳附件內容所示。

項次	評估標準	評估結果	
1	截至最近一次簽證作業，未有七年未更換之情事。	■是	□否
2	與委託人無重大財務利害關係。	■是	□否
3	避免與委託人有任何不適當關係。	■是	□否
4	會計師應使其助理人員確守誠信、公正及獨立性。	■是	□否
5	執業前兩年內服務機構之財務報表，不得查核簽證。	■是	□否
6	會計師名義不得為他人使用。	■是	□否
7	未持有本公司及關係企業之股份。	■是	□否
8	未與本公司及關係企業有金錢借貸之情事。	■是	□否
9	未與本公司及關係企業有共同投資或分享利益之情事。	■是	□否
10	未兼任本公司或關係企業之經常工作，支領固定薪水。	■是	□否
11	未涉及本公司或關係企業制定決策之管理職能。	■是	□否
12	未兼營可能喪失其獨立性之其他事業。	■是	□否
13	與本公司管理階層人員無配偶、直系血親、直系姻親或二親等內旁系血親之關係。	■是	□否
14	未收取任何與業務有關之佣金。	■是	□否
15	截至目前為止，未受有處分或損及獨立原則之情事。	■是	□否

三、工作表現及計畫

主要服務產業包括製造業、電子業、生技業等高科技產業公司，熟悉公開發行公司申請股票上市、上櫃之各項相關政策及流程，與提供會計制度及內部控制制度之設計。

四、評估結果

潘慧玲會計師與本公司具獨立性，對於未來提供本公司各項財務、稅務諮詢及簽證，應能即時、允當且適任。

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
			(2) As for the director succeeding plan that the Company continues to carry out, the director candidate database is built according to the standard below: ● Integrity, responsible, innovative and decision-making ability. Meet our core values. Have the professional knowledge and skill helpful for our operating management. ● Have the industrial experience associated with our business ● Expect that this member can help us continue to provide an effective, synergic and diverse Board of Directors that meet the Company’s requirements Expect to have at least one female director. For evaluation of competency of the overall Board of Directors, ability to conduct crisis management, international market perspective, ability to lead and ability to make policy decisions are required. The election of director candidate of our Company must meet qualification examination and relevant regulations to ensure that if there’s vacancy or the Company plans to add more seats, the Company can identify and select appropriate new directors. (3) Meanwhile, the Company explicitly formulates the “Regulations Governing the Board Performance Evaluation.” Through the performance evaluation items, the Regulations cover participation in company operation, enhancement of decision-making quality of the Board of Directors, composition and structure of Board of Directors, selection and continuing education of directors, and internal control, to ensure effective operation of the Board of Directors and evaluate performance of director as reference for direction selection.	

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
			Succession plan and its operation of important management team (1) Our employees that are Assistant Vice President and above are considered in the important management team, in charge of operating management in the organization. Substitutes are available on all management levels. (2) The Company organizes a strict selection and evaluation system for succession plan of top management (including the President). Internal corporate talents are evaluated fairly, justly, objectively to select potential talents for succession. The Company cultivates internal talents with high potential. Cultivation covers leadership potential, personality, professional knowledge and management function. (3) The member of important management team shall possess necessary professional skills, experience and background. By executing different project tasks in normal times, three skills including management knowledge, management skill and management leadership are cultivated. The value and operation philosophy of the member must be consistent with our concept of “Ethical Company, Order Market, Responsible Work” and our corporate culture of “Integrity, Professionalism, Determination, Innovation.” (4) As for the key of the internal training plan of the top management team, the Company provides supporting resources or designs or adjusts the function for our diverse medium and senior-level human resources. The top management team joins the monthly management meeting and arranges supervisors to share and interact with each other on management issues through project task. The online course learning platform is available, covering leadership, management, technology, innovation and industrial trend for the members of the	

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
			management team to learn themselves and create their comprehensive operational competence. (5) Meanwhile, by quarterly review and annual employee performance evaluation system, critical talents are rotated to different departments based on our development strategy to cultivate diverse talents, beneficial to talent inheritance. By observation and performance evaluation, the Company understands the area that requires improvement, personal development need and company expectation. The evaluation result is used as the reference for further succession plan.	
IV. Does the TWSE/TPEx listed company have an adequate number of corporate governance personnel with appropriate qualifications and appoint a chief corporate governance officer in charge of corporate governance affairs (including but not limited to providing directors with the information needed to perform their duties, assisting directors with	V		The Company has designated the Finance Department in charge of corporate governance affairs, and the Finance Department Manager was appointed as the chief corporate governance officer in a board of directors' meeting *, who will be responsible for the Company's corporate governance affairs (including but not limited to providing directors with the information needed to perform their duties, convention of board meetings and shareholder meetings, company registration and changes, preparation of board meeting and shareholder meeting minutes etc.) and reporting to the board meeting on a regular basis. *The Finance Department Manager has worked in the Company as a manager and had experience in finance, share affairs and board meetings for more than three years. **There were eight board of directors' meetings and one general shareholders' meeting in 2025. ***2025 corporate governance manager education:	No major deviation

<table>
<tr><th rowspan="2">Assessment criteria</th><th colspan="3">Implementation status</th><th rowspan="2">Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td>legal compliance, convention of board meetings and shareholder meetings and preparation of board meeting and shareholder meeting minutes etc.)?</td><td></td><td></td><td>
<table>
<tr><th>Date of the course</th><th>Organizer</th><th>Course Name</th><th>Hours of education</th><th>Total hours of education of the current year</th></tr>
<tr><td>2025.05.16</td><td>Securities and Futures Institute</td><td>2025 Insider Trading Prevention Advocacy Meeting</td><td>3.0</td><td>3.0</td></tr>
<tr><td>2025.06.10</td><td>Taiwan Stock Exchange Corporation</td><td>CDP Taiwan Launch Event – Enhancing Climate Information Disclosure to Strengthen Corporate Climate Awareness</td><td>3.0</td><td>6.0</td></tr>
<tr><td>2025.07.09</td><td>Taiwan Stock Exchange Corporation</td><td>2025 Cathay Sustainable Finance and Climate Change Summit</td><td>6.0</td><td>12.0</td></tr>
<tr><td>2025.07.25</td><td>Securities and Futures Institute</td><td>2025 Insider Equity Trading Legal Compliance Advocacy Seminar</td><td>3.0</td><td>15.0</td></tr>
<tr><td>2025.08.22</td><td>Chinese National Association of Industry and Commerce</td><td>2025 Taishin Shin Kong Net-Zero Summit</td><td>3.0</td><td>18.0</td></tr>
<tr><td>2025.09.08</td><td>Taiwan Stock Exchange Corporation</td><td>CDP IFRS S2 Question Set Analysis Advocacy Course – Enhancing Climate Information Disclosure to Strengthen Corporate Climate Resilience</td><td>6.0</td><td>24.0</td></tr>
</table>
</td><td></td></tr>
<tr><td>V. Has the Company</td><td>V</td><td></td><td>In order to place emphasis on the stakeholders’ interests, the Company has set up</td><td>No major deviation</td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
provided proper communication channels and created dedicated sections on its website to address corporate social responsibility issues that are of significant concern to stakeholders (including but not limited to shareholders, employees, customers and suppliers)?			CSR section (https://www.senao.com.tw/pages/esg_governance) and the stakeholders' section (https://www.senao.com.tw/pages/esg_stakeholder). The Company publishes the sustainability report every year and summarizes its methods and results in the CSR section in order to transparently and practically address relevant CSR issues to its stakeholders. At the meantime, the Company has also provided the communication channels such as customer service hotline, retail stores and emails to various stakeholders, thereby stakeholders can provide the feedback regarding relevant issues or thoughts to Senao International via the most convenient method for them. Email: legal@senao.com.tw	
VI. Does the Company engage a share administration agency to handle shareholder meeting affairs?	V		The Company has signed the share affairs agency contract with Stock Affairs Department, Taishin Securities Co., Ltd. and engage it to handle shareholders' meeting affairs.	No major deviation
VII. Information disclosure				
(I) Has the Company established a website that discloses financial, business and corporate governance-related information?	V		(I) 1. Financial information disclosure: the Company's revenue information and financial statements are disclosed under the investors section on the website and updated on a regular basis for investors' reference. 2. Business information disclosure: the Company's product information is placed on the front page of the website; the service information such as warranty inquiry and maintenance progress inquiry can be found on the	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
			maintenance service page. 3. Corporate governance information: the Company has set up the corporate governance section under the corporate governance section on the website, in which, the Company's corporate governance structure and policies for diversity of board members are disclosed. In addition, the Operation of Internal Audit, Endorsement and Guarantee Procedures, and Procedures Governing the Acquisition or Disposal of Assets were disclosed on the Company's website; the material resolutions of the board meetings were disclosed on the annual report.	
(II) 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)?	V		(II)1. Assignment of specific personnel to collect and disclose corporate information: the related departments or divisions of the Company have assigned specific personnel to collect and disclose information. 2. Implementation of spokesperson system: The Company has appointed the spokesperson and acting spokesperson as specified by relevant rules to implement the spokesperson system. 3. Broadcasting of investor conferences via the company website: the Company has uploaded the investor conference videos in the investors section of the Company's website for reference; the financial and operational information provided in an investor conference has been submitted to the Market Observation Post System as required by the Taiwan Stock Exchange Corporation, in addition to the investors section of the website.	No major deviation
(III) Has the Company published and reported its	V		(III) The Company has published and reported its annual financial report within two months after the end of a fiscal year and published and reported its	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
annual financial report within two months after the end of a fiscal year and published and reported its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?			financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.	
VIII. 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	V		(I) Employee rights, employee care: the Work Rules has been established in compliance with relevant labor regulations and disclosed publicly. Meanwhile, the intra-net counseling platform and hotline are available for employee consultation and communication. The Company also discloses relevant information for employee care under the CSR section under the investors section of its website. In addition, the Company's Employee Welfare Committee is responsible for employee welfare and please refer to page 177 of the report for further information. (II) Investor relations: protecting shareholders' interests is the Company's ultimate goal. It treats all of its shareholders equally and publish relevant material information such as financial and operational information or shareholdings of insiders on a timely basis and in compliance with relevant rules and regulations. The meeting minutes of ordinary shareholders' meetings were handled in	No major deviation No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
management policies and risk measurements, implementation of customer policy and insuring against liabilities of company directors)?			accordance with the Company Act and relevant rules and regulation and published on the Company's website.	
			(III) Supplier relations: The Company has maintained good relations with its suppliers for a long time and implemented a prudent review process for a supplier's qualification, capability, credit. Both parties act based solely on the contract. Before signing the contract and during conducting the business, the Company identifies and examines the protection measures based on the operational risk of different suppliers. The Company also provides complete, timely and correct financial information for suppliers' reference.	No major deviation
			(IV) Stakeholders' interests: through the Company's detailed rules and policies, adjusted in accordance with local laws and regulations, the interests of various stakeholders are fully covered. For major stakeholders, we have set up the stakeholder section for timely feedback of important rights and material information and the corresponding complaint channel is provided for any unfair treatment or impairment of stakeholders' rights, thereby the Company may response immediately and effectively.	No major deviation
			(V) Continuing education of directors: The Company invited directors to participate in the training course titled "From Data to AI: A strategic guide to leveraging technology for cost reduction and efficiency gains" held by the Company on November 7, 2025; and provided online courses from the Taiwan Corporate Governance Association for directors' participation.	No major deviation
			(VI) Implementation of risk management policies and risk measurements: The Regulations Governing the Risk Control Procedures was passed by the board of directors' meeting on November 4, 2020. The Company evaluates the risk	No major deviation

<table>
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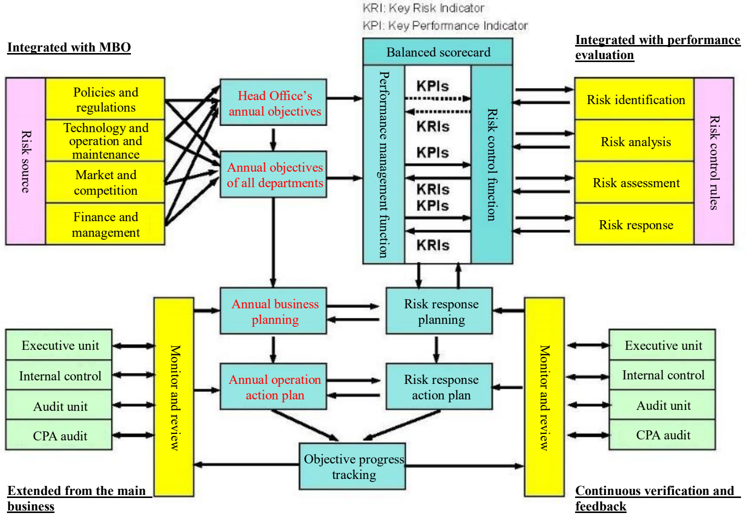
<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
once a year, sets up risk management policies for all kinds of risks and covers and implements the management goal, risk evaluation, risk response and risk control. The Company aims to identify, measure and control all kinds of risks effectively, keep the risks incurred from the business activity within an acceptable scope.
To ensure our stable business operation and sustainable development, all kinds of risks are defined based on our operating strategy and goal. This aims to prevent possible losses within the bearable risk level, build an overall risk management organization structure and risk management system.
Management responsibility
<table>
<tr><th>Organization name</th><th>Scope of authority and responsibility</th></tr>
<tr><td>Board of Directors/ Audit Committee</td><td>1. Approve the risk management policy and structure.
2. Ensure effectiveness of risk control system and allocate resources.</td></tr>
<tr><td>Top management team (CEO, Executive Vice-Presidents, Vice Presidents)</td><td>1. Carry out the risk control decisions.
2. Coordinate the interaction and communication on risk control across departments.</td></tr>
<tr><td>Managers on all levels</td><td>1. Gather the result of the implementation of risk control activity.
2. Assist and in supervise all kinds of risk control activities in the department.
3. Change the decided risk type and suggest the way to take on risks depending on the external environment and internal strategy.
4. Evaluate the performance and carry out coordination</td></tr>
</table>
</td><td></td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
			(continued below)	

	after risk adjustment.
Managers on all levels under each department	1. Carry out the daily risk control activities. 2. Perform self-evaluation on risk control activities.

Risk Control Architectural Diagram



H

Risk control on climate change

Structure	Disclosure
Governance	The Chairman serves as the director of Senao International ESG Committee and the board member of Senao International. The director discusses and reviews the risk and opportunity at the annual meeting of ESG Committee and report it to the board.

<table>
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<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td>• The Senao International ESG Committee evaluates the risk and opportunity brought by relevant climate issues via the risk control process of the Company according to the long-term strategies stipulated by the board.
• The ESG Committee reviews the carbon management strategy every year, draws up adequate budget plans, sets relevant performance goals, and ensures that the climate strategies can be integrated into the annual departmental business operations. Its management responsibility covers:
(1) Set up the goal for GHG management and carbon reduction.
(2) Plan for the program for increasing energy efficiency, and draw up the strategy and action plan for reducing carbon intensity for operation and service.</td></tr>
<tr><td>Strategy</td><td>Opportunities led by climate change reflect on the future sales and service. Senao International will keep paying attention to and seeking green operation and management technology or subject matter suitable for development. We expect to accumulate more momentum in innovative service and business and make contributions to low carbon and smart economy.</td></tr>
<tr><td rowspan="2">Risk control</td><td>The Company identifies potential factors for the possible risks incurred from operation beforehand to make comprehensive plans as early as possible, eliminate possible risks and reinforce disclosure transparency.</td></tr>
<tr><td>The Company carries out system evaluation and analysis on the scope of climate change issues and the impact of climate change on business or daily operation. The ESG environmental sustainability team assesses the outcome of relevant energy saving programs and increases the adaptation capacity of relevant facilities.</td></tr>
<tr><td>Indicator and objective</td><td>1. The headquarter checks the emission data in Scopes 1 and 2 and receives external verification according to ISO 14064-1.
2. Set up the goal for GHG management and carbon reduction for Senao International. Set up the strategy and goal of corporate environmental sustainability development, and improve the management of environmental</td></tr>
</table>
</td><td></td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	

	data, such as carbon emission. Announce the evaluation on the opportunity for using renewable energy to external parties. 3. Plan for the program for increasing energy efficiency, and draw up the strategy and action plan for reducing carbon intensity for operation and service. 4. Supervise and propose adequate plans for reducing CO2 emission in its industry.

For the industry we are in, we expect to face the following economic, environmental and social risks. We perform active control to respond to uncertainties. In future, we will set up the system of corporate risk control, continue to raise the awareness of employees on risk control, keep track of and control risks and its uncertainties.

Material issues	Risk assessment criteria	Risk control policies or strategies
Economy and corporate governance	Bad loan of the Company is incurred from the massive bad debt made by dealers.	Increase the secured credit ratio and reduce unsecured credit line for the problem client.
	The market share of all brands is getting stable. Skip the agency and supply products to the system operator or dealer directly to strengthen the control on channels.	• Strengthen the value of the channel. • Coordinate to limit the model directly supplied. • Make the best of the e-commerce channel.
	The rapid growth of digital development and changes in consumer consumption patterns have resulted in a decline in store traffic.	• Revenue enhancement plan: Through digital media marketing and new sales promotion tools, expand diversified service offerings;

<table>
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<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td></td><td>simultaneously increase new store openings, relocations, and renovation planning to consolidate telecommunications services across channels and increase market share, thereby enhancing store revenue and profitability.
• Through digital experience and professional services, and by optimizing the sales capabilities of store personnel, increase closing rates and create add-on purchase rates, repurchase rates, and customer satisfaction.</td></tr>
<tr><td>Environment</td><td>The machine room is damaged due to human error or non-human accident and natural disaster.</td><td>Build the daily remote backup system to complete the BCP project.</td></tr>
<tr><td rowspan="2">Society</td><td>Media makes wrong news.</td><td>Disclose information regularly, release major news occasionally and explain in detail to improve information transparency.</td></tr>
<tr><td>Member data in the website database leaked due to hacking or virus.</td><td>Build an application firewall.</td></tr>
</table>

The Company reports the risk map and responsive measures after risk evaluation analysis to the Board of Directors and Audit Committee annually (as shown below). High/Extremely high risk type and responsive measures:
</td><td></td></tr>
</table>

<table>
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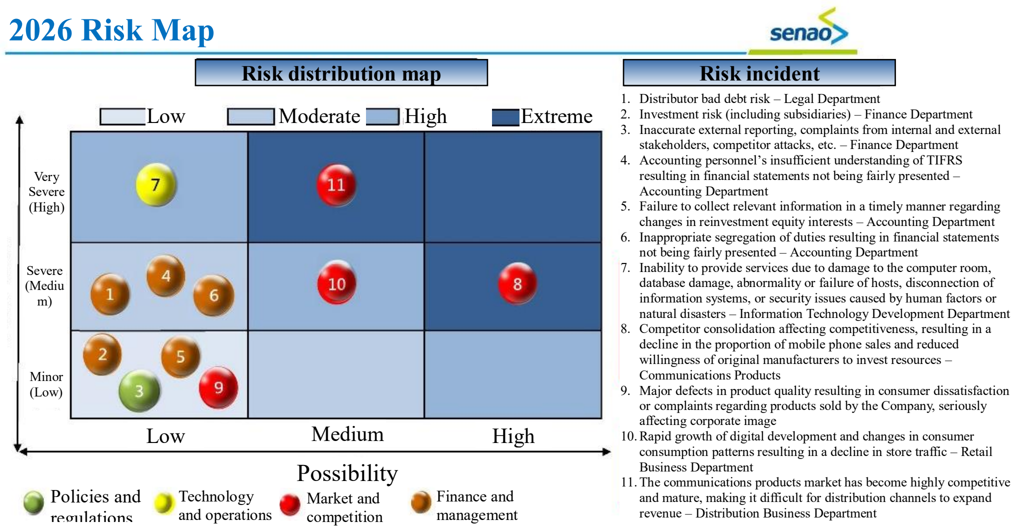

2026 Risk Map

Risk incident

1. Distributor bad debt risk – Legal Department
2. Investment risk (including subsidiaries) – Finance Department
3. Inaccurate external reporting, complaints from internal and external stakeholders, competitor attacks, etc. – Finance Department
4. Accounting personnel’s insufficient understanding of TIFRS resulting in financial statements not being fairly presented – Accounting Department
5. Failure to collect relevant information in a timely manner regarding changes in reinvestment equity interests – Accounting Department
6. Inappropriate segregation of duties resulting in financial statements not being fairly presented – Accounting Department
7. Inability to provide services due to damage to the computer room, database damage, abnormality or failure of hosts, disconnection of information systems, or security issues caused by human factors or natural disasters – Information Technology Development Department
8. Competitor consolidation affecting competitiveness, resulting in a decline in the proportion of mobile phone sales and reduced willingness of original manufacturers to invest resources – Communications Products
9. Major defects in product quality resulting in consumer dissatisfaction or complaints regarding products sold by the Company, seriously affecting corporate image
10. Rapid growth of digital development and changes in consumer consumption patterns resulting in a decline in store traffic – Retail Business Department
11. The communications products market has become highly competitive and mature, making it difficult for distribution channels to expand revenue – Distribution Business Department

<table>
<tr><th>Risk type</th><th>Risk incident</th><th>Evaluation of impact</th><th>Responsive measures (response plan)</th></tr>
<tr><td>Technology and operations and maintenance</td><td>7. Service unavailability due to data center damage, database corruption, host abnormalities or failures, information system outages, or security issues caused by human error or natural disasters.</td><td>1. Damage and loss of host equipment
2. Cannot serve customers immediately, leading to lower customer satisfaction.</td><td>Build the daily remote backup system to execute the Business Continuity Plan (BCP).</td></tr>
<tr><td>Market and competition</td><td>8. Competitor consolidation affecting</td><td>1 Reduce market influence and</td><td>1. Strengthen cooperation between the parent company and</td></tr>
</table>
</td><td></td></tr>
</table>

Assessment criteria	Implementation status						Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation				
				competitiveness, resulting in a decline in the proportion of mobile phone sales and reduced willingness of original manufacturers to invest resources	mobile phone sales. 2. Chance of connecting mobile phone sales with accessory is affected.	subsidiaries, increase promotional incentives, thereby raising sales volume and further enhancing influence over original manufacturers. 2. Integrate ESG issues to expand the recycling and sales volume of second-hand mobile phones, create channel differentiation, and build brand image.	
			Market and competition	10. The rapid growth of digital development and changes in consumer consumption patterns have resulted in a decline in store traffic.	1. Production capacity per store cannot be increased, expecting to affect achievement of revenue goal. 2. Product price competition affecting corporate profitability. 3. The number of customers has decreased, impacting revenue and sales.	1. Revenue enhancement plan: Through digital media marketing and new sales promotion tools, expand diversified service offerings; simultaneously increase new store openings, relocations, and renovation planning to consolidate telecommunications services across channels and increase market share, thereby enhancing store revenue and profitability. 2. Through digital experience and professional services, and by optimizing the sales capabilities of store personnel, increase closing rates and create add-on purchase rates, repurchase rates, and customer satisfaction.	
				11. Communication product market has become mature. It's hard to	The market share of distribution channel shall be maintained at	1. Continue to invest in the establishment of B2B distributor websites and strengthen system	

<table>
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<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td>increase the revenue of distribution channel.</td><td>50 % and above.</td><td>digitalization.
2. Develop new products and channels, enhance the professional capabilities of business personnel, and intensify marketing activities to increase market share.
3. Plan for purchase incentive event for distributor, and provide sales materials and sales incentive for sales representative.</td></tr>
</table>
(VII) Implementation of customer policy: The Company has the retail stores and customer service units nationwide, as well as the customer service hotline and specialists, to provide services and solutions for customer inquiries and complaints. The relevant customer service information was also disclosed in the CSR section under the investors section of the Company’s website.
(VIII) Insuring against liabilities of company directors: The Company has insured against liabilities of company directors with liability limit of USD 10 million and reported to the board of directors’ meeting at the end of each year.
(IX) Qualification of personnel involved in financial transparency: 1 Certified Public Accountant.</td><td>No major deviation
No major deviation
No major deviation</td></tr>
<tr><td colspan="5">IX. Please explain the improvements made, based on the latest Corporate Governance Evaluation results published by TWSE Corporate Governance Center and propose enhancement measures for any issues that are yet to be rectified. (Not applicable if the company is not one of the evaluated subjects)
The improvements made by the Company based on the latest Corporate Governance Evaluation results published:</td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies
	Yes	No	Explanation	
(I) Policies for linking senior managers' remunerations to ESG-related performance evaluations. (II) All independent directors of the Company have completed continuing education in accordance with the required hours stipulated in the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEx Listed Companies. (III) The Chinese and English versions of the shareholders' meeting handbook and supplementary materials are uploaded 30 days prior to the date of the annual general meeting. (IV) The convener of the Audit Committee attends the annual general meeting in person. (V) Independent directors account for at least one-third of the board seats. Enhancement measures are as follows: (I) Formulate and disclose a biodiversity policy or commitment. (II) Allocate resources to support the development of domestic culture.				

(IV) Disclosure regarding the composition, responsibilities, and functioning of remuneration committee, if available: The Remuneration Committee was formed upon on the resolution of the board of directors' meeting, where the Committee members were assigned by the board. The Committee is mainly responsible for reviewing regularly the compensation policies, systems, standards and structures and performance of directors and managers and proposing for discussion in the board meeting.

1. Information of the Remuneration Committee members

Identity type	Condition / Name	Professional qualification and experience	Independence status (Note 1)				Number of positions as Remuneration Committee member in other public companies
			1	2	3	4	
Independent Director (Convener)	Kung-Liang Yeh	Have professional qualifications and at least five years of experience in the area of commerce, law, finance, accounting or work experience needed by the Company.	✓	✓	✓	✓	0
Independent Director	Fu-Hai Yeh	Have professional qualification and at least five years of experience in the area of commerce or work experience needed by the Company.	✓	✓	✓	✓	2
Independent Director	Wen-Tsan Wu	Have professional qualification and at least five years of experience in the area of commerce or work experience needed by the Company.	✓	✓	✓	✓	0
Independent Director	Min-Ching Cheng	Have professional qualification and at least five years of experience in the area of commerce or work experience needed by the Company.	✓	✓	✓	✓	0
Independent Director	Ying-Chi Ho	Have professional qualification and at least five years of experience in the area of commerce or work experience needed by the Company.	✓	✓	✓	✓	0

Note 1: Check in each box with "✓," if the member meets the condition during the two years prior to being appointed and during the term of office.

(1) This person, this person's spouse or this person's relative within the second degree of kinship does not serve as the director, supervisor or employee of the Company or its affiliate.

(2) The member is not a natural-person shareholder who holds shares, together with those held by the person's spouse, the person's relative within the second degree of kinship, or held by the person through nominees, in an aggregate amount of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.

(3) The person does not serve as the director, supervisor or employee of the company that is in a specific relationship with the company. (Refer to Paragraph 1, Subparagraph 5 to 8 of Article 6 of the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter.")

(4) Refer to the remuneration of the director on page 24 of this annual report and page 31 of the 2024 annual report for the amount of remuneration gained from the commerce, law, finance and accounting services provided by the Company or its affiliate in the last two years.

2. Operations of Remuneration Committee

(1) The Company's Remuneration Committee consists of 5 members.

(2) Duration of service of the current Committee: from May 28, 2025, to May 27, 2028. The Remuneration Committee held 5 meetings (A) in 2025; details of members' eligibility and attendance are as follows:

Title	Name	Actual attendance (B)	Proxy Attendance	Percentage of actual attendance (%) (B/A) (Note)	Remark
Convener	Kung-Liang Yeh	5	—	100%	Reelected
Member	Wen-Tsan Wu	3	2	60%	Reelected
Member	Fu-Hai Yeh	3	2	60%	Reelected
Member	Min-Ching Cheng	5	—	100%	Reelected
Member	Ying-Chi Ho	2	—	100%	New current members held a meeting two times during the current term.

Other matters that shall be recorded:

I. In the event where the Remuneration Committee's proposal is rejected or amended in a board of directors meeting, please describe the date and session of the meeting, details of the agenda, the board's resolution, and how the company had handled the Remuneration Committee's proposals (describe the differences and reasons, if any, should the board of directors approve a solution that was more favorable than the one proposed by the Remuneration Committee): None.

II. Should any member object or express qualified opinions to the resolution made by the Remuneration Committee, whether on-record or in writing, please describe the date and session of the meeting, details of the agenda, the entire members' opinions, and how their opinions were addressed: None.

Note:

(1) Date of resignation is shown for members of the Remuneration Committee who had resigned prior to the close of the financial year. The percentage of actual attendance (%) is calculated based on the number of Remuneration Committee meetings held and the number of meetings actually attended during active duty.

(2) If a re-election of Remuneration Committee members had taken place prior to the close of the financial year, members of both the previous and the current Remuneration Committee will be listed; in which case, the remarks column will specify whether the committee member was elected in the previous board, the new board, or both. The percentage of actual (proxy) attendance (%) will be calculated based on the number of Remuneration Committees held during active duty and the number of actual (proxy) attendance.

3. Discussion matters and resolutions in the Remuneration Committee’s meetings and how members’ opinions were addressed

Date	Number of meetings	Discussion Matters	Resolution	The Company’s handling of Remuneration Committee members’ opinions
2025.02.14	The 14th meeting of the 5th Remuneration Committee	Reviewed the 2024 directors’ remuneration and employees’ compensations	Passed as proposed unanimously by all members present at the meeting.	Passed by the board of directors’ meeting
2025.03.26	The 15th meeting of the 5th Remuneration Committee	Manager remuneration adjustment proposal	Passed as proposed unanimously by all members present at the meeting.	Passed by the board of directors’ meeting
2025.03.26	The 16th meeting of the 5th Remuneration Committee	Approval of the Chairman’s salary.	Passed as proposed unanimously by all members present at the meeting.	Passed by the board of directors’ meeting
2025.08.01	The 1st meeting of the 6th Remuneration Committee	Distribution of manager's remuneration and review of manager's retirement pension for 2024	Passed as proposed unanimously by all members present at the meeting.	Passed by the board of directors’ meeting
2025.12.12	The 2nd meeting of the 6th Remuneration Committee	Disbursement of 2025 Chairman’s and managers’ performance appraisal and year-end bonus.	Passed as proposed unanimously by all members present at the meeting.	Passed by the board of directors’ meeting

(V) Promotion of sustainable development, and deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx- Listed Companies:

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx- Listed Companies
	Yes	No	Explanation	
I. Does the Company promote the governance structure of sustainable development? Does the Company have a unit that specializes (or is involved) in sustainable development promotion? Is the sustainable development unit run by senior management authorized by the Board of Directors? How is the supervision implemented by the Board of Directors?	V		The Company has established the Corporate Social Responsibility (CSR) Committee by the resolution of the board of directors' meeting in 2018, renamed to ESG Committee in 2022. Secretariat Division of ESG Committee is the specialized unit in sustainable development practices and responsible for sustainable development policies, systems or management guideline and the proposal and execution of implementation plan. It publishes the sustainability report every year to respond to issues concerned by stakeholders. Sustainable development-related matters are handled by senior management authorized by the board, and reported to the board of directors on an annual basis (once a year). The Board of Directors supervises and inspects progress of ESG Committee based on the report and urges the management team to make adjustments when necessary.	No major deviation
II. Has the Company conducted a risk assessment on environmental, societal	V		(I) Although the retail industry has relatively small environmental impact, the Company actively implements energy conservation and carbon reduction plan, educates its employees to be eco-conscious,	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
and corporate governance issues related to the Company's operation based on materiality principle, and set up relevant risk management policies or strategies?			and improves utilization rate of all resources in order to achieve environmental sustainability. (II) The Company sells products made by reputable global manufacturers, aligning with international standards, and sets up recycle bins for used batteries at its retail stores to reduce impact on environment and implement corporate social responsibility. (III) The Company strictly follows confidentiality of information and should not inquire about or collect any trade secrets, trademarks, patents and other intellectual properties of suppliers and customers unrelated to their individual duties and is keen to strengthen protective measures on information security. (Please refer to page 180 of the report for risk management information.) (IV) The Company passed the Regulations Governing the Risk Control Procedures during the board of directors' meeting on November 4, 2020. The Company evaluates the risk once a year and reports on the results of risk assessment to the board meeting and Audit Committee in the form of risk distribution diagram. (V) For the industry we are in, we expect to face the following economic, environmental and social risks. We perform active control to respond	

<table>
<tr><th rowspan="2">Assessment criteria</th><th colspan="3">Implementation status</th><th rowspan="2">Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>to uncertainties. In future, we will set up the system of corporate risk control, continue to raise the awareness of employees on risk control, keep track of and control risks and its uncertainties.
<table>
<tr><th>Material issues</th><th>Risk assessment criteria</th><th>Risk control policies or strategies</th></tr>
<tr><td rowspan="3">Economy and corporate governance</td><td>Bad loan of the Company is incurred from the massive bad debt made by dealers.</td><td>Increase the secured credit ratio and reduce unsecured credit line for the problem client.</td></tr>
<tr><td>The market share of all brands is getting stable. Skip the agency and supply products to the system operator or dealer directly to strengthen the control on channels.</td><td>• Strengthen the value of the channel.
• Coordinate to limit the model directly supplied.
• Make the best of the e-commerce channel.</td></tr>
<tr><td>The rapid growth of digital development and changes in consumer consumption patterns have resulted in a decline in store traffic.</td><td>• Revenue enhancement plan: Through digital media marketing and new sales promotion tools, expand diversified service offerings; simultaneously increase new store openings, relocations, and renovation planning to consolidate telecommunications services across channels and increase market share, thereby enhancing store revenue and profitability.
• Through digital experience and</td></tr>
</table></td><td></td></tr>
</table>

<table>
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<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td></td><td>professional services, and by optimizing the sales capabilities of store personnel, increase closing rates and create add-on purchase rates, repurchase rates, and customer satisfaction.</td></tr>
<tr><td>Environment</td><td>The machine room is damaged due to human error or non-human accident and natural disaster.</td><td>Build the daily remote backup system to complete the BCP project.</td></tr>
<tr><td rowspan="2">Society</td><td>Media makes wrong news.</td><td>Disclose information regularly, release major news occasionally and explain in detail to improve information transparency.</td></tr>
<tr><td>Member data in the website database leaked due to hacking or virus.</td><td>Build an application firewall.</td></tr>
</table>
</td><td></td></tr>
<tr><td colspan="5">III. Environmental issues</td></tr>
<tr><td>(I) The Company have an appropriate environmental management system established in accordance with its industrial character?</td><td>V</td><td></td><td>(I) Our environmental burden in retail industry is relatively light. To keep track of the external impact incurred from our operating process, we started to introduce ISO 14064-1 Greenhouse Gases Inventory Management System in 2019, and completely inspected the environmental data of the Head Office. Greenhouse gas inventory has been performed every year based on ISO14064-1 to track the outcome</td><td>No major deviation</td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			of carbon emission. It is disclosed in the sustainability report and our website for planning and reference of further sustainable action. In addition, we also implement a mobile phone recycle plan, in order to reduce the environmental pollution and hazard caused by wastes. During the seeking of business profit, we also achieve the environmental sustainability principle via actual actions.	
(II) Is the Company committed to achieving efficient use of resources, and using renewable materials that produce less impact on the environment?	V		(II) The Company offers the used phones sell and recycle service at the director stores, Chunghwa Telecom counters and the Company's website (https://helpcenter.senao.com.tw/SecondHand_Evaluate.php). After the refurbishment, 94,302 will be sold as refurbished phones (a total of o refurbished phones in 2025). In addition, the recycle bins were setup at the director stores for the recycle of discarded mobiles and batteries (A total of 11,071 discarded mobile phones and 3,321 KG discarded batteries in 2025) to reduce the impact on the environment. In addition, the Company also takes the following actions to improve resource efficiency and reduce impact on environment: • Gradually change of refrigerant of air conditioners to R410 environmentally friendly refrigerant for assistance in slowing down	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			global warming • Addition of garbage segregation system and kitchen waste bins in office to decrease domestic waste and increase recyclable waste. • Encouragement of stairs instead of elevators • Reduce Online purchase packaging and maintain the online purchase package reduction standard issued by EPA. • Gradually replaces the regular light tubes in office to power-saving LED tubes.	
(III) Has the Company assessed its potential risk and opportunity that may be caused by climate change and taken measures on climate related issues?	V		(III) To respond to climate change, based on the structure of TCFD proposal published by the Financial Stability Board, the Company evaluated the strategy and goal of our risk and opportunity posed by climate change, reviewed the execution of strategy and goal and discussed the future plan. The risks identified in the current climate change evaluation are environmental regulation, rise of average temperate, threat to employee security posed by extreme climate, green supply chain of product, and change of the consumer’s awareness of product. To reduce the aforementioned risk, the Company studied and discussed feasible opportunities and formulated responsive measures.	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			To mitigate and adapt to climate change, resource efficiency will be enhanced, water use and consumption will be reduced, or transportation efficiency will be increased. As for products, the Company made an explanation and a commitment for carbon reduction and green raw material of supplier and provided the supplier self-evaluation form when signing the contract.	
(IV) Has the Company measured the emission of greenhouse gases, water usage, and total weight of waste for the past two years and adopted policies for energy conservation, carbon and greenhouse gas reduction, water conservation and other waste reduction?	V		(IV) The Company is committed to achieving a 50% reduction in greenhouse gas emissions by 2030 and continuing its efforts toward net-zero emissions by 2050. In 2024, the Company completed greenhouse gas inventory operations for all sites for 2023 and designated 2023 as the base year. As the Company operates in the retail sector, purchased electricity is the primary source of greenhouse gas emissions. In 2024, purchased electricity accounted for approximately 63.43% of the Company's total greenhouse gas emissions, representing the largest source of emissions. In view of this, the Company focuses its greenhouse gas reduction strategies on electricity management and reducing electricity consumption, and it has set a management target of reducing total annual electricity consumption by 1% (approximately 50.3095 kg-CO_2e). In 2024, total electricity consumption decreased by 8.86% compared to 2023. Specific measures include strengthening energy conservation	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			advocacy, implementing practices such as turning off lights when not in use, avoiding unnecessary energy waste, reasonably regulating air conditioning temperatures, and optimizing equipment efficiency to continuously reduce energy intensity. For water consumption, the Company has set a target of reducing usage by 1% annually (approximately 0.3174 million liters), and it will gradually install dual-flush systems in branch offices and store restrooms as improvement measures. In addition, the Company does not rule out planning to procure green electricity to achieve carbon neutrality through renewable energy, steadily progressing toward the 50% emission reduction target by 2030 and ultimately fulfilling its long-term commitment of net-zero emissions by 2050. **Greenhouse Gas Emission** In 2024, the total greenhouse gas emission of Senao was 5,104.4963 t-CO2e. According to the inspection, externally purchased electricity is our main source of greenhouse gas emission; therefore, our specific greenhouse gas reduction strategy mainly refers to the power consumption management and reduction of power consumption as the	

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			core directive for execution.	

Type	Greenhouse gas emission source	Office	2022	2023	2024
Direct greenhouse gas emission (Scope 1)	It includes the greenhouse gas from fixed emission source, moving emission source and exhaust source.	t-CO_2e	341.7181	550.1651	528.5585
Indirect greenhouse gas emission (Scope 2)	Emission due to use of externally purchased electricity	t-CO_2e	324.8234	5,030.9494	4,575.9378
Total emission (Scope 1 + Scope 2)		t-CO_2e	666.5415	5,581.1145	5,104.4963
Emission intensity (total emissions per NT$ million)		t-CO_2e/NT$ million	0.0197 t-CO_2e/NT$ million	0.0229 t-CO_2e/NT$ million	0.166 t-CO_2e/NT$ million

Note:

1. In 2024, the Company (including its subsidiaries) conducted a greenhouse gas inventory for all operating sites in accordance with ISO 14064-1:2018, and the inventory was verified by SGS Taiwan.
2. The 2024 electricity emissions factor of 1kWh = 0.494kg-CO2e is calculated as the 2023 electricity emissions factor announced by the Bureau of Energy, Ministry of Economic Affairs; the GWP is based on IPCC 2021 AR6.
3. 2020–2021 inspection scope includes the Xindian headquarters and 11 office locations. The inventory boundary in 2022 is based on the operational control approach, including ten

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<tr><td></td><td></td><td></td><td>
<p>offices such as the Head Office in Xindian. Due to the adjustment of the inventory boundary, the base year is adjusted to 2023. Due to the adjustment of the inventory boundary, the base year has been adjusted to 2023.</p>
<p>Value Chain Greenhouse Gas Emission</p>
<p>To completely inspect the greenhouse gas emission of the organization, the Company follow the ISO 14064-1:2018 standard to calculate the value chain carbon emission. In 2024, we performed the inspection on Scope 3 and Scope 4.</p>
<table>
<tr><th>Type</th><th>Item</th><th>Total emissions</th></tr>
<tr><td>Scope 3</td><td>Employee business travels</td><td>23.4878 t-CO_2e</td></tr>
<tr><td>Scope 3</td><td>Employee commuting</td><td>1,067.2075 t-CO_2e</td></tr>
<tr><td>Scope 4</td><td>Product purchase (water consumption)</td><td>6.7903 t-CO_2e</td></tr>
<tr><td>Scope 4</td><td>General waste treatment and disposal</td><td>35.3514 t-CO_2e</td></tr>
<tr><td>Scope 4</td><td>Fuel and energy-related activities</td><td>977.2549 t-CO_2e</td></tr>
</table>
<p>Water Resource Management</p>
<p>The Company’s primary water source is tap water. It has set an annual water reduction target of 1% (approximately 0.3174 million</p>
</td><td></td></tr>
</table>

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Water Consumption Statistics
<table>
<tr><th>Water consumption</th><th>2022</th><th>2023</th><th>2024</th></tr>
<tr><td>million liters</td><td>8.79</td><td>31.743</td><td>34.014</td></tr>
</table>
Note: The inventory scope for 2020–2021 covered a total of 11 offices at the Xindian headquarters; the inventory scope for 2022 covered a total of 10 offices at the Xindian headquarters; the inventory scope for 2023 covered all locations of the Company (including offices, franchised stores, service and repair stores, and warehousing centers).

Waste Management
The Company manages waste and conducts pollution control according to its characteristics, prioritizing resource recovery. Set a</td><td></td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			target to reduce waste generation by 1% annually (approximately 1.2688 tons), focusing on source reduction and classification management as key strategies to continuously improve the waste management system and gradually lessen its environmental impact. Meanwhile, the Company promotes the waste reduction and recycle project in order to increase the waste reuse efficiency. Waste discharge in 2024 was 18.03% lower than in 2023, indicating that reduction efforts have proven effective. **Waste Management Directive** Identify Waste Related Impact: • The main wastes of Senao International operation are classified into three main categories of general waste, recyclable waste and repair electronic boards. The wastewater refers to general living sewage. • However, presently, incinerators are under relatively higher air pollution emission standard and the useful lifetime and sludge are subject to the factors of landfill site use purpose change, etc. Waste reduction, recycle and re-use are key aspects of wastes for green economy. Impact prevention mechanism: The actions adopted for wastes include higher standard for garbage classification and recyclable and re-usable wastes are further added.	

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	

Control waste treatment suppliers: Presently, the office wastes of the headquarters are entrusted to the park committee and qualified waste disposal suppliers for execution under contract.
Data measurement and monitoring: Starting from March 2022, the actual weighing will be conducted regularly to accurately calculate the waste data within the boundary.

Waste Management Outcome

Item	Office	2022	2023	2024
Total generation	tons	9.37	126.8812	104.0084
Revenue	NT$ million	29,143	29,598	30,751
Waste intensity	tons/NT$ million	0.0003	0.0043	0.0034
Waste recovery volume	tons	17.73	19.12	11.16
Used mobile phone recycling at retail stores	phones	1,920	1,561	13,597
Used battery recycling at retail stores	kg	1,644	1,671	2,188

Note 1: The total waste generation for 2023 covers all locations of the Company (including offices, franchised stores, service and repair stores, and

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			warehousing centers). Note 2: Based on the actual measurements of working days in one month, the annual waste generation for 2024 is estimated. The aforementioned reused and non-reusable waste are all non-hazardous waste. Note 3. Waste recycling quantity statistics are for the Xindian Headquarters. Note 4. In accordance with the management committee's policies, Tetra Pak, paper lunch boxes, and paper cups are no longer being sorted for recycling, and are instead being disposed of as general waste as required by regulations, effective 2024. Relevant energy conservation measures of the Company are as follows: • Electricity conservation Employees are required to reduce the use of non-business electrical appliances, turn off unnecessary lighting during lunch breaks, set indoor temperature at 26°C, and use circulation fans to improve cooling efficiency. In addition, regular maintenance of air conditioning systems is conducted to maintain high efficiency and conserve electricity. • Water conservation The water conservation is achieved by installing water saving device	

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			on faucets, increasing water-efficiency of faucets and regularly checking toilets from leaking. • Lighting Traditional T8 and halogen lighting fixtures are replaced with T5 or LED products, allowing for reduction in quantity and achieving energy-saving benefits. • Office equipment Enabling energy saving mode while not in use and integrating related units for resources sharing. Energy management in 2024: • Total energy consumption: 37,381.7814 GJ • Grid electricity percentage: 89.21% • Renewable energy percentage: 0%	
IV. Social issues				
(I) Does the Company have the relevant management policies and procedures stipulated in accordance with the relevant laws and	V		(I) The Company has designated its Human Resources Department as the responsible department. The human resource management policy and procedures comply with relevant labor laws to ensure employees' legal rights. We follow the basic labor human right principles recognized internationally, including prohibiting the use of child labor	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
regulations and international conventions on human rights?			or forced labor, eliminating employment discrimination to achieve equality and fairness in remuneration, hiring conditions, training and promotion opportunities, please refer to page 170~177 of the report for further information.	
(II) Has the Company setup and implemented reasonable employee welfare measures, including salary, leaves, and other welfares and appropriately reflected the corporate business performance or achievements in the employee remuneration policy?	V		(II) The Company firmly believes that only by providing a high-quality working environment can it achieve excellent work quality and motivate employees to continuously create maximum value in their roles. To this end, the Company is committed to fostering workplace well-being and determines employees' remuneration levels based on their educational background, professional knowledge and skills, years of professional experience, and individual performance. The Company's employee remuneration not only complies with the relevant national laws and regulations, including minimum wage, working hours, and overtime pay, but it also adheres to the principle of equal pay for equal work, without differentiation based on gender, race, religion, political affiliation, marital status, or union membership. Please refer to page 153~154 and page 177~180 of the report for further information.	No major deviation
(III) Does the Company provide	V		(III) 1. Safe, healthy workplace and facility	No major

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
employees with a safe and healthy work environment and provide safety and health education to employees regularly?			All working environments are smoke-free. The Company has been certified with the "Badge of Accredited Healthy Workplace" from the Department of Health, New Taipei City Government in 2013. The operational environment is evaluated every year and the onsite operational environment is inspected regularly. Plans for maintaining ventilation, air conditioning and sufficient lighting are executed based on the inspection result. The first-aid kit and fire facilities are available at all offices and stores. In addition, the Company has assigned dedicated floor management unit responsible for organizing fire-fighting seminars, drills and emergency personnel training regularly to ensure working environment and personal safety. 2. Health promotion The Company employs dedicated nursing personnel to provide health consultations, occupational disease prevention, and treatment of injuries and illnesses. Contracted occupational health physicians provide monthly health consultations, and physicians are regularly invited to conduct health seminars. Employee health examinations are also implemented to establish a primary-level care system. To	deviation

<table>
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<tr><td></td><td></td><td></td><td>create a breastfeeding-friendly workplace environment, lactation rooms are specially established to encourage employees to breastfeed and to support work-life balance. In addition, in October 2025, the Company introduced an Employee Assistance Program (EAP), incorporating mental health support into employee welfare measures and utilizing outsourced professional resources to enhance workplace care and welfare provisions.
3. Safety, health and environmental protection policy and education training
To reinforce safety, health and environmental protection concept, besides continuing to enhance and improve our workplace security, the Company requires employee to build habits for safety, health and environmental protection in daily life. In addition, the Company also formulates store affairs regulations based on actual needs of all offices and stores, and regularly or occasionally perform relevant inspections and holds relevant courses, to reinforce safety and health responsibility and knowledge of employee. Besides internal education training and promotion of internal employee, to ensure good internal and external communication, suppliers, sub-</td><td></td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			contractors and visitors are required to be aware of safety and health. 4. There are 26 occupational accidents (26 employees) in 2025, 1.28% of the total number of employees of 2025 (2,036 employees in total). There was seven workplace accident (one employee), 0.34% of the total number of employees of 2025. 5. In 2025, a small fire broke out at one of our retail stores and was immediately extinguished by on-site staff using a fire extinguisher. There were no injuries or disruptions to operations, and the equipment inspection and improvements have been completed.	
(IV) Does the Company have an effective career capacity development training program established for the employees?	V		(IV) The Company organizes training courses tailoring to the core competencies and professional knowledges required. The Company's training system consists of: A. training by job level: targeting employees of different job levels, providing training courses in topics of management and general knowledge; B. training by profession: tailoring to different competencies required by different job positions, providing training courses in each profession, please refer to page 178~179 of the report for further information.	No major deviation

Plan	Explanation

<table>
<tr><th rowspan="2">Assessment criteria</th><th colspan="3">Implementation status</th><th rowspan="2">Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Name</td><td>New Employee Training</td></tr>
<tr><td>Program Description</td><td>To enable new employees to understand the Company’s philosophy and values, work processes, and rules and regulations, and to simultaneously cultivate professional knowledge and skills, the Company provides diverse and comprehensive learning channels and training courses while also encouraging self-directed learning, thereby enabling new employees to integrate into the organization more rapidly.
1. This program is intended for new employees.
2. New employee training records for 2025
Number of participants: 259
Total training hours: 6,394.35 hours</td></tr>
<tr><td>Participation Rate</td><td>The participation rate of new employees in 2025 was 100%.</td></tr>
</table>
</td><td></td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
(V) Has the Company followed relevant laws, regulations and international guidelines regarding customer health and safety, consumer privacy, marketing or labeling their products and services and has the Company set up relevant policies to protect consumers' or customers' rights and procedures for complaints?	V		(V) Health and Safety In concern of safety of power banks, Senao requires all suppliers to provide the certificates and reports issued by the Bureau of Standards, Methodology and Inspection (BSMI) and product labels to be in compliance with the Trademark Act. With the assurance of safety, products will then be approved for further evaluation and sale. · Customer Privacy In order to protect customer privacy, Senao has strengthened its personal information management system that was launched in July 2013 and certified with BS 10012 Personal Information Management certification. By taking such an action, Senao shows its determination in protecting customer privacy safety as being the first in the retail industry to receive such a certificate. Senao's privacy protection system covers procedures for administration, sales, maintenance and customer service. Through these prudential procedures and system, the safety of customer personal privacy and business confidential information are ensured. In respect of amendment to Personal Data Protect Act in 104, Senao's Legal Department has organized special courses to explain	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			detail of the amendment and measures taken by the Company. In this course, description of the scope and definition of personal data protection, reverse onus, criminal liability, information lifecycle and etc. were given to prepare employees with relevant knowledge and skills. · Marketing and labeling During the process of marketing, Senao follows standards and requirement specified in the Commodity Labeling Act, the Resource Recycling Act and other relevant laws and regulations and labels all products with clear product description and recycle code. Additionally, in order to protect customers’ rights, we also provide complete product information in compliance with relevant laws and regulations and prohibits any acts that are deceitful, misleading, fraudulent or betray consumers' trust or damage consumers' rights or interests. In respect of promotions or fare plans that the Company acts as an agent, we also provide clear and transparent plan information with staff’s complete explanation to ensure consistent understanding and avoid information asymmetry.	

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
			· Procedures for customer complaint Senao has the professional customer service center that provides its customers with professional, thoughtful and warm service. Customer service center personnel is trained to identify customers' real needs, solve complicated problems, and create pleasant customer experience. Any Senao's members or customers can submit a complaint, question or suggestion via various channels, including the 0800 toll-free number, online form, E-mail and operators' contact window. Senao has the complete service standard operating procedure that promptly responds to and solves customers' demands and suggestions.	
(VI) Has the Company set up policies for suppliers' management that stipulates suppliers' compliance with regulations with respect to environmental, occupational safety and health or labor	V		(VI) The Company has specified in the supplier's contract that the suppliers shall not use any conflict minerals (goods made by conflict minerals from Democratic Republic of the Congo and neighboring areas) and products and supplemental documents shall comply with relevant laws and regulations and please refer to page 170~177 of the report for further information. The primary purpose of the Company's supplier management policy is	No major deviation

<table>
<tr><th rowspan="2">Assessment criteria</th><th colspan="3">Implementation status</th><th rowspan="2">Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td>rights issues, and what is the state of implementation?</td><td></td><td></td><td>to establish a supplier management mechanism to ensure that suppliers meet standards in quality, cost, delivery, and service quality, and to ensure that suppliers implement sustainable development and ethical standards. The Company collaborates with suppliers to build a supply chain oriented toward sustainable development, with emphasis on environmental protection, safety and health, labor and human rights, and ethical standards, and discloses the relevant information on the official website of Senao International Co., Ltd. (https://www.senao.com.tw/pages/esg_stakeholder)</td><td></td></tr>
<tr><td>(VII) Does the Company evaluate risk or opportunity for the community and take relevant corresponding measures and disclose concrete measures and outcomes?</td><td></td><td></td><td>To support local education, help students gain more work experiences, and mitigate emigration, the Company actively implements academia-industry collaboration with all colleges and arranges students to receive job training. Refer to the following for academia-industry collaboration in 2025:
<table>
<tr><th>Type</th><th>School</th><th>Number of shareholders</th><th>Period</th></tr>
<tr><td rowspan="3">Academe-industry collaboration</td><td rowspan="2">Overseas Chinese University</td><td>10</td><td>2024/7/1~2025/5/31</td></tr>
<tr><td>8</td><td>2025/7/1~2026/5/31</td></tr>
<tr><td>Takming University of</td><td>6</td><td>2024/7/1~2025/5/31</td></tr>
</table></td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Assessment criteria</th><th colspan="3">Implementation status</th><th rowspan="2">Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td>Science and Technology</td><td>2</td><td>2025/2/3~2025/6/30</td></tr>
<tr><td></td><td></td><td>1</td><td>2025/7/14~2026/5/31</td></tr>
<tr><td></td><td>University of Kang Ning</td><td>9</td><td>2025/2/17~2025/6/20</td></tr>
<tr><td></td><td>Ling Tung University</td><td>1</td><td>2025/7/1~2025/8/31</td></tr>
<tr><td>Cooperative education program</td><td>Cheng Shiu University</td><td>1</td><td>2021/9/1~2025/6/30</td></tr>
<tr><td></td><td></td><td>3</td><td>2022/9/1~2026/6/30</td></tr>
<tr><td>Total</td><td></td><td>41</td><td></td></tr>
</table>
</td><td></td></tr>
<tr><td>(VIII) Does the Company invest into domestic cultural development and disclose how it supports the domestic cultural development and the outcome?</td><td></td><td></td><td>The Company has been supporting arts and culture exhibition for a long time, and organized Senao Arts Corridor in public space. It is a stage for emerging artists, helps employees enhance arts and cultural temperament, and beautify the public space at the same time.
The works displayed at the Senao Arts Corridor is changed every two months. Six exhibitions were held in 2025. The information of two-month exhibition is shown below:
<table>
<tr><th>Name of the two-month exhibition</th><th>Period</th></tr>
<tr><td>Su, Chen-Ming – Image and Reinvention</td><td>2025/1/13~2025/3/12</td></tr>
<tr><td>Wang, Kuo-Tai – Speaking Taiwan, Painting Taiwan</td><td>2025/3/12~2025/5/15</td></tr>
</table>
</td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Assessment criteria</th><th colspan="3">Implementation status</th><th rowspan="2">Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Chen, Zheng-Zhi – “Lishui Yunshan” Ink Painting Exhibition</td><td>2025/5/15~2025/7/10</td></tr>
<tr><td>Chen, Cheng-Po – Mountain Ballads</td><td>2025/7/10~2025/9/10</td></tr>
<tr><td>Yeh, Tien-Sheng – Imaginative Realm · Imaginative Enjoyment — A Kaleidoscopic Vision</td><td>2025/9/10~2025/11/17</td></tr>
<tr><td>Hsiao, Miao-Shou – Oil Painting Exhibition</td><td>2025/11/17~2026/1/14</td></tr>
</table>
</td><td></td></tr>
<tr><td>V. Has the Company prepared reports disclosing non-financial information of the Company such as the sustainable report with reference to globally recognized reporting standards or guidelines? Has the reports thereof been assured or verified by a third party?</td><td>V</td><td></td><td>The Company’s “2023 Senao International Co., Ltd. Sustainability Report” was prepared in accordance with Core of the Global Reporting Initiative Standards, (2021) verified by SGS Taiwan and certified with AA1000 ASv3, the Type 1 Moderate Level Assurance. The report was supported with materiality, completeness and responsiveness and awarded the verification declaration.</td><td>No major deviation</td></tr>
</table>

Assessment criteria	Implementation status			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies
	Yes	No	Explanation	
VI. For companies which have established Sustainable Development Best Practice Principles in accordance with the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies,” please describe the current practices and any deviations from the code of conduct: The Company has established Sustainable Development Best Practice Principles, among which, for the implementation of corporate governance, it also adopted the “Senao International Co., Ltd. Code of Conduct” as the primary guidelines for daily operation. The “Senao International Co., Ltd. Regulations for Audit Committee accepting reports and complaints” was established to provide prudent reporting mechanism allowing employees to give suggestion safely and confidentially. The employer cannot take disciplinary action against employees filing complaints, such as dismissal, demotion or pay cut. Moreover, the “Senao International Co., Ltd. Ethical Corporate Management Best Practice Principles and Procedures” was adopted for the compliance of all group employees and implementation of ethical operation. In terms of environmental sustainability, the Company actively promotes energy and resource inventory and management, and takes actions by optimizing environmental and energy management system that improves energy efficiency and implementing energy saving in office.				
VII. Other important information useful to the understanding of promotion of sustainable development: The Company prepares its Sustainability Report with reference to the Global Reporting Initiative Standards (2021). This report focuses on and discloses major issues that are in stakeholders’ interest and shares Senao’s concept and methodology in ESG. The Sustainability Report thereof was disclosed on the Company’s website (https://www.senao.com.tw/pages/governance_regulations) for the public to learn about the operations of sustainable development.				

Climate-related Disclosures for Companies Listed in the TWSE and TPEx:

1. Climate-related Information Execution

Item	Implementation
1. Describe the Board's and senior management's oversight and governance of climate related risks and opportunities.	The Chairman and Vice Chairman of the ESG Committee are the Chairman and President respectively, and both are also members of the Board of Directors to ensure that climate change related issues are discussed and reviewed at the annual ESG Committee and matters are duly reported to the Board of Directors. In response to the importance of climate change issues, in 2022, we have aligned with our parent company, Chunghwa Telecom, in their commitment to achieve net-zero emissions by 2050. We have also signed a pledge to enhance our corporate sustainability performance in relation to climate change through relevant mechanisms and indicators. This commitment reflects our dedication to sustainable practices and addressing the challenges of climate change. The ESG Committee has an Environmental Sustainability Group, which evaluates the risks and opportunities associated with climate issues in accordance with the long-term strategy set by the Board of Directors and the needs of investors, evaluators and stakeholders. In addition, the ESG Committee reviews the Company's carbon management strategy, plans appropriate budgets to implement action plans, and ensures that climate strategies are gradually implemented in operating activities. At present, the relevant management responsibilities have been completed through a comprehensive ISO 14064-1 greenhouse gas inventory covering all operating sites of the Company (including subsidiaries) in 2024.
2. Describe how the identified climate risks and opportunities affect the business, strategy and finances (short, medium and long term).	As the largest distributor of mobile handheld devices in Taiwan, we uphold the service concept of "making life simpler, smarter, and more wonderful", and leverage our core value and competitiveness in the industry to accomplish matters that are beneficial to society and the industry with the corporate culture of "Integrity, Professionalism, Determination, Innovation". Evaluate and analyze the risks and opportunities associated with climate change according to different time horizons, short-term (2026), medium-term (up to 2030) and long-term (beyond 2050).
3. Describe the financial impact of extreme climate events and transitional actions.	We believe that the opportunities presented by climate change will be reflected in our future products and services. Therefore, we are continuing to pay attention to and seek suitable green targets for development, hoping to develop more innovative services and business momentum to seize the opportunity in the low-carbon and smart economy.
4. Describe how the climate risk identification, assessment and management process is integrated into the overall risk management system.	In alignment with the parent company's plan, the Company has introduced the Task Force on Climate-Related Financial Disclosures (TCFD) project. With guidance from professional consultants, climate-related risk assessment questionnaires were completed, and each department identified and prioritized material risks. Subsequently, response strategies will be formulated for climate-related issues and risks, and will be reported to the Board of Directors as necessary.

Item	Implementation
	For climate change-related risks, Senao's Environmental Sustainability Team conducts systematic assessment and analysis of the scope of climate change issues and the impact of business or daily operations. These analyses include a review of major operational processes by risk type, as well as an evaluation of the results of relevant energy-saving programs and the improvement of the adaptability of related facilities. The Environmental Sustainability Team regularly reviews the status of climate change-related risks, evaluates and analyzes the results when necessary, and takes mitigation measures depending on the level of risk. In terms of process, the Environmental Sustainability Team's evaluation and analysis and feedback will improve the existing risk management mechanism to ensure that it is more in line with operational needs, and report to the Board of Directors when and where deemed necessary.
5. If a scenario analysis is used to assess the resilience to climate change risks, the context, parameters, assumptions, analysis factors and key financial impacts used should be described.	TCFD scenario analysis has not been performed yet.
6. If there is a "Transition Plan" for managing climate related risks, describe the contents of the plan, and the indicators and targets used to identify and manage physical and transformation risks.	Risk assessment of relevant transition plans has not been executed yet.
7. If "internal carbon pricing" is used as a planning tool, the basis of price setting should be stated.	No internal carbon pricing has been determined so far.
8. If a "climate-related target" is set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of achievement should be stated; if "carbon offsets" or "renewable energy certificates (RECs)" are used to achieve the relevant target, the source and quantity of carbon credits to be offset or the quantity of renewable energy certificates (RECs) should be stated.	No climate-related targets have been set so far.
9. Status of GHG inventory and assurance	Please refer to table below.

1-1 Status of GHG inventory and assurance/verification in the latest two years

(1) The 2025 greenhouse gas inventory and information on assurance/verification will be disclosed in the Sustainability Report.

(1) The 2025 greenhouse gas inventory and information are as follows:

	Total emissions (tCO_2e)	Intensity (tCO_2e/turnover)
Scope 1	520.8823 tCO_2e	0.01718 tCO_2e/turnover
Scope 2	4,172.3555 tCO_2e	0.13763 tCO_2e/turnover
Scope 3	2,103.5140 tCO_2e	0.06939 tCO_2e/turnover

Note:

1. The greenhouse gas inspection was conducted according to ISO 14064-1:2018 and it also qualified the SGS-Taiwan certification.
2. The electricity emission factor of 1 kWh = 0.474 kg-CO_2e is calculated based on the 2024 electricity emission factor announced by the Bureau of Energy, Ministry of Economic Affairs; the GWP is referenced from IPCC 2021 AR6.
3. The greenhouse gases included in the calculation comprise seven types: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.
4. The inventory scope from 2023 covers all locations of the Company (including offices, franchised stores, service and repair stores, and warehousing centers), and 2023 is designated as the base year.
5. Greenhouse gas emissions in 2025 decreased by 411.259 t-CO_2e compared with 2024.
6. The GHG emissions intensity is calculated based on the turnover per unit (NTD1 million).
7. Items in Scope 3 include employee business travels, employee commuting, waste disposal and transport, purchased tap water, and fuel and energy activities.

(2) The 2024 greenhouse gas inventory and assurance/verification are as follows:

	Total emissions (tCO_2e)	Intensity (tCO_2e/turnover)	Verification/Assurance Institute	Verification/Assurance Description
Scope 1	528.5585tCO_2e	0.01719 tCO_2e/turnover	SGS-Taiwan	Passed
Scope 2	4,575.9378tCO_2e	0.14881 tCO_2e/turnover	SGS-Taiwan	Passed
Scope 3	2,110.0919tCO_2e	0.06862 tCO_2e/turnover	SGS-Taiwan	Passed

Note:

1. The greenhouse gas inspection was conducted according to ISO 14064-1:2018 and it also qualified the SGS-Taiwan certification.

2. The electricity emission factor of 1 kWh = 0.494 kg-CO_2e is calculated based on the 2023 electricity emission factor announced by the Bureau of Energy, Ministry of Economic Affairs; the GWP is referenced from IPCC 2021 AR6.
3. The greenhouse gases included in the calculation comprise seven types: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.
4. The inventory scope for 2023 covers all locations of the Company (including offices, franchised stores, service and repair stores, and warehousing centers), and 2023 is designated as the base year.
5. The GHG emissions intensity is calculated based on the turnover per unit (NT$1 million).
6. Items in Scope 3 include employee business travels, employee commuting, waste disposal and transport, purchased tap water, and fuel and energy activities.

1-2 Goals, strategies and specific action plans for Greenhouse gas reduction:

1. The Company’s paid-in capital is less than NT$5 billion. Inventory information disclosure shall be completed starting in 2027 and the assurance information disclosure shall be complete starting in 2029 according to Financial Supervisory Commission Letter No. Jin-Guan-Zheng-Qian-Zi 11103849344.
2. The Company completed the greenhouse gas inventory for all locations for 2023 in 2024 and will use 2023 as the base year for setting the relevant targets. In 2024, electricity accounted for approximately 63.43% of total greenhouse gas emissions; therefore, the future direction of greenhouse gas reduction is to reduce total electricity consumption by 1% annually, with measures that include strengthening awareness of turning off lights when not in use, avoiding unnecessary energy consumption, and controlling air-conditioning temperatures. With respect to water consumption, dual-flush systems will be gradually installed in branch offices and store restrooms, with a target of reducing water usage by 1% annually. In addition, the Company does not rule out planning to procure green electricity to achieve carbon neutrality through renewable energy, steadily progressing toward the 50% emission reduction target by 2030 and ultimately fulfilling its long-term commitment of net-zero emissions by 2050.

(VI) Ethical policies and practices:

Implementation of ethical policies; Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TPEx-Listed Companies

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TPEx-Listed Companies
	Yes	No	Explanation	
I. Establishing ethical management policies and plans				
(I) Does the Company have a clear ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		(I) The Company conducts its business with fairness, honesty, integrity and transparency and in order to implement its ethical operation policy and prevent any unethical actions, it has adopted the “Ethical Corporate Management Best Practice Principles and Procedures” passed by the board of directors to regulate senior management’s commitment in practice of ethical operation policy, and employees’ behavior while performing their duties.	No major deviation
(II) Whether or not the Company has established an assessment	V		(II) The prohibitions of bribery, corruption and any violation of laws for managers and employees are set forth in the employee code of	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TPEx-Listed Companies
	Yes	No	Explanation	
mechanism for the risk of unethical conduct; regularly analyzes and evaluates within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies?			conduct. For any misconduct, the punishment or termination of employment will be given commensurate with actual condition. The Company follows the Political Donations Act and internal procedures for the political contributions. It is prohibited to make such contributions in exchange of business benefits or transactional advantage. All the business contracts are required to include statement of honesty and integrity and counter party is mandatory to follow.	
(III) Whether or not the company has established relevant policies that are duly enforced to prevent unethical conduct, provided implementation procedures,	V		(III) The Company has established the Code of Conduct which details the regulations to be followed by the employees while performing their duties to implement ethical operation policy and prevent unethical actions, and set forth the reward, punishment and complaint policies. Violations are subject to disciplinary action,	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TPEx-Listed Companies
	Yes	No	Explanation	
guidelines, consequences of violation and complaint procedures and periodically reviews and revises such policies?			termination of employment, or judicial action depending on the level of severity. The Company is determined in the implementation of ethical operation.	
II. Implement ethical policies				
(I) Does the Company evaluate the integrity of all counter parties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	V		(I) The Company is prohibited from conducting business with whom has unethical records. All the business contracts are required to include statement of honesty and integrity and counter party is mandatory to follow.	No major deviation
(II) Whether or not the Company has set up a unit which is dedicated to promoting the Company's ethical standards and regularly (at least once a year) reports directly to the Board of Directors on its ethical	V		(II) The Company have designated the Legal Affairs Department specialized (or is involved) in amendment, execution, explanation and consultation of the Principles, as well as documentation and monitoring of any report cases. The specialized unit shall report to the board of directors on a regular basis (once a year).	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TPEx-Listed Companies
	Yes	No	Explanation	
corporate management policy and relevant matters, and program to prevent unethical conduct and monitor its implementation?				
(III) Does the Company have any policy that prevents conflict of interest and channels that facilitate the report of conflicting interests?	V		(III) In order to build a corporate culture of ethical operation and support business development, the Company has established the code of conduct, implemented policy that prevents conflict of interest and offered channel that facilitate the report of conflicting interests for its directors, managers and employees.	No major deviation
(IV) To implement relevant policies on ethical conducts, has the Company established effective accounting and internal control systems, audit plans based on the assessment of unethical conduct and have its ethical conduct program audited by internal auditors or CPA	V		(IV) The Company has implemented effective accounting and internal control systems and made any necessary adjustments in accordance with relevant rules and regulations or the operating needs. Based on the assessment of unethical conduct, the Company's internal auditors has set out the annual audit plan for audit and investigation to prevent unethical conduct.	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TPEx-Listed Companies
	Yes	No	Explanation	
periodically?				
(V) Has the Company provided internal and external training on ethical operation on a regular basis?	V		(V) The Company has promoted the ethical operation policy to directors or employees from time to time to strengthen corporate ethics. All new employees are required to sign the code of conduct, take basic legal compliance courses, which include ethical management policy and common law knowledge (legal compliance courses including forgery of documents, business embezzlement and Personal Data Protect Act, etc.). When the number of man-hours training reached 1116.14 hours in 2025, all employees are required to check all clauses in the code of conduct on an annual basis to fully understand the Company's regulations regarding ethical operation and strengthen knowledge in compliance.	No major deviation
III. Reporting of misconducts				
(I) Does the Company provide incentives and means for employees to report misconducts?	V		(I) To implement its integrity management policy, the Company has established the "Regulations Governing the Audit Committee's Handling of Employee Complaints or Whistleblowing Cases" and	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TPEx-Listed Companies
	Yes	No	Explanation	
Does the Company assign dedicated personnel to investigate the reported misconducts?			the "Code of Ethical Corporate Management and Operating Procedures." To proactively prevent unethical conduct, the Company has established the following complaint or whistleblowing channels on its official website for use by employees and external parties: 1. Internal stakeholders: Employees' report or complaint to Senao International's Audit Committee: auditing@senao.com.tw Chairman's mailbox: senaovoice@senao.com.tw 2. External stakeholders: legal@senao.com.tw The above mailboxes are all handled by dedicated units following established procedures.	
(II) Whether or not the Company has established standard operating procedures for investigating the complaints received, follow-up measures after investigation are completed and ensuring such	V		(II) The Company has the "Regulations for Audit Committee accepting reports and complaints" and "Ethical Corporate Management Best-Practice Principles and Operation Procedures". Besides the investigation conducted by the Company, all the content of reports are kept confidential to protect the informants and handled in accordance with relevant regulations.	No major deviation

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TPEx-Listed Companies
	Yes	No	Explanation	
complaints are handled in a confidential manner?				
(III) Has the Company provided proper whistleblower protection?	V		(III) The Company has the “Regulations for Audit Committee accepting reports and complaints” and “Ethical Corporate Management Best-Practice Principles and Operation Procedures” to protect the informants from any form of mistreatment.	No major deviation
IV. Enhance information disclosure				
(I) Has the Company disclose the content of the ethical operation guidelines and their implementation results on its website and the Market Observation Post System?	V		(I) The content of the Company’s “Code of Ethical Corporate Management and Operating Procedures” has been disclosed on both the Company’s website and the Market Observation Post System (MOPS). The navigation path on the Company’s website is as follows: Home > Corporate Governance > Important Regulations > Corporate Governance Best Practice Principles (https://www.senao.com.tw/pages/governance_regulations). The Company regularly promotes the relevant provisions of the Code of Ethical Corporate Management, actively implements the principles of integrity and ethical values, and has not experienced any	No major deviation

<table>
<tr><th rowspan="2">Assessment criteria</th><th colspan="3">Implementation status</th><th rowspan="2">Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TPEx-Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Explanation</th></tr>
<tr><td></td><td></td><td></td><td>instances of unethical conduct.</td><td></td></tr>
<tr><td colspan="5">V. For the companies which have established corporate social responsibility code of conducts in accordance with the “Corporate Governance Best-Practice Principles for TWSE and TPEX-Listed Companies,” please describe the current practices and any deviations from the code of conduct: In order to create a corporate culture of integrity, the Company has established the “Ethical Corporate Management Best Practice Principles and Procedures” in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies.” No major deviation was found.</td></tr>
<tr><td colspan="5">VI. Other important information that is helpful in understanding the corporate ethical management operation of the Company? (Such as, the Company has the corporate ethical management best practice principles amended, etc.):
The Company upholds the ethical operation, focuses on the needs of all stakeholders, wishes to be recognized by our suppliers and customers and ensures sustainable operations.</td></tr>
</table>

(VII) Other information material to the understanding of corporate governance within the Company:

The Company’s procedures for handling material insider information

The Company has adopted the “Procedures for Preventing Insider Trading and Handling Material Inside Information” stipulating the guidelines for handling material inside information and preventing insider trading in accordance with relevant laws orders and regulations promulgated by TWSE and TPEx, as well as this Procedures. The Procedures are also informed to its affiliates, so as to build measures for the prevention of insider trading and information leakage, and to ensure the timeliness and accuracy of public information, the major contents of the procedures include:

(1) Applicable target and scope of material Information.
(2) Dedicated unit.
(3) Procedures for handling material confidential information.
(4) The Company’s procedures for handling material insider information.

(VIII) Disclosures relating to the execution of internal control policies:

1. Declaration of Internal Control Policies

Senao International Co., Ltd.
Declaration of Internal Control Policies

Date: February 11, 2026

The following declaration had been made based on the 2025 self-assessment of the Company's internal control policies:

I. The Company acknowledges and understands that establishment, implementation and maintenance of the internal control system are the responsibility of the Board and managerial officers and that such a system has already been established throughout the Company. The purpose of this system is to provide reasonable assurance in terms of business performance, efficiency (including profitability, performance, asset security etc), reliable, timely and transparent financial reporting, and regulatory compliance.

II. There are inherent limitations to even the most well-designed internal control system. As such, an effective internal control system can only reasonably assure achievement of the three goals mentioned above. Furthermore, changes in the environment and circumstances may all affect the effectiveness of the internal control system. However, self-supervision measures were implemented within the Company's internal control policies to facilitate immediate rectification once procedural flaws have been identified.

III. The Company evaluates the effectiveness of its internal control policy design and execution based on the criteria specified in "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria introduced by the "Regulations" consisted of five major elements, each representing a different stage of internal control: 1. Control environment, 2. Risk evaluation and response, 3. Procedural control, 4. Information and communication, 5. Supervision. Each element further contains several items. Please refer to the Regulations for the details.

IV. The Company adopted the above-mentioned criteria to evaluate the effectiveness of its internal control policy design and execution.

V. Based on the assessments described above, the Company considers the design and execution of its internal control system to be effective as at December 31, 2025. This system (including the supervision and management of subsidiaries) has provided assurance with regards to the Company's business results, target accomplishments, reliability, timeliness and transparency of reported financial information and its compliance with relevant laws.

VI. This declaration constitutes part of the Company's annual report and prospectus and shall be disclosed to the public. Any illegal misrepresentation or non-disclosure in the public statement above are subject to legal consequences described in Articles 20, 32, 171 and 174 of the Securities and Exchange Act.

VII. This declaration was approved at the Company's board of directors meeting held on February 11, 2026. None of the 13 directors present to the meeting held any objections, and unanimously agreed to the contents of this declaration.

Senao International Co., Ltd.

Chairman: Cheng-Hsien Yu (Signature)

President: Pao-Yung Lin (Signature)

2. If the internal control policy was reviewed by an external auditor, the result of such review must be disclosed: none.

(IX) Major resolutions made by the Shareholders' Meeting and the Board of Directors during the latest financial year, up till the publication date of this annual report:

1. Major resolutions made by the Shareholders' Meeting

Date	Major resolutions made by the Shareholders' Meeting	Implementation
2025.05.28	Recognized 2024 Business Report and Financial Statements (along with the earnings distribution plan).	Set the ex-dividend date on June 26, 2025 and cash dividends were scheduled to be paid on July 15, 2025. (Cash dividend was NT$1.65 per share, totaling NT$426,116,884)

2. Major resolutions made by the Board of Directors' Meeting

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
2025.02.16	The 20th meeting of the 11th board of directors	1. Recognized the distribution of Employees' Compensation and Directors' Remuneration of 2024.	Passed as proposed unanimously by all directors present at the meeting.	1. The management department has handled as passed and included it into the agenda of the annual shareholders' meeting on May 28, 2025 as a reporting matter.	V	None
		2. Recognized 2024 Business Report and Financial Statements.		2. The management department has handled as passed, and the financial statements were	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
				submitted on February 14, 2025, and included it into the agenda of the annual shareholders' meeting on May 28 2025 as recognition matters.		
		3. Report on the Distribution and Disbursement of Dividends and Bonuses for 2024.		3. The management department has handled as passed and included it into the agenda of the annual shareholders' meeting on May 28, 2025 as a reporting matter.	V	
		4. Passed the proposal to issue the "2024 Declaration of domestic and SOX internal control policies"		4. The management department has handled as passed.	V	
		5. Passed the 2025 audit fees		5. The management department has handled as passed.	V	
		6. Adjusted the		6. The	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
		amount for the right-of-use asset by the Company because the Company threw the lease for four counters at business hall from the related party Chunghwa Telecom Co., Ltd.		management department has handled as passed, and public announcement was made on February 14, 2025.		
		7. Set the date and relevant matters for the 2025 annual shareholders' meeting.		7. The management department has handled the matter in accordance with the resolution, completed the required filings in accordance with the applicable laws, and included it as a reporting item in the annual general meeting of shareholders to be held on May 28, 2025.		
		8. Proposal for		8. The	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
		re-election of directors		management department has handled as passed and included it into the agenda of the annual shareholders' meeting on May 28, 2025 as election matters.		
		9. Proposal for establishing the announcement, review criteria, and operating procedures for the nomination of directors and independent directors.		9. The management department has handled the matter in accordance with the resolution and completed the required filings in accordance with the applicable laws.		
2025.03.26	The 21st meeting of the 11th board of directors	1. Please elect the Chairman of the Company.	All directors present unanimously elected Cheng-Hsien Yu as Chairman, and the Chairman presided over the meeting.	1.The management department has handled as passed, and public announcement was made on March 26, 2025.	V	None
		2. Amendments to parts of the Company's	Passed as proposed unanimously by	2.The management department	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
		"Articles of Incorporation."	all directors present at the meeting.	has handled as passed and included it into the agenda of the annual shareholders' meeting on May 28, 2025 as discussion matters.		
		3. Definition of rank-and-file employees of the Company.		3. The management department has handled as passed.		
		4. Manager remuneration adjustment proposal.	Although Vice Chairman Pao-Yung Lin had avoided the discussion and voting due to a conflict of interest, the agenda was passed as proposed unanimously by all directors present at the meeting.	4. The management department has handled as passed.	V	
		5. Proposed to pass the list of director candidates (including independent directors) nominated by the Board of Directors	Passed as proposed unanimously by all directors present at the meeting.	5. The management department has handled as passed.The management department has handled as passed and included it	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
				into the agenda of the annual shareholders' meeting on May 28, 2025 as election matters.		
		6. Proposal on cancellation of restriction on non-compete of directors and representatives thereof.		6. The management department has handled as passed and included it into the agenda of the annual shareholders' meeting on May 28, 2025 as other matters.	V	
		7. Proposal for the Company's directly operated stores to apply for licenses to sell medical devices and to change the responsible person of the pharmaceutical dealer license.	Approved the application for directly operated stores to sell medical devices and the change of the responsible person of the pharmaceutical dealer license without objection by all directors present.	7. The management department has handled as passed.		
		8. Adjusted the amount for the right-of-use asset by the	Passed as proposed unanimously by all directors	8. The management department has handled as	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
		Company because the Company threw the lease for four counters at business hall from the related party Chunghwa Telecom Co., Ltd.	present at the meeting.	passed, and public announcement was made on March 26, 2025.		
2025.03.26	The 22nd meeting of the 11th board of directors	1. Approval of the Chairman’s salary.	Except Chairman Cheng-Hsien Yu had avoided the discussion and voting due to conflict of interests, the agenda was passed as proposed unanimously by all directors present at the meeting.	1. The management department has handled as passed.	V	None
2025.05.02	The 23rd meeting of the 11th board of directors	1. 2025 Q1 financial statement	Passed as proposed unanimously by all directors present at the meeting.	1. The management department has handled as passed. The management department has handled as passed, and the financial statements were submitted on May 2, 2025.	V	None

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
		2. Passed the proposal for applying extension of general credit line and applying extension of credit line for derivative transactions.		2. The management department has handled as passed.	V	
		3. The Company acquired the right-of-use assets of Chunghwa Telecom Co., Ltd.		3. The management department has handled as passed, and public announcement was made on April 22, 2025.	V	
2025.05.28	The 1st meeting of the 12th board of directors	1. Please elect the Chairman and Vice Chairman of the Company.	Cheng-Hsien Yu and Pao-Yung Lin were elected as the Chairman and Vice-Chairman of the Company by all directors present at the meeting, respectively.	1. The management department has handled as passed, and public announcement was made on May 28, 2025.	V	None
		2. Assignment of the 6th Remuneration Committee members	Resolution: Except directors Kung-Liang Yeh, Kung-Liang Yeh, Min-Ching Cheng and Ying-Chi Ho had avoided the discussion and voting due	2. The management department has handled as passed, and public announcement was made on May 28, 2025.	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
			to conflict of interests, the agenda was passed as proposed unanimously by the remaining directors present at the meeting.			
2025.08.01	The 2nd meeting of the 12th board of directors	1. 2025 Q2 financial statement	Passed as proposed unanimously by all directors present at the meeting.	1. The management department has handled as passed, and public announcement was made on August 1, 2025.	V	None
		2. Reviewed 2024 managers' and employees' compensations disbursement.	Resolution: Except Vice Chairman Pao-Yung Lin, directors Cheng-Feng Lin and Cheng-Kang Lin had avoided the discussion and voting due to conflict of interests, the agenda was passed as proposed unanimously by remaining directors present at the meeting.	2. The management department has handled as passed.	V	
		3. Review of the	Passed as	3. The		

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
		pension for managers	proposed unanimously by all directors present at the meeting.	management department has handled as passed.		
		4. The Company's 2024 CSR Report.		4. The manager's department has processed the case as planned, and the sustainability report was filed on August 1, 2025.	V	
		5. Planned to change the auditor		5. The management department has handled as passed.	V	
		6. Adjusted the amount for the right-of-use assets due to the Company's termination of the lease for business hall counters with related party Chunghwa Telecom Co., Ltd., and the reduction in business hall counter area.		6. The management department has handled as passed, and public announcement was made on August 1, 2025.	V	
2025.11.07	The 3rd meeting of the 12th board of directors	1. 2025 Q3 financial statement	Passed as proposed unanimously by all directors present at the	1. The management department has handled as passed, and	V	None

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
			meeting.	public announcement was made on November 7, 2025.		
		2. Amendments to parts of the Company's "Sustainable Development Best Practice Principles."		2. The management department has handled as passed	V	
		3. Proposal for amendments to certain provisions of the Company's "Operational Procedures for the Preparation and Assurance of Sustainability Reports."		3. The management department has handled as passed	V	
2025.12.12	The 4th meeting of the 12th board of directors	1. 2026 Business Plan and budget	Passed as proposed unanimously by all directors present at the meeting.	1. The management department has handled as passed.	V	None
		2. Recognition of 2026 internal audit plan		2. The management department has handled as passed. The management department has handled as passed and filed on December 12, 2025 in	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
				accordance with relevant laws.		
		3. Disbursement of 2025 Chairman's and managers' performance appraisal and year-end bonus.	Except Chairman Cheng-Hsien Yu, Vice Chairman Pao-Yung Lin, directors Cheng-Feng Lin and Cheng-Kang Lin had avoided the discussion and voting due to conflict of interests, the agenda was passed as proposed unanimously by all directors present at the meeting.	3. The management department has handled the matter in accordance with the resolution, and the year-end bonuses are expected to be fully distributed within the week of February 9, 2026.	V	
		4. Proposal for adjustment of the amount of right-of-use assets due to the Company's termination of the lease of business hall counters with the related party, Chunghwa Telecom Co., Ltd., and the extension of	Passed as proposed unanimously by all directors present at the meeting.	4. The management department has handled as passed, and public announcement was made on December 12, 2025.	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-3 of the Securities Exchange Act	Objections or qualified opinions raised by independent director
		the lease term for business hall counters.				
		5. Discussed the 2026 donation to related parties.		5. The management department has handled as passed, and public announcement was made on December 12, 2025.	V	

3. Major resolutions made by the Audit Committee's meeting

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-5 of the Securities Exchange Act	Objections or qualified opinions raised by Audit Committee
2025.02.14	The 17th meeting of the 2nd Audit Committee	1. Recognized 2024 Business Report and Financial Statements.	Passed as proposed unanimously by all members present at the meeting.	1. Submitted to the Board of Directors' meeting for resolution	V	None
		2. Report on the Distribution and Disbursement of Dividends and Bonuses for 2024.		2. Submitted to the Board of Directors' meeting for resolution		
		3. Passed the proposal to		3. Submitted to the	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-5 of the Securities Exchange Act	Objections or qualified opinions raised by Audit Committee
		issue the "2024 Declaration of domestic and SOX internal control policies"		Board of Directors' meeting for resolution		
		4. Passed the 2025 audit fees		4. Submitted to the Board of Directors' meeting for resolution	V	
		5. Adjusted the amount for the right-of-use asset by the Company because the Company threw the lease for four counters at business hall from the related party Chunghwa Telecom Co., Ltd.		5. Submitted to the Board of Directors' meeting for resolution	V	
2025.03.26	The 18th meeting of the 2nd Audit Committee	1. Adjusted the amount for the right-of-use asset by the Company because the	Passed as proposed unanimously by all members present at the	1. Submitted to the Board of Directors' meeting for resolution	V	None

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-5 of the Securities Exchange Act	Objections or qualified opinions raised by Audit Committee
		Company threw the lease for four counters at business hall from the related party Chunghwa Telecom Co., Ltd.	meeting.			
2025.05.02	The 19th meeting of the 2nd Audit Committee	1. 2025 Q1 financial statement	Passed as proposed unanimously by all members present at the meeting.	1. Submitted to the Board of Directors' meeting for resolution	V	None
		2. The Company acquired the right-of-use assets of Chunghwa Telecom Co., Ltd.		2. Submitted to the Board of Directors' meeting for resolution	V	
2025.08.01	The 1st meeting of the 3rd Audit Committee	1. 2025 Q2 financial statement	Passed as proposed unanimously by all members present at the meeting.	1. Submitted to the Board of Directors' meeting for resolution	V	None
		2. Planned to change the auditor		2. Submitted to the Board of Directors' meeting for resolution	V	
		3. Adjusted the		3. Submitted	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-5 of the Securities Exchange Act	Objections or qualified opinions raised by Audit Committee
		amount for the right-of-use assets due to the Company's termination of the lease for business hall counters with related party Chunghwa Telecom Co., Ltd., and the reduction in business hall counter area.		to the Board of Directors' meeting for resolution		
2025.11.07	The 2nd meeting of the 3rd Audit Committee	1. 2025 Q3 financial statement	Passed as proposed unanimously by all members present at the meeting.	1. Submitted to the Board of Directors' meeting for resolution	V	None
		2. Proposal for amendments to certain provisions of the Company's "Operational Procedures for the Preparation and Assurance of Sustainability		2. Submitted to the Board of Directors' meeting for resolution		

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-5 of the Securities Exchange Act	Objections or qualified opinions raised by Audit Committee
		Reports."				
2025.12.12	The 3rd meeting of the 3rd Audit Committee	1. 2026 Business Plan and budget	Passed as proposed unanimously by all members present at the meeting.	1. Submitted to the Board of Directors' meeting for resolution	V	None
		2. Recognition of 2026 internal audit plan		2. Submitted to the Board of Directors' meeting for resolution	V	
		3. Proposal for adjustment of the amount of right-of-use assets due to the Company's termination of the lease of business hall counters with the related party, Chunghwa Telecom Co., Ltd., and the extension of the lease term for business hall counters.		3. Submitted to the Board of Directors' meeting for resolution	V	
		4. Discussed the 2026 donation to related		4. Submitted to the Board of Directors'	V	

Date	Number of meetings	Discussion Matters	Resolution	Follow-up actions	Items listed in Article 14-5 of the Securities Exchange Act	Objections or qualified opinions raised by Audit Committee
		parties.		meeting for resolution		

(X) Documented opinions or declarations made by Directors against board resolutions in the most recent year, up till the publication date of this annual report: None.

IV. Disclosure of auditors' remuneration

Amount unit : NT$ thousand

Name of CPA firm	**CPA Name**	**CPA audit period**	**Audit fees**	**Non-audit fees**	**Total**	**Remark**
PwC Taiwan	Ming-Yi Wang	2025	4,651	1,079	5,730	
	Yung-Chih Lin	2025				

Note: Audit fee refers to the fee the Company paid the auditor regarding financial statement audit, review and recheck and financial forecast review. Non-audit fee service is the tax audit and salary information check of full-time employees of non-supervisory positions.

(I) Change of CPA firm that resulted in the reduction of audit fees from the previous year; disclose audit fees before and after the change and the cause of such change: the Company did not make any change of CPA firm in 2025. (II) If audit fees decrease by more than 10% compared to the previous year, the amount, percentage, and reasons for the decrease shall be disclosed: The Company's audit fees for 2025 amounted to NT$4,651 thousand, which were the same as those for 2024 and did not decrease.

V. Change of auditor:

(I) Information relating to the former auditor:

<table>
<tr><td>Date of change</td><td colspan="5">Passed by the Board of Directors on August 1, 2025</td></tr>
<tr><td>Cause of change and explanation</td><td colspan="5">Due to the internal job rotation of the CPA firm, external auditors for the Company's financial statements were changed from Yung-Chih Lin CPA and Hui-Ling Pan to Ming-Yi Wang CPA and Yung-Chih Lin CPA.</td></tr>
<tr><td rowspan="3">Whether the termination of audit service was initiated by the client or by the auditor</td><td colspan="3">Principal
Condition</td><td>CPA</td><td>Client</td></tr>
<tr><td colspan="3">The appointed audit service was terminated by the client.</td><td colspan="2" rowspan="2">Not applicable</td></tr>
<tr><td colspan="3">The auditor terminated (discontinued) the audit service</td></tr>
<tr><td>Reasons for issuing opinions other than unqualified opinions in the last 2 years</td><td colspan="5">None</td></tr>
<tr><td rowspan="6">Disagreement with the issuer</td><td rowspan="4">Yes</td><td></td><td colspan="3">Accounting principles or practices</td></tr>
<tr><td></td><td colspan="3">Disclosure of financial statements</td></tr>
<tr><td></td><td colspan="3">Audit coverage or procedures</td></tr>
<tr><td></td><td colspan="3">Others</td></tr>
<tr><td>None</td><td colspan="4">V</td></tr>
<tr><td colspan="5">Explanation</td></tr>
<tr><td>Supplementary disclosure (Disclosures deemed necessary under Item 1-4 to Item 1-7, Subparagraph 6, Article 10 of the Guidelines)</td><td colspan="5">None</td></tr>
</table>

(II) Information relating to the succeeding CPA

Name of CPA firm	PwC Taiwan
Name of CPA	CPA Ming-Yi Wang and Yung-Chih Lin
Date of appointment	Passed by the Board of Directors on August 1, 2025
The accounting treatment or principle on specific transaction, the opinion on the financial statement likely to be issued, and the result of issuing, before appointment	None
The written opinions by the succeeding CPA against opinions of the former auditor	None

(III) Former auditor’s reply to item 1 and item 2-3 of Subparagraph 6 of Article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies: Not applicable.

VI. The Company’s Chairman, President or any managers involved in financial or accounting affairs being employed by the audit firm or any of its affiliated company within the last year: none.

VII. Transfer or pledge of shares owned by directors, managers, shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

1. Shareholdings change

Unit: share

Title	Name	2025		Year As of February 28, 2026	
		Changes in shares held	Changes in share pledged	Changes in shares held	Changes in share pledged
Major shareholder	Chunghwa Telecom Co., Ltd.	-	-	-	-
Chairman	Cheng-Hsien Yu (Note 1) (Inaugurated on March 26, 2025)	4,000	-	-	-
Director	Hsueh-Hai Hu (Note 1)	-	-	-	-
Director	Wen-Chih Lin (Note 1)	-	-	-	-
Director	Su-Chiu Ke (Note 1)	-	-	-	-
Director	Min-Hung Tsai (Note 1) (Discharged on May 28, 2025)	-	-	Not applicable	Not applicable
Director	Chung-Yung Chia (Note 1) (On-boarded on May 28,	-	-	-	-

Title	Name	2025		Year As of February 28, 2026	
		Changes in shares held	Changes in share pledged	Changes in shares held	Changes in share pledged
	2025)				
Director	Cheng Kang Investment Co., Ltd.	-	-	-	-
Vice Chairman and President	Pao-Yung Lin (Note 2)	-	-	-	-
Director and special assistant	Cheng-Feng Lin (Note 2)	-	-	-	-
Director	Cheng-Kang Lin (Note 2)	-	-	-	-
Independent Director	Kung-Liang Yeh	-	-	-	-
Independent Director	Wen-Tsan Wu	-	-	-	-
Independent Director	Fu-Hai Yeh	-	-	-	-
Independent Director	Min-Ching Cheng	-	-	-	-
Independent Director	Ying-Chi Ho (On-boarded on May 28, 2025)	-	-	-	-
Executive Vice President	Chi-Hung Liao	-	-	-	-
Executive Vice President	Yen-Yen Cheng	-	-	-	-
Vice President	Ching-Lang Chang (Discharged on August 31, 2025)	-	-	Not applicable	Not applicable
Vice President	Chen-San Chou	-	-	-	-
Vice President	Chuan-Cheng Lin (Discharged on February 28, 2025)	-	-	Not applicable	Not applicable
Vice President	Tsai-Hung Yu	-	-	-	-
Chief Financial Officer	Pei-Yu Chiang	-	-	-	-
Senior Assistant Vice President (Finance Department Manager and Corporate Governance Manager)	Chia-Chi Chen	-	-	-	-
Senior Assistant Vice President	Pi-Tzu Chen (On-boarded on February 7, 2025)	-	-	-	-
Assistant Vice-President (Accounting Manager)	Jin-Ding Liu	-	-	-	-
Assistant Vice-President	Sheng-Kai Chen	-	-	-	-
Assistant Vice-President	Chih-Hsiang Kuo	-	-	-	-
Assistant Vice-President	Chen-Chun Chen	-	-	-	-
Assistant Vice-President	Chun-Chieh Chiu	-	-	-	-

Title	Name	2025		Year As of February 28, 2026	
		Changes in shares held	Changes in share pledged	Changes in shares held	Changes in share pledged
Assistant Vice-President	Lei-Hsing Yu (On-boarded on August 1, 2025)	-	-	-	-
Assistant Vice-President	Chang-Hsun Wu (On-boarded on April 16, 2025)	-	-	-	-
Assistant Vice-President	An-Ting Tsao (Discharged on May 2, 2025)	-	-	Not applicable	Not applicable
Assistant Vice-President	Kai-Jen Wang (Discharged on September 19, 2025)	-	-	Not applicable	Not applicable
Not applicable Not applicable Special assistant	Chia-Ling Yang (Discharged on June 5, 2025)	-	-	Not applicable	Not applicable
Special Assistant	Yu-Chun Sung (On-boarded on September 1, 2025)	-	-	-	-
Special Assistant	Wen-Chin Huang (On-boarded on January 5, 2026)	Not applicable	Not applicable	-	-

Note 1: The corporate shareholder representative of Chunghwa Telecom Co., Ltd.
Note 2: The corporate shareholder representative of Cheng Kang Investment Co., Ltd.

2. Share transfer information: None
3. Information on share pledge: None

VIII. Disclosure of relationships among the company's top ten shareholders including any related party, spouses and second degree relatives or closer:

Relationships among top ten shareholders:

Name	Number of shares held		Spouse's and Minor' Children's Shareholding		Total shareholding through nominees		Relationship characterized as spouse or relative of second degree or closer among the top 10 shareholders.		Remark
	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Name (Or name)	Relation	
Chunghwa Telecom Co., Ltd.	71,773,155	27.79%	0	0	0	0	None	None	
Chunghwa Telecom Co., Ltd. Representative: Chih-Cheng Chien	0	0	0	0	0	0			
Hua Shun Investment Co., Ltd.	20,509,659	7.94%	0	0	0	0	Engenius Technologies Co., Ltd., Cheng Feng Investment Co., Ltd.	First degree relative of representative Pao-Yung Lin	
							Yu Yu Investment Co., Ltd., Cheng Kang Investment Co., Ltd., All Oriented Services Int. Co., Ltd.	Second degree relative of representative Cheng-Feng Lin	
Hua Shun Investment Co., Ltd. Representative: Cheng-Kang Lin	238,091	0.09%	0	0	0	0	Pao-Yung Lin	Pao-Yung Lin as the first degree relative	
							Yung-Ming Liu	Yung-Ming Liu as the first degree relative	
Engenius Technologies Co., Ltd.	19,508,509	7.55%	0	0	0	0	Cheng Feng Investment Co., Ltd.	Chairman Same individual	
							Hua Shun Investment Co., Ltd.	First degree relative of representative Cheng-Kang Lin	
Engenius Technologies Co., Ltd. Representative: Pao-Yung Lin	8,343,345	3.23%	5,549,777	2.15%	0	0	Yu Yu Investment Co., Ltd., Cheng Kang Investment Co., Ltd., All Oriented Services Int. Co., Ltd.	First degree relative of representative Cheng-Feng Lin	
							Yung-Ming Liu	Yung-Ming Liu as the first degree relative	
Yu Yu Investment Co., Ltd.	19,044,478	7.37%	0	0	0	0	Cheng Kang Investment Co., Ltd., All Oriented Services Int. Co., Ltd.	Chairman Same individual	
							Hua Shun Investment Co., Ltd.	Second degree relative of representative	

Name	Number of shares held		Spouse’s and Minor’ Children's Shareholding		Total shareholding through nominees		Relationship characterized as spouse or relative of second degree or closer among the top 10 shareholders.		Remark
	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Name (Or name)	Relation	
								Cheng-Kang Lin	
Yu Yu Investment Co., Ltd. Representative: Cheng-Feng Lin	743,420	0.29%	0	0	0	0	Engenius Technologies Co., Ltd., Cheng Feng Investment Co., Ltd.	First degree relative of representative Pao-Yung Lin	
							Pao-Yung Lin	Pao-Yung Lin as the first degree relative	
							Yung-Ming Liu	Yung-Ming Liu as the first degree relative	
Cheng Feng Investment Co., Ltd.	19,003,436	7.36%	5,549,777	2.15%	0	0	Engenius Technologies Co., Ltd.	Chairman Same individual	
							Hua Shun Investment Co., Ltd.	First degree relative of representative Cheng-Kang Lin	
Cheng Feng Investment Co., Ltd. Representative: Pao-Yung Lin	8,343,345	3.23%	5,549,777	2.15%	0	0	Yu Yu Investment Co., Ltd., Cheng Kang Investment Co., Ltd., All Oriented Services Int. Co., Ltd.	First degree relative of representative Cheng-Feng Lin	
							Yung-Ming Liu	Yung-Ming Liu as the first degree relative	
Cheng Kang Investment Co., Ltd.	14,820,975	5.74%	0	0	0	0	Yu Yu Investment Co., Ltd., All Oriented Services Int. Co., Ltd.	Chairman Same individual	
							Hua Shun Investment Co., Ltd.	Second degree relative of representative Cheng-Kang Lin	
Cheng Kang Investment Co., Ltd. Representative: Cheng-Feng Lin	743,420	0.29%	0	0	0	0	Engenius Technologies Co., Ltd., Cheng Feng Investment Co., Ltd.	First degree relative of representative Pao-Yung Lin	
							Pao-Yung Lin	Pao-Yung Lin as the first degree relative	
							Yung-Ming Liu	Yung-Ming Liu as the first degree relative	
All Oriented Services Int. Co., Ltd.	10,882,497	4.21%	0	0	0	0	Cheng Kang Investment Co., Ltd., Yu Yu Investment Co., Ltd.	Chairman Same individual	
							Hua Shun Investment Co.,	Second degree	

Name	Number of shares held		Spouse's and Minor' Children's Shareholding		Total shareholding through nominees		Relationship characterized as spouse or relative of second degree or closer among the top 10 shareholders.		Remark
	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Name (Or name)	Relation	
							Ltd.	relative of representative Cheng-Kang Lin	
All Oriented Services Int. Co., Ltd. Representative: Cheng-Feng Lin	743,420	0.29%	0	0	0	0	Engenius Technologies Co., Ltd., Cheng Feng Investment Co., Ltd.	First degree relative of representative Pao-Yung Lin	
							Pao-Yung Lin	Pao-Yung Lin as the first degree relative	
							Yung-Ming Liu	Yung-Ming Liu as the first degree relative	
Pao-Yung Lin	8,343,345	3.23%	5,549,777	2.15%	0	0	Cheng Feng Investment Co., Ltd., Engenius Technologies Co., Ltd.	Chairman Same individual	
							Hua Shun Investment Co., Ltd.	First degree relative of representative Cheng-Kang Lin	
							Yu Yu Investment Co., Ltd., Cheng Kang Investment Co., Ltd., All Oriented Services Int. Co., Ltd.	First degree relative of representative Cheng-Feng Lin	
							Yung-Ming Liu	Yung-Ming Liu as spouse	
Yung-Ming Liu	5,549,777	2.15%	8,343,345	3.23%	0	0	Hua Shun Investment Co., Ltd.	First degree relative of representative Cheng-Kang Lin	
							Engenius Technologies Co., Ltd., Cheng Feng Investment Co., Ltd.	First degree relative of representative Pao-Yung Lin	
							Yu Yu Investment Co., Ltd., Cheng Kang Investment Co., Ltd., All Oriented Services Int. Co., Ltd.	First degree relative of representative Cheng-Feng Lin	
							Pao-Yung Lin	Pao-Yung Lin as the spouse	
Bai Yi Investment Co., Ltd.	5,377,000	2.08%	0	0	0	0	None	None	
Bai Yi Investment Co., Ltd. Representative: Hung-Ling Lin	95,000	0.04%	0	0	0	0			

Note: with reference to the share register on the most recent closure date, June 23, 2025

IX. Shares jointly held by the Company, the Company’s directors, managers, and directly/indirectly controlled entities on any single investee. Calculate shareholding percentage in aggregate of the above parties

As of December 31, 2025 Unit: share

Investee entities (Note)	Held by the Company		Held by Directors, managers and directly or indirectly controlled entities		Aggregate investment	
	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings	Number of shareholdings	Percentage of Shareholdings
Senao Networks, Inc.	19,582,454	33.16%	0	0	19,582,454	33.16%
Youth Co., Ltd.	14,752,000	95.79%	0	0	14,752,000	95.79%
Ispot Co., Ltd.	–	100%	0	0	–	100%
Aval Technologies Co., Ltd.	13,740,000	100%	0	0	13,740,000	100%
Wiin Technologies Co., Ltd.	–	–	5,029,000	100%	5,029,000	100%
Sen Yang Insurance Agency Co., Ltd.	8,909,000	100%	0	0	8,909,000	100%

Note: Investment accounted for under the equity method.

III. Funding

I. Capital and shares

(I) Source of capital

Unit: thousand shares; NT$ thousand

Year/ Month	Issue price (NT$)	Paid-in capital		Authorized capital		Remark		
		Shareholdings	Amount	Shareholdings	Amount	Source of capital	Paid-in properties other than cash	Others
May 1979	10	500	5,000	500	5,000	Initial investment	None	
August 1993	10	6,000	60,000	6,000	60,000	Cash capital increase	None	
March 1995	10	15,000	150,000	15,000	150,000	Cash capital increase	None	
October 1996	10	80,000	800,000	250,000	2,500,000	Cash capital increase	None	Note 1
August 1997	10	88,000	880,000	250,000	2,500,000	Capitalization of earnings	None	Note 2
August 1998	10	99,360	993,600	250,000	2,500,000	Capitalization of 105,600 earnings and 8,000 employee bonus	None	Note 3
August 1999	10	105,821.6	1,058,216	250,000	2,500,000	Capitalization of 59,616 earnings and 5,000 employee bonus	None	Note 4
April 2000	10	117,821.6	1,178,216	250,000	2,500,000	Cash capital increase	None	Note 5
September 2000	10	133,425.2	1,334,251	250,000	2,500,000	Capitalization of 141,386 earnings and 14,650 employee bonus	None	Note 6
August 2001	10	161,585.2	1,615,852	250,000	2,500,000	Capitalization of 133,425 earnings, 133,425 capital surplus and 14,750 employee bonus	None	Note 7
August 2002	10	187,148.1	1,871,481	250,000	2,500,000	Capitalization of NT$221,319 thousand earnings and NT$34,310 thousand employee bonus	None	Note 8
August 2003	10	209,780.4	2,097,804	270,000	2,700,000	Capitalization of NT$183,942 thousand earnings and NT$42,380 thousand employee bonus	None	Note 9
August 2004	10	226,615.0	2,226,150	320,000	3,200,000	Capitalization of NT$144,602 thousand earnings and NT$23,744 thousand employee bonus	None	Note 10
September 2004	10	223,409.2	2,234,092	320,000	3,200,000	Retirement of treasury stock of NT$32,058 thousand	None	
January 2007	10	223,687.2	2,236,872	320,000	3,200,000	Exercise of employee stock warrants of NT$2,780 thousand	None	
April 2007	10	225,515,2	2,255,152	320,000	3,200,000	Exercise of employee stock warrants of	None	

Year/ Month	Issue price (NT$)	Paid-in capital		Authorized capital		Remark		
		Shareholdings	Amount	Shareholdings	Amount	Source of capital	Paid-in properties other than cash	Others
						NT$18,280 thousand		
July 2007	10	230,282.4	2,302,824	320,000	3,200,000	Capitalization of NT$22,551 thousand earnings and NT$25,120 thousand employee bonus	None	Note 11
August 2007	10	231,106.2	2,311,062	320,000	3,200,000	Exercise of employee stock warrants of NT$8,237.5 thousand	None	
April 2008	10	231,914.2	2,319,142	320,000	3,200,000	Exercise of employee stock warrants of NT$8,080 thousand	None	
June 2008	10	232,570.7	2,325,707	320,000	3,200,000	Exercise of employee stock warrants of NT$6,565 thousand	None	
August 2008	10	234,508.9	2,345,089	320,000	3,200,000	Exercise of employee stock warrants of NT$19,382 thousand	None	
September 2008	10	243,412	2,434,120	320,000	3,200,000	Capitalization of NT$23,191 thousand earnings and NT$65,839 thousand employee bonus	None	Note 12
November 2008	10	244,863.8	2,448,638	320,000	3,200,000	Exercise of employee stock warrants of NT$14,518 thousand	None	
March 2009	10	245,116.2	2,451,162	320,000	3,200,000	Exercise of employee stock warrants of NT$2,524 thousand	None	
June 2009	10	246,534.7	2,465,347	320,000	3,200,000	Exercise of employee stock warrants of NT$14,185 thousand	None	
August 2009	10	248,566.5	2,485,665	320,000	3,200,000	Exercise of employee stock warrants of NT$20,318 thousand	None	
November 2009	10	248,713.7	2,487,137	320,000	3,200,000	Exercise of employee stock warrants of NT$1,472 thousand	None	
March 2010	10	249,126.8	2,491,268	320,000	3,200,000	Exercise of employee stock warrants of NT$4,131 thousand	None	
May 2010	10	249,867.0	2,498,670	320,000	3,200,000	Exercise of employee stock warrants of NT$7,402 thousand	None	
September 2010	10	251,949.7	2,519,497	450,000	4,500,000	Exercise of employee stock warrants of NT$20,827 thousand	None	
December 2010	10	252,575.1	2,525,751	450,000	4,500,000	Exercise of employee stock warrants of NT$6,254 thousand	None	
March 2011	10	253,196.6	2,531,966	450,000	4,500,000	Exercise of employee stock warrants of NT$6,215 thousand	None	
May 2011	10	254,478.9	2,544,789	450,000	4,500,000	Exercise of employee stock warrants of	None	

Year/ Month	Issue price (NT$)	Paid-in capital		Authorized capital		Remark		
		Shareholdings	Amount	Shareholdings	Amount	Source of capital	Paid-in properties other than cash	Others
						NT$12,823 thousand		
August 2011	10	255,082.5	2,550,825	450,000	4,500,000	Exercise of employee stock warrants of NT$6,036.5 thousand	None	
November 2011	10	255,372.6	2,553,726	450,000	4,500,000	Exercise of employee stock warrants of NT$2,900.5 thousand	None	
March 2012	10	255,886.9	2,558,869	450,000	4,500,000	Exercise of employee stock warrants of NT$5,143.5 thousand	None	
May 2012	10	256,878.1	2,568,781	450,000	4,500,000	Exercise of employee stock warrants of NT$9,912 thousand	None	
August 2012	10	257,126.5	2,571,265	450,000	4,500,000	Exercise of employee stock warrants of NT$2483.5 thousand	None	
November 2012	10	257,163.7	2,571,637	450,000	4,500,000	Exercise of employee stock warrants of NT$372.5 thousand	None	
March 2013	10	257,271.5	2,572,715	450,000	4,500,000	Exercise of employee stock warrants of NT$1,077.5 thousand	None	
May 2013	10	257,755.4	2,577,554	450,000	4,500,000	Exercise of employee stock warrants of NT$4,839 thousand	None	
August 2013	10	257,784.4	2,577,844	450,000	4,500,000	Exercise of employee stock warrants of NT$290 thousand	None	
November 2013	10	257,900.1	2,579,001	450,000	4,500,000	Exercise of employee stock warrants of NT$1,157 thousand	None	
March 2014	10	258,252.7	2,582,527	450,000	4,500,000	Exercise of employee stock warrants of NT$3,525.5 thousand	None	

Unit: thousand shares

Type of share	Authorized capital			Remark
	Outstanding shares	Unissued shares	Total	
Registered ordinary shares	258,252.7	191,747.3	450,000	

Note 1: Securities Commission, Ministry of Finance Letter No. (85)-Tai-Tsai-Cheng-(I)- 41923 dated July 6, 1996.
Note 2: Securities Commission, Ministry of Finance Letter No. (86)-Tai-Tsai-Cheng-(I)- 51630 dated June 30, 1997.
Note 3: Securities and Futures Commission, Ministry of Finance Letter No. (87)-Tai-Tsai-Cheng-(I)- 44206 dated May 20, 1998.
Note 4: Securities and Futures Commission, Ministry of Finance Letter No. (88)-Tai-Tsai-Cheng-(I)- 64172 dated July 13, 1999.
Note 5: Securities and Futures Commission, Ministry of Finance Letter No. (89)-Tai-Tsai-Cheng-(I)- 112954 dated January 12, 2000.
Note 6: Securities and Futures Commission, Ministry of Finance Letter No. (89)-Tai-Tsai-Cheng-(I)- 65455 dated July 27, 2000.
Note 7: Securities and Futures Commission, Ministry of Finance Letter No. (90)-Tai-Tsai-Cheng-(I)- 140366 dated June 26, 2001.
Note 8: Securities and Futures Commission, Ministry of Finance Letter No. (91)-Tai-Tsai-Cheng-(I)- 133683 dated June 20, 2002.
Note 9: Securities and Futures Commission, Ministry of Finance Letter No. (92)-Tai-Tsai-Cheng-(I)- 127981 dated June 24, 2003.
Note 10: Securities and Futures Commission, Ministry of Finance Letter No. (93)-Tai-Tsai-Cheng-(I)- 127541 dated June 21, 2004.
Note 11: Financial Supervisory Commission, Executive Yuan, Letter No. Jin-Guan-Cheng-I- 0960019664 dated May 2, 2007.
Note 12: Financial Supervisory Commission, Executive Yuan, Letter No. Jin-Guan-Cheng-I- 0970034672 dated July 10, 2008.

Information relevant to the aggregate reporting policy: None.

(II) List of major shareholders

Shareholder holds five percent or more and top 10 shareholders

June 23, 2025 (Note)

Shareholdings Name of major shareholder	Shareholding	Percentage of Shareholdings
Chunghwa Telecom Co., Ltd.	71,773,155	27.79%
Hua Shun Investment Co., Ltd.	20,509,659	7.94%
Engenius Technologies Co., Ltd.	19,508,509	7.55%
Yu Yu Investment Co., Ltd.	19,044,478	7.37%
Cheng Feng Investment Company	19,003,436	7.36%
Cheng Kang Investment Co., Ltd.	14,820,975	5.74%
All Oriented Services Int. Co., Ltd.	10,882,497	4.21%
Pao-Yung Lin	8,343,345	3.23%
Yung-Ming Liu	5,549,777	2.15%
Bai Yi Investment Co., Ltd.	5,377,000	2.08%

Note: the most recent closure date.

(III) Dividends policy and implementation

1. Dividends policy:

If the Company records a profit in a year, the Company shall appropriate no less than 3% of the profit for employee's compensation., and no more than 3% of the profit for director's compensation. If, however, the Company has accumulated losses, profit shall first be used to offset accumulated losses.

No less than 5% of the said employee remuneration shall be distributed to the rank-and-file employees.

Employees entitled to receive the bonus in the preceding paragraph may include the employees of the Company's controlled companies meeting specific requirements set by the Board.

If after the annual closing of books there is a profit, the Company shall, after having provided for taxes and offset the accumulated losses of previous years, appropriate the 10% legal reserve and recognize or reverse special reserve return earnings in accordance with laws and regulations. The remainder balance, together with the undistributed profits of previous years, shall be retained or distributed upon the resolution of the shareholders' meeting.

The distributable dividends, bonuses, capital surplus or legal reserve in whole or in part shall be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors. Such a distribution shall be reported to the shareholders' meeting, and the requirement for resolution of the shareholders' meeting in the preceding paragraph is not applicable herein.

In order to align the Securities and Futures Bureau's "Balanced Dividend Policy" with the Company's current business environment and the goals of sustainable operation and long-term development, the earning distribution plan would focus on the stability and growth of the dividends. The total dividends amount shall be no less than 30% of the total distributable earnings of the year, among which the cash dividend ratio shall be no less than 10% of the total dividends.

2. Dividend proposed for the resolution of next annual shareholders' ordinary meeting:

   The board of directors has approved the proposal of cash dividend of NT$1.55 per share for the 2025 earnings distribution and set the ex-dividends date on June 26, 2026. The distribution of dividends and bonuses is submitted and the earnings distribution table is recognized at the annual shareholders' ordinary meeting on May 27, 2026.

(IV) Impacts of proposed stock dividends on the Company's business performance and earnings per share: There is no proposed stock dividends in the next shareholders' meeting.

(V) Employee Compensation and Compensation for Directors and Supervisors:

1. Employee bonuses and directors' and supervisors' remuneration set forth in the Articles of Incorporation: If the Company records a profit in a year, the Company shall appropriate not less than 3% of the profit for employee bonuses, and no more than 3% of the profit for director's compensation. If, however, the Company has accumulated losses, profit shall first be used to offset accumulated losses.

   No less than 5% of the said employee remuneration shall be distributed to the rank-and-file employees.

2. Any differences difference between the actual amounts paid and amounts estimated for 2025 employee bonuses and directors' and supervisors' remuneration and share-based compensations will be recognized as gains/losses for 2026.

3. Proposed employees' bonuses resolved by the board of directors:

   (1) Proposed employee cash bonus of NT$19,144,706 and directors' remuneration of NT$8,204,873. The board of directors has passed the proposed cash employees' bonuses and directors' remuneration without any difference from the estimated amount in 2025.

(2) Amount of Proposed employee share-based bonuses, and as a percentage of the sum of after-tax profit and employees' total compensation for the current period: The 2025 earnings distribution table has been passed by the board of directors and there is not employee share-based bonuses to be distributed.

4. Actual amount paid for employees' bonuses, and directors' remuneration in the previous year: The actual amounts paid for 2024 employees' cash bonuses and directors' remuneration were NT$21,070,723 and NT$9,030,311, respectively, without any deviation from the proposed amounts passed by the board of directors.

5. Remuneration paid to our employees includes fixed salary and floating salary where fixed salary is paid in compliance with the Company's "Rules for Remuneration and Benefits" with respect to employee's responsibility and professional skills; floating salary includes year-end bonus (Note 1) and employee remuneration (Note 2).

Note 1: Year-end bonus: in addition, we also determined the annual bonus base number according to the annual profit status of the company and also performance evaluation is also conducted according to the annual work goal achievement outcome of employees, in order to calculate the annual bonus of each employee according to individual performance evaluation result.

Note 2: Employee bonuses: article 27 of Articles of Incorporation specified that the Company appropriates no less than 3% for employee's compensation based on the annual profit. The outcome of corporate business performance is reflected in the amount appropriated for employee bonuses. The total employee bonuses submitted to the Board of Directors' meeting for resolution is distributed rationally based on the outcome of employee performance evaluation.

(VI) Repurchase of the Company's shares: none

II. Issuance of corporate bonds: none

III. Issuance of preferred shares: none

IV. Issuance of global depository receipts: none

V. Issuance of employee stock options: none

VI. Employee restricted stock: none

VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: none

VIII. Capital plans and execution: none

IV. Business Overview

I. Business description

Senao International Co., Ltd.'s main businesses:

(1) Agency sales of telecommunications services: Agency sales of Chunghwa Telecom mobile subscriptions, mobile value-added services, and broadband services.

(2) Agency and sale of products:

- Communication products: Sale and distribution of smart mobile devices and accessories and recycle of used phones.
- Home appliances and information products: sales of information products of major domestic and foreign brands (e.g., laptop, gaming console), large and small home appliances (e.g., refrigerator, washing machine, TV, air-purifier and kitchen appliances).
- Lifestyle and healthcare products: Exclusive agency sales of healthcare brands (such as sakuyo) and sales of products from major domestic and international healthcare brands (such as Japanese GMP-certified manufacturers, Grape King Bio, Wellcare Biotech, Sinphar, and YOHO Power).

(3) Product repair service: communication production repair and sending mobile phone for repair on behalf of customer

(4) Insurance service sales: sale of mobile device insurance

(I) Business scope:

1. Business activities:

(1) Physical sales channel: operations of Chunghwa Telecom authorized stores and operations of sales counter at all business locations of Chunghwa Telecom

(2) Physical repair channel: Operation of Apple(ASP) and SAMSUNG(CSP) repair store

(3) Virtual sales channel: Operation of Senaonline, online shopping platform

(4) Storage and logistics service: Storage management, logistics, receipt and delivery of product

(5) Agency, sale and wholesale of products: Communication products, accessories, home appliances and information products and agency, retail and wholesale of life and healthcare product

2. Weight of business activities

(1) Operating revenue by business activities

Unit: NT$ thousand

Year Product type	2025	
	Revenue	Weight (%)
Sales revenue	31,128,067	93.97
Service revenue	1,515,770	4.58
Repairs revenue	480,944	1.45
Total	33,124,781	100.00

3. The Company’s existing products (services):

Senao offers all-round products and services for different trading counterparties.

(1) Chunghwa Telecom authorized retail stores: Communication products and accessories, home appliances, information products, service for mobile device insurance, sales of daily health care products, the promotion of Chunghwa Telecom telephone numbers, broadband service, MOD and value-added service promotion and subscription, as well as the mobile phone examination and sending mobile phone for repair on behalf of customer.

(2) Sales counter at all business locations of Chunghwa Telecom: communication products and accessories, home appliances, information products, service for mobile device insurance, sales of daily health care and body care products, the promotion of Chunghwa Telecom telephone numbers, broadband service, MOD and value-added service promotion and subscription, as well as the mobile phone examination and sending mobile phone for repair on behalf of customer.

(3) Senao's dealer: communication products and accessories, home appliances, information products, service for mobile device insurance, sales of daily health care and body care products and Chunghwa Telecom telephone numbers.

(4) Senaonline online shopping platform: Communications products, home appliances, information products, application peripheral products, health and wellness products, and daily necessities.

(5) Other agencies: communication products and accessories, distribution and wholesale of information products.

(II) Industry overview

1. Current and future industry prospects

According to IDC data, in 2025, the global smartphone market has gradually emerged from the downturn of consecutive years of decline, showing an overall trend of moderate recovery; however, the

Taiwan market still faces structural pressure from the lengthening of device replacement cycles.

(1) Moderate growth in the global market

IDC estimates that global smartphone shipments in 2025 will increase by approximately 1.9% (approximately 1.26 billion units), with the primary growth momentum coming from the steady expansion of the iOS segment (approximately 6.1% year-on-year growth).

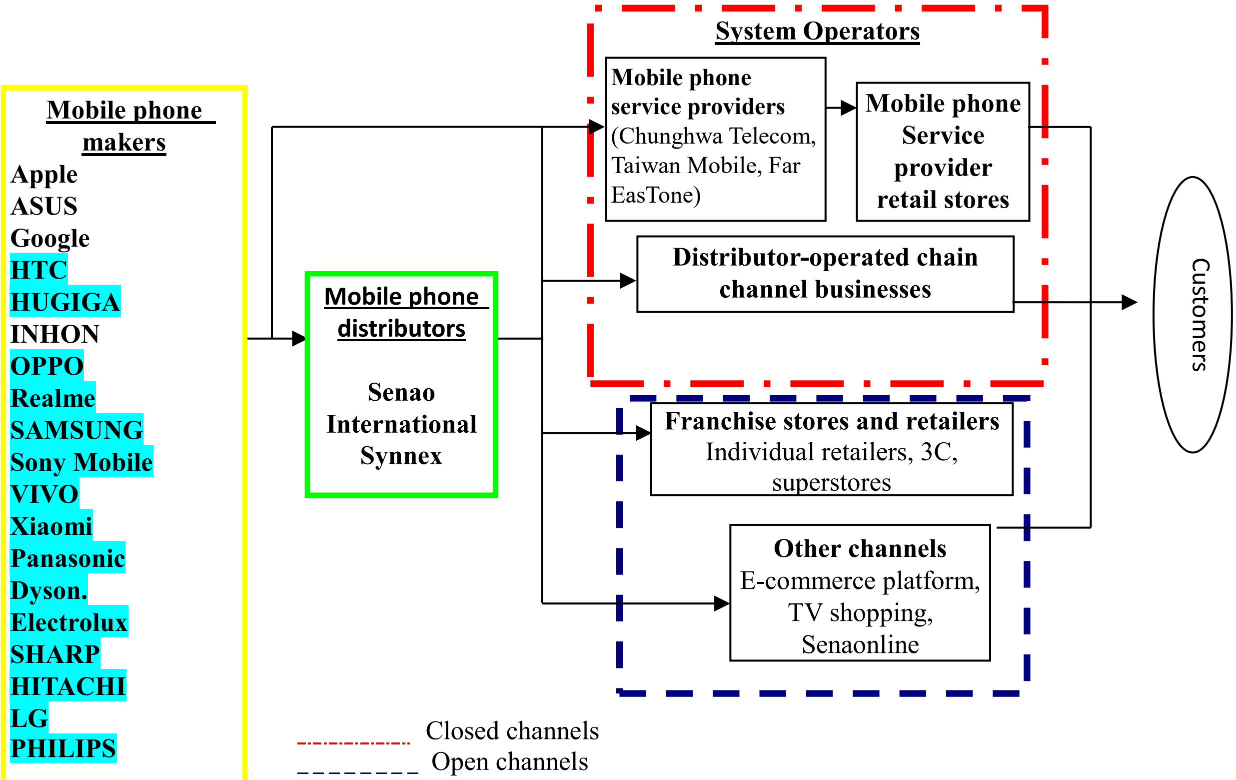
(2) Stabilization of the Taiwan telecommunications market

Annual sales volume in the Taiwan market is estimated to range between 4.85 million and 5.2 million units. Although AI functions have gradually become standard features in high-end models, with brands such as Samsung, Google, OPPO, and vivo launching related products, the overall market has not yet experienced a significant large-scale replacement wave.

(3) Increase in average selling price

Affected by rising costs of key components such as memory, IDC estimates that the average selling price (ASP) of smartphones will increase by approximately 5%. Under the conditions of limited growth in shipment volume, the sales mix of higher-priced models will continue to support overall industry output value.

2. Correlation among up-stream, mid-stream and down-stream participants in the industry



3. Product development trends and competitions

(1) Smartphones:

According to research by the Market Intelligence & Consulting Institute (MIC), in 2025, the development of communications products has entered a stage of substantive penetration of AI applications. The market has gradually shifted from the introduction of flagship models toward the widespread adoption of mid-range models, driving an upgrade in the overall product value structure. MIC further indicates that the major development trends of communications products in 2025 are as follows:

A. Continuous increase in AI smartphone penetration rate

MIC estimates that the penetration rate of AI smartphones will increase from approximately 18% in 2024 to approximately 31% in 2025. The primary driving force is the introduction of mid-range chips equipped with high-performance NPUs by Apple, Qualcomm, and MediaTek, accelerating the expansion of AI functions from high-end models into the mid-range market.

B. AI applications shifting from cloud to edge (Edge AI)

Communications devices are evolving from pure data transmission terminals into intelligent terminals with on-device computing capabilities. With increasing awareness of privacy and growing demand for real-time computing, consumer acceptance of on-device AI (Edge AI) continues to rise, driving the rapid adoption of applications such as real-time translation, image processing, and intelligent assistants.

Communications products are also gradually integrating AI agent functionalities, enabling devices to proactively understand user intent and execute tasks across applications, thereby transforming the traditional app-centric operating model.

C. Channel competition shifting from price orientation to digital trust

Overall, competition among communications channels has gradually shifted from a price-oriented approach to one centered on ecosystem integration and digital trust. As the widespread adoption of generative AI heightens concerns regarding cybersecurity risks, the security protection capabilities and privacy protection mechanisms of terminal devices will become key factors influencing consumer purchasing decisions.

(2) Information and home appliances:

In recent years, the home appliance market has exhibited trends toward premiumization and functional upgrades. Consumer demand for energy-saving, connectivity, and health-related features has gradually increased, and the proportion of high-end and differentiated products continues to rise. At the same time, distribution channels are undergoing accelerated transformation. The growth of online sales and increased price transparency have intensified market competition. In addition to competing on product specifications, brands are also competing in terms of service quality and overall solution capabilities.

In the major home appliance segment, demand is highly correlated with the pace of housing completions, and market scale is susceptible to fluctuations in the overall real estate market conditions; small home appliances and health and beauty appliances, due to their lower unit prices and shorter replacement cycles, exhibit relatively stable growth momentum. In terms of competition, in addition to international brands continuously strengthening their brand equity and technological advantages, e-commerce platforms and cross-channel operators are also actively competing for market share through pricing strategies, resulting in a highly competitive market environment with low gross margins. Under such conditions, home appliance operations must balance product mix optimization, pricing discipline, and value-added services in order to maintain long-term competitive advantages.

The development trends of notebook computers are no longer limited to performance enhancement, they have shifted toward intelligence, architectural diversification, and the supply of key components.

A. Notebook intelligence: Notebook computers are no longer merely tools for executing instructions, they are evolving into AI agent platforms. Through powerful NPUs (Neural Processing Units), notebook computers can proactively predict user needs, perform real-time meeting translation, automate document generation, and process complex visual tasks at the endpoint (local device) without fully relying on the cloud.

B. Diversification of notebook architectures: With Qualcomm’s success and NVIDIA’s entry into the notebook chip market, notebooks based on Arm architecture, with advantages in battery life and thermal management, are challenging the positions traditionally held by Intel and AMD.

C. Supply of key components: Due to the substantial demand for memory driven by AI servers, production capacity for DRAM and NAND Flash used in traditional notebooks has been constrained, resulting in fluctuations in notebook production capacity and end-user prices in 2026, and exerting downward pressure on market demand.

(3)Accessories:

In terms of smart products, the wearable accessories market continues to upgrade amid the rapid development of AI technology, with devices evolving from single-functionality toward the integration of health monitoring and personalized assistant capabilities. In addition to enhancing active noise cancellation and sound quality, true wireless Bluetooth earbuds further integrate health sensing applications. Among them, AirPods Pro 3 introduces clinical-grade hearing assistance functions, which intelligently compensate for frequency ranges affected by hearing impairment, automatically enhance human voice, and reduce ambient noise while also supporting hearing and heart rate monitoring, further expanding their role into daily health management tools. Smartwatches and smart bands utilize AI to analyze physiological data, providing personalized exercise and sleep recommendations, and enhancing safety applications such as fall detection for the elderly, emergency assistance, and child location tracking and protection. In addition to health management, these devices further meet family care needs. AI smart glasses have become an emerging focal point, with product design evolving toward lightweight construction and unobtrusive wear. By integrating voice interaction, display technologies, real-time translation, and navigation functions, they are gradually becoming an important information interface following smartphones.

In terms of charging products, Type-C and wireless charging continue to gain widespread adoption. The Qi 2.2 standard increases charging power to 25 W and optimizes magnetic alignment and thermal control performance, thereby delivering a more stable fast-charging experience. With the increasing occurrence of safety incidents involving power banks, “solid-state power banks,” characterized by high energy density and enhanced safety, have rapidly emerged and become a new development trend in power banks. Overall, in 2025, the smart wearable accessories market focuses on the deepening of AI applications, integration of health functions, and high-efficiency energy experiences, with products developing toward greater intelligence and integration into daily life.

(4) Health care products:

With the advent of a super-aged society and the comprehensive expansion of digital healthcare technologies in 2026, the health and wellness market in Taiwan is undergoing a structural transformation. Consumers have shifted from one-way purchasing behavior to pursuing personalized health solutions based on AI data and real-time monitoring.

A. Deep integration of smart technology and precision nutrition: After 2026, the “personalized nutrition” market will enter a phase of rapid growth. By integrating wearable devices, smart monitoring, and AI algorithms, real-time and dynamic customized supplementation solutions are provided based on different physiological data.

B. Mainstreaming across all age groups and emphasis on emotional health: The target consumer base for health supplements is becoming significantly younger, with office workers and younger generations—facing high-stress and long working hours—emerging as key drivers of market growth.

- Emotional premium: Products related to mood regulation, brain fog mitigation, and the gut–brain axis, including probiotics and new-generation adaptogens (Adaptogens), are expected to emerge prominently.
- Opportunities in the “active aging” segment: Demand for anti-aging (Longevity) and muscle maintenance products targeting the “active aging” population is increasing significantly, with highly bioavailable and clinically validated compound formulations becoming the mainstream.

C. “Subtractive health” and sustainability transparency: In the highly transparent information environment of 2026, “subtractive health” has become a new consumer preference—eliminating unnecessary additives and pursuing clean ingredients. Brands are required to strengthen ESG deployment, including carbon footprint labeling, plant-based (Plant-based) packaging materials, and full-process traceability.

D. Functionalization of food and seamless integration into daily life: The trend of “snackification” of health supplements continues, with consumers increasingly obtaining nutrition through high-function foods and functional beverages, allowing health management behaviors to be seamlessly integrated into daily dietary habits.

(III) Technological research and development:

As a professional channel agent, the Company does not directly engage in product technology research and development; however, it remains committed to innovative transformation of its “business model,” with the core objective of building a 360-degree comprehensive sales experience. Through the integration of physical stores with joint activities in commercial districts, supplemented by digital social tools such as LINE and Facebook to deepen community engagement, the Company transforms its stores from single-point sales locations into highly interactive service hubs. By leveraging digital tools to precisely manage customer segments within commercial districts, the Company has successfully optimized each touchpoint in the consumer shopping journey, ensuring consistent and high-quality professional services across an omnichannel environment.

In terms of digital transformation and e-commerce deployment, its online shopping platform “Senao Life (senaonline)” has deepened strategic cooperation with the parent company Chunghwa Telecom’s Hami Point ecosystem. Through expansion of the points ecosystem and mutual benefit mechanisms, it effectively attracts cross-platform customer segments and significantly enhances customer stickiness. In addition, to strengthen the stability of its profit structure, the Company has introduced “subscription-based services” for health supplements and 3C consumables, aiming to advance toward a new retail model integrating physical and online channels, and to ensure stable recurring revenue in 2026, thereby achieving full integration of online and offline information flows, logistics, and cash flows.

(IV) Long and short-term business plans

1. Short-term business plan

The Company will continue to respond to product evolution and changes in consumer behavior in the telecommunications and smart living markets, focusing on optimizing product structure, enhancing channel efficiency, and deepening member engagement. The specific implementation directions are as follows:

(1) Strengthening featured models and differentiated product portfolios

The Company will continue to introduce market-trending smartphones and innovative devices, and actively seek cooperation and agency opportunities for distinctive models from major brands. At the same time, it will plan exclusive differentiated product portfolios and value-added packaging to enhance channel attractiveness and sales conversion rates.

(2) Expanding the deployment of used mobile phones and multi-price segment products

In response to consumer segmentation and extended device replacement cycles, the Company will continue to expand the structure of used mobile phone products and refine quality grading mechanisms. It will also strengthen the integration of online and physical channel sales to reach a broader customer base and improve product turnover efficiency.

(3) Deepening smart wearables and health application products

In line with the trend of integrating health monitoring and AI applications in smart wearable devices, the Company will continue to expand the relevant product lines, extend beyond its core telecommunications business, and introduce more smart wearable products with functional differentiation and professional positioning to increase the proportion of high-margin products.

(4) Increasing the proportion of application peripherals and private label products

The Company will continue to introduce peripheral products from international brands while strengthening the product capabilities and portfolio of its private label accessories, developing toward high quality, high performance, and personalization in order to optimize the overall gross margin structure and enhance channel differentiation.

(5) Promoting OMO omnichannel integrated operations

Through deep integration of the “Senao Life (senaonline)” shopping platform with physical stores, the Company will optimize the cross-channel consumer experience. By integrating new product displays, application education, and real-time inventory connectivity, it will strengthen the integration of information flow, logistics, and cash flow between online and offline channels, and promote the transformation of physical channels into new retail service platforms.

(6) Strengthening store-based community engagement and local connectivity

With physical stores serving as core nodes for community engagement, the Company will strengthen business district operations through LINE, social media, and membership interaction mechanisms, increase customer interaction frequency and revisit rates, and combine online rapid checkout mechanisms to enhance conversion efficiency.

(7) Deepening member data management and precision marketing

The Company will continue to expand its membership base and accumulate customer behavioral data. Through data analysis, it will optimize member segmentation and precision marketing models, increase repurchase rates and customer lifetime value (LTV), and enhance the long-term effectiveness of membership management.

2. Long-term business plan

The Company will adopt “Smart Communications × AI Applications × Omnichannel Retail” as its core development axis, integrating the resources of Chunghwa Telecom and Group synergies to progressively establish a scalable and data-driven smart living channel platform.

(1) Deepening the 5G and AIoT ecosystem deployment

By leveraging Chunghwa Telecom’s 5G service advantages, the Company will actively secure agency and sales opportunities for 5G smart terminals and AIoT-related products, and strengthen smart application solutions in both residential and enterprise environments, moving toward a diversified smart living service platform.

(2) Building omnichannel retail and platform-based operational capabilities

The Company will continue to optimize the collaborative operating model between “Senao Life (senaonline)” and physical stores, develop branded storefront operations and platform collaboration mechanisms, enhance online traffic conversion and the proportion of omnichannel revenue, and strengthen digital retail competitiveness.

(3) Developing data-driven product and service strategies

By continuously accumulating membership and transaction data, the Company will promptly capture changes in consumer markets, using such insights as a key basis for product introduction, inventory allocation, and marketing decision-making. It will also progressively develop personalized and scenario-based service capabilities to enhance customer stickiness.

(4) Expanding the points economy and financial payment ecosystem

By integrating mobile payment, financial institutions, and Chunghwa Telecom's membership points system, the Company will deepen point redemption and cross-domain collaboration mechanisms, establish a diversified points ecosystem, and promote cyclical member consumption and cross-channel traffic generation.

(5) Promoting cross-industry membership and strategic collaboration

The Company will continue to expand cross-industry partnerships, strengthen interoperability of membership resources and joint marketing initiatives, broaden the membership base and traffic sources, and enhance the overall scale benefits of membership operations.

(6) Deployment in enterprise customer and AI solutions markets

In response to the needs of SMBs, small- and medium-sized enterprises, campuses, and hotel industries, the Company will integrate the network communication products of its subsidiary EnGenius with the technologies of strategic partners to provide comprehensive solutions, including network infrastructure deployment, energy management, AI monitoring, and AI servers. This enables customers to fulfill multiple requirements—such as network construction, energy monitoring, AI monitoring, and AI server deployment—through a single integrated solution. By combining AI computing power with data analytics to identify key business opportunities and enhance profitability, and by adopting equipment leasing and service-based models, the Company will assist enterprise customers in lowering adoption thresholds and reducing procurement budget pressures, thereby fostering long-term partnerships and achieving a mutually beneficial outcome for all parties.

II. Market and business overview

(I) Market analysis

1. Operating revenue by regions

Unit: NT$ thousand

Year / Region	2025		2024	
	Amount	%	Amount	%
Taiwan	33,124,781	100.00	32,307,092	100.00

2. Market share

Senao International has long been committed to expanding its agency business for communications products and deepening strategic partnership relationships. In respect of Android smartphone brands, international brands including Samsung, OPPO, Xiaomi, vivo, realme, and Sony Mobile maintain stable and in-depth cooperation with the Company. In 2025, the Company also collaborated with Chunghwa Telecom for the first time to introduce the Google product lineup, further enhancing its product portfolio and meeting diversified market demand.

In addition to communications products, the Company continues to expand its cooperation scope to include Bluetooth wearable devices and smart home appliances, thereby enhancing the completeness of its product lines and the breadth of its services. At the same time, the Company continues to maintain cooperative relationships with Taiwanese brands such as ASUS and HTC, serving as an important channel partner in supporting the development of domestic brands.

With respect to the iOS ecosystem, the Company assists Chunghwa Telecom in the sales of Apple iPhone series products; its subsidiary Aval Technologies Co., Ltd. and sub-subsidiary Wiin Technologies Co., Ltd. act as agents for the full range of Apple products, while its subsidiary Youth Co., Ltd. and sub-subsidiary Ispot Co., Ltd. are Apple-authorized premium resellers. Through a multi-brand and multi-tiered partnership deployment, the Company has established a solid foundation of channel competitiveness and continues to consolidate its leading position in the domestic mobile phone channel market.

As the telecommunications market returns to a competitive structure dominated by three major operators, competition for the management and retention of existing users among operators has intensified, with mobile network quality and service experience becoming key differentiating factors. In 2024, Chunghwa Telecom was ranked first by the internationally recognized authority SPEEDTEST® in “5G Speed,” “5G Coverage,” “5G Gaming Experience,” and “5G Video Experience,” marking the first instance in Taiwan of a single telecommunications operator achieving a “5G User Experience” grand slam. It is also the only domestic telecommunications operator to have consecutively achieved the OPENSIGNAL “User Experience Awards” grand slam in both the first and second halves of 2024. With its stable network quality and service advantages, Chunghwa Telecom continues to maintain its leading position in the telecommunications market, thereby supporting the stable development of the Company’s channel sales momentum.

3. Future market supply, demand and growth

From the perspective of the smartphone market, overall sales volume in Taiwan increased by approximately 5% in 2024 compared with the previous year. As global inflationary pressures gradually ease, Taiwan’s economy has maintained a steady recovery, providing a certain level of support to the consumer market. However, due to the extended device replacement cycle and the 5G penetration rate having exceeded 90%, the overall market growth momentum is expected to moderate. High-end flagship models and AI smartphones will become the primary drivers of future product structure upgrades.

In terms of technological development, major global smartphone brands have comprehensively advanced the integration of AI functionalities, driving enhancements in on-device computing capabilities and differentiated applications. Meanwhile, Taiwan’s supply chain (such as MediaTek, TSMC, and Largan Precision) possesses key competitive advantages in AI chip and imaging technologies, which further supports the sustained development of the overall industry ecosystem.

With respect to tariff strategies, the Company will continue to maintain a stable cooperative relationship with Chunghwa Telecom and focus on promoting the migration of existing users from 4G to 5G as its primary objective. This will be achieved through bundled sales combining 5G smartphones with household appliances, alongside leveraging original manufacturers’ marketing resources and channel promotional programs to enhance overall sales momentum and customer stickiness.

4. Competitive advantage

(1)Multi-brand agency and product portfolio advantages

The Company has long been committed to offering a diversified product portfolio and has established solid cooperative relationships with major global smartphone brands. In response to the digital lifestyle needs of individuals and households, the Company has also continued to expand its agency portfolio in home appliances and IT products, providing consumers with one-stop smart living solutions.

In addition, the Company distributes the Japanese-imported health brand sakuyo and a range of health products, extending its reach into the health and wellness sector. It offers diversified product portfolios tailored to different age groups and continues to develop new products in line with market trends to enhance the overall value of its lifestyle services.

(2) O2O omnichannel operational advantage

The Company has established approximately 240 directly operated stores across Taiwan and has long been deeply rooted in local business districts, undertaking the related business with Chunghwa Telecom. In addition to providing professional telecommunications services, the Company has also introduced home appliances, IT products, and health and wellness products to meet diverse consumer needs.

The Senaonline shopping platform not only serves as an extended shelf for physical stores but also acts as an important channel for acquiring new customers. Through the integration of online and offline channel resources and promotional offerings, the Company continues to optimize the omnichannel consumer experience and enhance customer convenience.

(3)A complete training system:

The Company has established a comprehensive education and training system. In addition to in-person product training, it provides employees with real-time learning resources through a digital e-learning platform to continuously enhance the professional capabilities of store sales personnel.

At the same time, the Company actively collaborates with brand manufacturers to promote product specialist training and has cultivated more than 34 internal instructors. Through the systematic transfer of practical management and sales experience, the Company aims to improve the consistency of overall service quality.

(4) Membership management and data advantages

The Company has accumulated a substantial membership base and database. Through data analysis, it effectively understands member needs and proactively establishes communication mechanisms. By leveraging precise push notifications, promotional campaigns, and member engagement initiatives, the Company continues to enhance customer stickiness and repurchase rates. It also expands two-way traffic generation benefits through cross-industry membership collaborations.

5. Opportunities and threats

(1) Opportunities

- The network quality and user experience of Chunghwa Telecom continue to lead the market, supporting stable channel sales momentum for the Company.
- Continued introduction of high value-added application peripherals and private-label accessories to optimize the product mix.
- Sustained growth in demand for smart home, wearable devices, and AIoT products.
- Comprehensive nationwide store network with strong local service penetration.
- Online platforms overcome physical space limitations, expanding product sales reach.
- Long-term operation of distribution channels and stable relationships with original manufacturers and customers enable rapid response to market changes.

(2)Threats

- Smartphone hardware specifications are reaching maturity, increasing the challenge of product differentiation.
- Exchange rate fluctuations and rising flagship device prices may affect consumers’ willingness to upgrade.
- Intensifying competition from telecom operators and original manufacturers’ direct sales channels.
- The rise of door-to-door repair services may divert demand from existing repair channels.

(3) Responsive measures against threats

- Strengthen member data analysis and precision marketing to increase repurchase and repeat purchase rates.
- Continue to deepen cooperation with major brand manufacturers and actively secure agency rights for high-profile models.

- Optimize the omnichannel service experience and enhance the differentiated value of physical stores.
- Increase the proportion of high-margin products and services to strengthen the overall profit structure.

(II) The main purpose of primary products and their production process

Primary products	Purpose
Mobile phone and tablet	Sale and agency of Chunghwa Telecom mobile phone numbers
Home appliances and information products	Sale and agency of Chunghwa Telecom mobile phone numbers
Accessories	Providing diverse product selection for our customers
Life and health care products	Providing diverse product selection for our customers

(III) Supply of major materials

Major suppliers of Senao International mobile communication products and their application peripheral products include: Apple, SAMSUNG, Google, OPPO, Xiaomi, vivo, Realme, ASUS, SONY, HTC, INHON, Hugiga, etc.

The major suppliers for tablets include: Apple, SAMSUNG, OPPO, Xiaomi, Redmi, Acer, etc.

The major suppliers for home appliances and information products (large and small home appliance, laptop, connected screen, dashboard camera and game console): Panasonic, LG, SAMSUNG, SONY, Dyson, PHILIPS, Electrolux, DAIKIN, SHARP, Xiaomi, HERAN, ASUS, Acer, Mio, PX, Nintendo, Microsoft etc.

The major suppliers for accessories include: Apple, SAMSUNG, SONY, Xiaomi, OPPO, Realme, vivo, HTC, Garmin, ASUS etc.

Lifestyle and healthcare products are primarily supplied by Japanese GMP-certified manufacturers, Grape King Bio, Wellcare Biotech, Sinphar, YOHO Power, and other major brands.

(IV) Name of trade partner representing more than 10% of total purchases (sales) in the previous two years

1. Information of major customers in the previous two years.

Unit: NT$ thousand

Item	2025				2024			
	Name	Amount	As a percentage to total sales [%]	Relation to the issuer	Name	Amount	As a percentage to total sales [%]	Relation to the issuer
1	Chunghwa Telecom Co., Ltd.	8,330,538	25.15	Parent company of this company	Chunghwa Telecom Co., Ltd.	8,700,635	26.93	Parent company of this company
	Others	24,794,243	74.85		Others	23,606,457	73.07	
	Net sales	33,124,781	100		Net sales	32,307,092	100	

2. Information of major suppliers in the previous two years.

Unit: NT$ thousand

Item	2025				2024			
	Name (Code)	Amount	As a percentage to total purchase〔%〕	Relation to the issuer	Name (Code)	Amount	As a percentage to total purchase (%)	Relation to the issuer
1	603165	9,587,790	33.31		603165	10,382,466	36.87	
2	Chunghwa Telecom Co., Ltd. 509918	4,744,399	16.48	Parent company of this company	Chunghwa Telecom Co., Ltd. 509918	4,564,388	16.21	Parent company of this company
3	Others	14,451,539	50.21		Others	13,215,721	46.92	
4	Net purchase	28,783,728	100		Net purchase	28,162,575	100	

III. Employees information for the 2 most recent fiscal years, and during the current fiscal year up to the date of publication of the annual report

February 28, 2026

Year		Year As of February 28, 2026	2025	2024
Number of employees	Management and staff	657	654	628
	Sales personnel	1309	1312	1326
	Maintenance personnel	66	66	77
	Operators	4	4	4
	Total	2036	2036	2035
Average age		38.3	38.1	37.3
Average years of service		10.08	9.97	9.29
Distribution of Educational Attainment	Doctoral degree	0.05%	0.05%	0.00%
	Master’s degree	5.80%	5.84%	5.26%
	Bachelor’s degree	77.60%	77.46%	77.54%
	High school	15.72%	15.86%	16.66%
	Less than high school	0.83%	0.79%	0.54%

IV. Disbursements for environmental protection

(I) The Company’s major business activities are the sale of communication product, and generally, there is no pollution issue.

(II) Measures for environmental improvement:

1. The Company has the central air conditioning system to control the temperature and humidity. The system is maintained at a regular basis to ensure the air condition of the environment and reduce energy consumption.
2. The working environment is cleaned, organized and disinfected on a regular basis to ensure environmental hygiene.
3. Industrial waste is handled by the professional waste collection company in compliance with relevant regulations and all waste is sorted.
4. We make efforts in creating and providing our employees a working environment with technology, culture and comfortability.
5. We use the energy consuming lights for energy conservation.
6. We recycle used mobile phones and batteries at all retail stores.

V. Labor relations

(I) Labor rights policies:

The Company strives to create an environment with human rights protection; comply with current labor laws and regulations; recognize and support key international human rights standards, including the UN Universal Declaration of Human Rights, Declaration on Fundamental Principles and Rights at Work of International Labour Organization, UN Global Compact of the United Nationals; and eliminate abuses or non-compliance concerning human rights in order to ensure that members within the Company are treated with equality and dignity. Relevant management program regarding human rights watch and training for human rights protection are as follows:

Item	Practical control policies
	Explanation
1. Human rights watch	
(I) Providing a safe and healthy working environment	The Company has established a dedicated occupational safety and health unit to achieve "legal compliance, risk assessment, employee involvement, continuous improvement, zero injury" and major actions taken are listed as follows: (I) Established the occupational safety and health office and assigned full-time registered nurse for employees' health management. The unit is responsible for planning employee health management and health promotion. The Company has offered monthly on-site service from the

Item	Practical control policies
	Explanation
	occupational health doctor to offer employee health consultation, education and operation environment evaluation. We have launched four major plans, including human health hazard prevention, maternal health protection, harassment during performance of duties prevention, disease prevention of abnormal workload to build a safe and health work environment. The Company has also work together with professional health care institution to arrange employees' annual health checkup, four cancers screening, flu shots injection and health talk. Regularly monitors and addresses anomalies has helped establish a primary care service system. The Company also introduced an employee assistance program (EAP) for the first time in October 2025, incorporating mental health support into its employee welfare measures and enhancing workplace care and welfare through outsourced professional resources. (II) In order to build a good and friendly environment for pregnancy and breastfeeding, the Company provides maternity health risk assessment and monitoring of health conditions from pregnancy to a year after the birth during the breastfeeding period. The breastfeeding room was certified by the New Taipei Government in 2016 to encourage continuous breastfeeding after giving birth. In response to the promotion of breastfeeding by Health Promotion Administration, Ministry of Health and Welfare and Act of Gender Equality in Employment, the Company has furnished the breastfeeding room in order to achieve the goal of work-life balance. (III) In order provide employees with a safe, healthy and hygiene work environment, furnished the Company's headquarters with all-day access control system and all working environment is smoke-free. Been certified with the "Badge of Accredited Healthy Workplace" from the Department of Health, New Taipei City Government and adopted the "Safety and Health Regulations" and "Access Control Regulations." (IV) Office space safety: (1) Regular check of fire equipment is conducted

Item	Practical control policies
	Explanation
	once a year to ensure its normal operations and that its number is in compliance with regulations. (2) Monthly test on voltage, current and temperature values of the distribution board in office is conducted, and cleaning and dedusting are done semi-annually to ensure normal function of distribution board, transformer and circuit. (3) Access control system is installed at the entrance and exit of office, and all people entered the premise are required to use access card, to ensure the office safety. (4) Surveillance system is installed at the entrance and exit of office that is set for 24-hour motion detection recording and all entrance information is accurately recorded for safety purpose. (5) Security system is installed within the office to monitor any motion in office at night to ensure property safety of the office at night. (V) Measures on emergency hazard: (1) The Company has appointed the fire prevention manager and team in compliance with the fire safety code, and training and practice regarding fire safety are given once a year to instill correct fire safety knowledge. (2) The Company has set up the emergency response notification procedure bulletin for the rapid notification during any emergency to ensure personnel safety and quick response and recovery of operation. (3) The Company has assigned nurse and emergency personnel in accordance with relevant laws and regulations that can provide health education during normal time and first-aid during any emergency hazard.
(II) Prevented illegal discrimination and harassment to ensure equal employment opportunities	(I) The Company's human resource management policies and procedures do not discriminate or provide differential treatment on the basis of race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, physical or mental disability, zodiac sign, blood type, or union membership in order to create a respectful, equal, safe, and harassment-free work

Item	Practical control policies
	Explanation
	environment. (II) To ensure that all employees are protected from unlawful physical or psychological harm during the performance of their duties that may result in physical or mental illness, and to uphold gender equality and personal dignity in the workplace, the Company has issued and regularly promotes the "Statement on the Prevention of Workplace Violence," and has established the "Measures for the Prevention, Complaint Handling, and Disciplinary Action of Sexual Harassment in the Workplace," thereby providing all employees with a work environment free from workplace violence and sexual harassment.
(III) Prohibited the use of child labor or forced labor	The Company prohibits all forms of forced labor and use of child labor, and follows the working hours and leave standards set forth by relevant labor laws to protect employees' physical and mental
(IV) Supported employees' freedom of assembly and association	The Company respected that our employees organize or join the union recognized by laws to exercise labor rights, and kept the employee suggestion channels opened to encourage communication and promote a good labor relation.
(V) Establish a regular communication channel with employees.	The Company holds regular labor-management meetings and provides employees with timely notice of operational changes that may significantly affect them.
(VI) Establish employee grievance procedures and channels.	The public complaint channels (Chairman's e-mailbox, Company's website) were set up for any employee complaint. The complaint would then be investigated and handled properly to protect employees' rights.
(VII) Plan employee education and training	The Company organizes an effective career development and training program tailoring to the core competencies and professional knowledges required.
(VIII) Provided work opportunities	The Company provided many domestic job opportunities and collaborate with schools offering internship opportunities for students to implement the corporate social responsibility.
(IX) Implemented information security	• To ensure the rights and interests of job applicants, employees, and consumers, our privacy protection management system covers relevant operational

Item	Practical control policies
	Explanation
	procedures in administration, sales, repair, and customer service. Through rigorous procedures implemented by the Legal Department and system management by the Information Department, and by establishing a privacy policy (https://www.senao.com.tw/pages/privacy_policy), we ensure that personal privacy and information security in business execution are properly protected. • Since the amendment to the Personal Data Protection Act, Senao International has offered relevant courses through its online e-Learning training system. These courses communicate the amended provisions and internal response measures to employees, including explanations of the scope and definition of personal data protection, reversal of the burden of proof, criminal liability provisions, and the data life cycle, ensuring that employees possess comprehensive knowledge and capabilities relating to personal data protection. • Meanwhile, in order to enhance the Company’s personal information protection mechanism and eliminate any risk of loss, damage, unauthorized use or legal handling of personal information, we have developed the personal information security incident management mechanism to ensure in any personal information security incident, the measure will be taken to prevent any further damage.
II. Training on human rights protection	
(I) Provided information session and training for labor laws and regulations compliance	The information session and training for labor laws and regulations compliance was conducted, covering topics such as the Labor Standards Act, workplace equality, and anti-discrimination. This training aimed to strengthen employees’ and supervisors’ understanding of relevant laws and regulations, ensure the working environment meets regulatory requirements, and protect employees’ basic human rights.
(II) Provided online course for sexual harassment prevention	Publicize the manifestations and definitions of workplace sexual harassment, preventive measures, and complaint and handling mechanisms to improve employee sensitivity and response capabilities, and to foster a respectful and safe working environment.
(III) Information session for	The "Prohibition of Workplace Violence Statement" is issued and regularly promoted, and the "Harassment

Item	Practical control policies
	Explanation
workplace violence prevention	during Performance of Duties Prevention Plan" is implemented to help employees identify workplace violence and learn how to prevent it, fostering a friendly work environment free of workplace violence.
(IV) Regular external training of occupational safety and health	General safety and health education training, Occupational safety and health business management training, Occupational safety and health administrator training, Fire prevention manager training, First aid personnel training.

(II) Code of conduct:

1. The Company always conducts its business with fairness, honesty and integrity and demands all of its managers and employees to comply with the following code of conduct while performance any duties and avoid any misconduct:
    (1) Comply with all laws and regulations related to the Company's business activities and follow the Company's policies.
    (2) Act in the best interest of the Company. It is prohibited to provide the Company's service based on personal interest in order to prevent any conflicts of interest.
    (3) Do not directly or indirectly offer, promise to offer, request or accept any improper benefits to establish business relationship or influence commercial transactions.
    (4) Do not disclose, inform, deliver or transfer to others or publicly announce any business confidential information and customer information.
    (5) Do not take advantage of position to acquire benefits or cause damages to the Company in an improper manner.
    (6) Promote the Personal Information Protection Act and protect customer rights.
2. For any misconduct, the punishment or termination of employment will be given commensurate with actual condition.

(III) Employee welfare:

1. Remuneration and benefits:
    (1) The Company offers competitive level of salary and sets the regulations on profit sharing compensation based on operating profit to share the operating result with our employees.
    (2) All employees are enrolled in the national labor insurance and health insurance program. We also provide employees free group

insurance (including life insurance, accident insurance, cancer insurance and medical insurance) and discounted group insurance to employees' family for a more comprehensive health care to employees and their family and improvement of employee welfare.

(3) The Company has established the Employees' Welfare Committee in accordance with relevant law and appropriated employee welfare fund for employees' welfare such as employee emergency allowances, wedding/funeral subsidy and travel subsidy.

(4) We provide working mothers a friendly working environment for pregnancy and raising children and offer pregnancy leave, maternity leaves, parental leave without pay or any other support for breastfeeding.

2. Employee education and training:

(1) The Company organizes training courses tailoring to the core competencies and professional knowledges required. The Company's training system consists of: A. training by job level: targeting employees of different job levels, providing training courses in topics of management and general knowledge; B. training by profession: tailoring to different competencies required by different job positions, providing training courses in each profession.

(2) Leading brand for service integration: in order to satisfy customers' need for one-stop shopping, in addition to the enhancement of professionalism, management skill and core competency, we also strengthen employees ability to integrate service and performance synergy among department. Through the soft skills course and team building events, we will take the advantage of service integration, achieve the goal of lean learning and create a high-quality customer service.

(3) Vibrant organization and flexible management: The Company will continue to organize a series of management training programs for supervisors, focusing on enhancing leadership capabilities, communication skills, and collaboration. These programs aim to guide supervisors in developing more flexible and innovative leadership styles to effectively navigate a rapidly changing environment.

(4) Development of professional digital experts: In the age of digital convergence, the service personnel at the retail stores are

demanded for more knowledge about diverse products. Therefore, the Company continue to provide them trainings in sales and service quality, and more courses in professional knowledge through the e-Learning digital platform, so as to strengthen the retail personnel's knowledge in 5G and 3C products and enable them to provide professional advice on Smart Home digital products.

(5) Active development of digital learning programs: The Company's digital learning platform offers a diverse range of online training courses. In 2025, course series covered topics such as "AI technology," "legal knowledge," "industry trends," "sustainable development," "public health," and "personal development." Through multi-disciplinary and multi-skill training, the Company aims to institutionalize practices, build effective habits, and facilitate knowledge sharing, transfer, and management.

(IV) Retirement System:

The Company has adopted the "Regulations governing employee retirement" in 1996, stipulating the retirement conditions, retirement application, retirement payment standards and disbursement procedures. For employees applicable for Labor Standards Act, the 2% of the monthly salary has been appropriated monthly and deposited in a special account in Taiwan Bank. The Supervisory Committee of Labor Retirement Reserve was established to supervise the legal use of retirement reserve. The Company regularly assigned external actuary to issue the retirement reserve audit report in accordance with the R.O.C. GAAP No.18. Since July 2005, the Labor Pension Act has applied. For employees applicable for the Act, 6% of the monthly insurance salary has been appropriated monthly as pension and deposited in the individual labor pension accounts. The employees may also choose to appropriate pension up 6% of their own will.

(V) Labor relations:

The Company takes labor relations seriously, and all the internal regulations are in compliance with Labor Standards Act and relevant rules. We also sign the labor contracts with employees to protect employees' rights. Collaboration between employees and management, efficiency improvement and employees' welfare. Although the Company has not yet signed a collective bargaining agreement due to ongoing negotiations with the trade union. The public internal communication and counseling channels (Chairman's e-mailbox, Company's website) are available. Employees can bring up suggestions and feasible plans anytime, and fulfill the responsibility for caring, to establish harmonious labor relations.

(VI) Other important matters

1. For prevention of workplace sexual harassment and gender equality in employment, the Company has developed and publicly disclosed its measures of prevention and punishments of sexual harassment. It has also stipulated the procedures for sexual harassment complaint and promulgate the written statement of prohibition of sexual harassment in workplace in order to regulate employees' behaviors at the workplace and maintain a healthy and discrimination-free workplace.
2. In addition to compliance with Work Rules, all employees have to sign the labor contracts and statement for work ethics while on-board and code of conduct for the effective implementation of work ethics.

(VII) Losses arising as a result of employment disputes in the last year up till the publication date of this annual report: none.

VI. Information Security Management

(I) Structure of information and communication security risk management, policy of information and communication security, practical control policies and resources invested into information and communication security management are described as follows:

1. Foreword

Due to the characteristics of the business of Senao International Co., Ltd. (hereinafter referred to as the Company), in order to protect the rights and interests of its customers, shareholders and the Company, the Company and all employees have the responsibility and obligation to jointly establish and maintain a safe information and communication operating environment, and to make information security a part of the corporate culture. The information security policy is formulated to clearly define security goals and requirements for compliance.

2. Scope of application

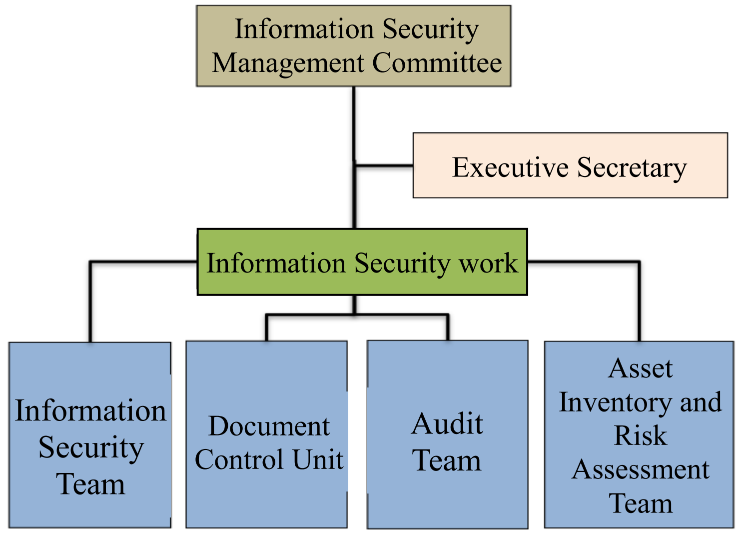
(1) All employees of the Company
(2) Our related information system
(3) Manufacturer and visitor
(4) Other personnel or organizations applying for the policy according to regulations or contracts

3. Purpose

The purpose of the Company's information security policy is to provide a corporate information security guideline and direction that can be followed, to clearly define the Company's information security management goals, and to serve as a guiding principle for the Company's business units to regulate their business security responsibilities. Strengthen information security management to ensure the security of information data, systems, equipment and network communications to effectively reduce information assets from theft, improper use, leakage, tampering, damage or system interruption due to human negligence, vandalism, equipment failure or natural disasters. In addition, comply with the information security management system (ISMS) requirements to ensure the confidentiality, integrity and availability of information assets. I. Confidentiality: Only authorized personnel can reasonably use the information to prevent improper disclosure. II. Integrity: Ensure that the information is not falsified without authorization and that the information processing methods and results are correct. 3. Availability: Ensure that authorized users can obtain information and use relevant assets when needed.

4. Information security organization

Information security is a part of the risk management. Refer to the table for relevant management responsibility.



Organization	Scope of authority and responsibility
Information Security Management Committee	1. Serve as the verification representative for the information security management system. 2. Supervise the implementation of the information security management system. 3. Review the objective and implementation scope of the information security management system. 4. Review the implementation and effectiveness of improvement for information security management-related operations. 5. Review information security related policies and regulations, and coordinate the allocation and use of resources. 6. Supervise the implementation of business continuity drills. 7. Review the resources required for the implementation of corrective measures, including manpower, time and funds. 8. Review the effectiveness of corrective measures. 9. At least one management review meeting shall be convened each year. Extraordinary meetings may be convened if necessary.

Organization	Scope of authority and responsibility
Executive Secretary	Responsible for various tasks of coordination of information security
Information Security Team	1. Responsible for the implementation of information security services within the unit and the promotion of related technologies. 2. Collect and provide information security related information, such as protection, anti-virus and anti-hack, etc., and release announcements in a timely manner. 3. Establish information security measures, implement information security monitoring and other safety precautions. 4. Participate in external information security seminars, subscribe to information security related e-newsletters, or keep in touch with information security experts from time to time to obtain information security updates. 5. Organize crisis handling procedures, check the causes of crisis events, determining the scope of impact and loss assessment, implement contingency measures, handle information security reporting, and implement resolution measures and other crisis handling matters. 6. Execute the disaster recovery work in accordance with the relevant business continuity plan and information security incident notification management procedure. 7. Identify the time the corrective measures were initiated, and regularly track and check the implementation results. 8. Other information security services.
Asset Inventory and Risk Assessment Team	1. Conduct asset inventory and risk assessment. 2. Participate in asset inventory and risk evaluation and discussion. 3. Compile the data on asset inventory and risk assessment. 4. Suggest risk control measures. 5. Assist in the formulation of risk management plans. 6. Assist in risk management. 7. Confirm the risk treatment results. 8. Update and review the information asset list and execute risk assessment at least once a year.
Document Control Unit	1. Issuance, recovery, safekeeping, borrowing and destruction, and version management of information security management system document. 2. Electronic document announcement and update management of the information security management

Organization	Scope of authority and responsibility
	system. 3. Recycling, storage and management of paper records. 4. Assist in information security education and training. 5. Report the implementation result of the annual corrective measures at the management review meeting.
Audit Team	1. Formulate the relevant audit plans and execute the audit operations. 2. Review information security operations. 3. Present audit reports and relevant suggestions. 4. Review the corrective measures for non-conformities in the review report. 5. Conduct an information security audit (including internal) once a year. 6. Keep the information security audit report for future reference.

5. Information security policy of the company

The information security policy includes the following

(1) Each business unit of the Company must comply with the relevant government laws and regulations (such as the Patent Act, the Copyright Act, the Personal Information Protection Act, the Enforcement Rules of the Personal Information Protection Act, etc.) when conducting business.

(2) Establish the Information Security Management Committee, which is responsible for the establishment and promotion of the Company's information security management system.

(3) Establish the organizational landscape evaluation mechanism to define the information security policy and the scope of implementation of the information security management system, and to understand the needs and expectations of the organizational landscape and concerned parties.

(4) Establish the document control operation rules to define the management principles for establishment, modification, coding, and issuance of documents related to the information security system.

(5) Establish an information asset management mechanism to coordinate the allocation and effective use of limited resources to solve critical security issues.

(6) Establish risk assessment management measures and identify the risks of various types of assets in order to take appropriate risk

treatment measures to control and reduce risks to an acceptable level.

(7) Regularly implement business-related information security education and training, and promote information security policies and related implementation regulations.

(8) Establish physical and environmental safety protection measures for the computer room, and perform relevant maintenance on a regular basis.

(9) Clearly regulate the permissions of information systems, network services, and sensitive information, and prevent unauthorized access.

(10) Establish procedures for information system acquisition, development, and maintenance, and clearly regulate the basis for system development and outsourcing. Before the establishment or launch of an information system or service, information security-related issues should be included to prevent endangering of the security of the system.

(11) Formulate and execute internal audit activities of information security to implement the information security management system and corrective measures for non-compliance issues.

(12) Establish a business continuity plan for information security and practice it to ensure the continuous operation of the Company's business in case of an emergency.

(13) All personnel of the Company are responsible for maintaining information security, shall understand and comply with relevant information security management regulations, and implement these in their duties.

6. Information security measures

Besides building a relevant information security management system, and continuing to respond to and monitor possible risks depending on the internal and external environment, the Company also reinforces the detection and protection stability of the existing internal information security system and builds a mechanism for continuous business operation, to reduce the risk of corporate information security and operation, and further prevents risk.

Item	Internal	External
Risk and trend monitoring	• Perform risk audit regularly and make improvements based on the	• Always keep track of the trend of international standard and regulations.

Item	Internal	External
	identified problems. • Use the intrusion detection monitoring platform, antivirus centralized management platform and integrated log centralized platform, to analyze threat traces and scans potential incidents automatically. • After the information security attack occurred, relevant agencies will investigate and analyze incidents.	• Subscribe to information on information security threat and technical news, and keep track of and handle informational security information. • Periodically participate in international information security conference to obtain the latest technology and threat information • Join the Taiwan CERT/CSIRT Alliance to share information security information.
Mechanism and protection	• Implement log centralization, carry out automated association analysis, and set up a warning mechanism for real-time information security. • Introduce malicious package monitoring system and host terminal protection system. • Intensify the protection of application, introduce the firewall for application and reduce the risk of application being under attack. • Strengthen the system audit of database, introduce the database system and retain the activity trace of database. • Introduce Static Application Security Testing (SAST) and Software Composition	• Collaborate with information security suppliers to analyze the internal use immediately. • Regularly arrange the external service information system to perform the third-party testing, such as penetration test and red team assessment. • Comply with the inspection standard of international standard such as OWASP and OSSTMM. Discover informational security risks through professional white hat hackers to carry out modification and tracing.

Item	Internal	External
	Analysis (SCA) to continuously monitor the application development process and the third-party components used, ensuring code security and compliance with open-source licensing.	
Continuous operation of business	• Refer to ISO 22301:2019 and perform establishment and relocation of hybrid cloud structure. • Create the business continuity plan for critical business system and perform drill every year.	• Implement the national information security policy, update and confirm compliance in real time and carry out information security education training and tests periodically • Carry out PDCA, strengthen preventive measures, surveillance during the event and post-response, and reduce the corporate information security risk.

7. Establishment and execution of information security
   (1) In 2025, the Company invested a total of NT$13 million in information security-related systems. In the second quarter, it introduced an “Intrusion and Attack Simulation Platform” to continuously monitor the application development process and the third-party components used, ensuring code security and compliance with open-source licensing.
   (2) In the third quarter of 2025, the Company successfully obtained ISO 27001:2022 external certification, continuing to align with the global IT information security standards and implementing a PDCA continuous improvement mechanism to ensure the integrity of the management system and the validity of the certification. Relevant information on information security protection performance and compliance has been disclosed on the Company’s official website (https://www.senao.com.tw/pages/governance_governance) in accordance with the regulatory requirements.

(3) In the fourth quarter of 2025, the Company completed the implementation of a network access control system, enabling real-time monitoring and authentication of external devices. This reduces the blind spots associated with manual inspections and ensures that all endpoints connected to the Company's network comply with the security standards, thereby establishing a more comprehensive network perimeter defense.

(4) The Company's internal information security organization is the Information Security Management Committee. The responsible unit, the Information Security Division, oversees the execution of information security tasks. Currently, the team consists of one dedicated information security supervisor and two full-time information security personnel. During the year, five information security reports were presented to the Board of Directors, along with one information security management review meeting, to address the needs of stakeholders and cross-departmental coordination.

(II) List the loss, possible impact and countermeasures incurred from major information and community security incidents in the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report: none.

Refer to the data in the past to assess the impact of the two information security incidents.

1. Senao systems encountered a DDOS attack and it cannot be visited or used. Emergency response and emergency service transfer plan have been conducted. Senaonline's service has been affected for about two days, losing approximately NT$181 million of turnover.
2. The main office of Senao is affected by the earthquake, and power supply and network are affected accordingly. It is estimated that employees cannot work and some services will be affected for two weeks. The service is transferred to the cloud host and operation is continued. About NT$ 0.1 billion is lost for relevant service, manufacturing and equipment.

VII. Major contracts

Contract nature	Principal	Beginning and ending date of the contract		Main contents	Restriction clauses
Mobile phone supply	Chunghwa Telecom Co., Ltd., Consumer Business Group	2026/01/01	2027/12/31	Mobile phone and terminal product supply	None
Telecommunications business	Chunghwa Telecom Co., Ltd., Consumer Business Group	2025/01/01	12027/12/31	Telecommunications business agency	None
Manufacturer Contract	LG electronics Taiwan Taipei Co., Ltd.	2011/11/01	Automatic contract renewal	LG Product procurement	None
Manufacturer Contract	Taiwan Xiaomi Telecommunications Limited	2020/05/01	2030/12/31	Product procurement	None
Manufacturer Contract	Top Enterprise Investments Limited Taiwan Branch (Hong Kong)	2018/05/01	Automatic contract renewal	VIVO phone purchase contract	None
Manufacturer Contract	LENOVO Technology B.V. Taiwan Branch (Netherlands)	2017/12/13	Automatic contract renewal	Product procurement	None
Manufacturer Contract	New Boom Global Limited Taiwan Branch (SAMOA)	2014/08/28	Automatic contract renewal	OPPO Product procurement	None
Manufacturer Contract	Samsung Electronics Taiwan Co. Ltd.	2014/01/01	60 days notice	Samsung Agency Contract	None
Manufacturer Contract	HTC Corporation	2012/01/01	90 days’ written notice	HTC Product procurement	None
Manufacturer Contract	Sony Taiwan Ltd	2004/07/15	3 months written notice	Purchase agreement	None
Manufacturer Contract	Microsoft Mobile Taiwan Corporation	1998/04/07	Automatic contract renewal	Product procurement	None

V. Review and Analysis of Financial Position and Business Performance and Risk Assessment

I. Financial position

The comparison table of financial positions

Unit: NT$ thousand

Year Item	December 31, 2025	December 31, 2024	Variation	
			Amount	%
Current assets	7,103,734	6,737,556	366,178	5.43%
Non-current assets	3,589,800	3,675,523	-85,723	-2.33%
Total assets	10,693,534	10,413,079	280,455	2.69%
Current liabilities	3,889,511	3,549,249	340,262	9.59%
Non-current liabilities	355,212	415,771	-60,559	-14.57%
Total liabilities	4,244,723	3,965,020	279,703	7.05%
Share capital	2,582,527	2,582,527	0	0.00%
Capital surplus	738,199	738,199	0	0.00%
Retained earnings	3,148,517	3,127,030	21,487	0.69%
Other equity	-29,116	-9,318	-19,798	212.47%
Treasury shares	-	-	-	-
Non-controlling interests	8,684	9,621	-937	-9.74%
Total equity	6,448,811	6,448,059	752	0.01%

Analysis of changes exceeding 20%: The decrease in other equity was primarily attributable to reductions in cumulative translation adjustments and in unrealized gains and losses on financial assets measured at fair value through other comprehensive income in 2025.

II. Financial performance

(I) The comparison table of financial performance

Unit: NT$ thousand

Year Item	2025	2024	Variation	
			Amount	%
Operating revenue	33,124,781	32,307,092	817,689	2.53%
Gross profit	3,463,784	3,495,916	-32,132	-0.92%
Income from operations	334,504	401,143	-66,639	-16.61%
Non-operating income and expenses	196,069	175,111	20,958	11.97%
Pre-tax profit	530,573	576,254	-45,681	-7.93%
Net income	444,355	477,361	-33,006	-6.91%
Total other comprehensive income (loss)	-17,486	41,466	-58,952	-142.17%
Total comprehensive income - current	426,869	518,827	-91,958	-17.72%
Net profit attributable to owners of the Parent	445,292	478,310	-33,018	-6.90%
Net profit attributable to non-controlling interests	-937	-949	12	-1.26%
Comprehensive profit (loss) attributable to the owners of the parent company	427,806	519,776	-91,970	-17.69%
Comprehensive income attributable to non-controlling interests	-937	-949	12	-1.26%

1. Analysis of variations: Other comprehensive income for the period decreased, mainly due to a reduction in the share of other comprehensive income of associates—specifically exchange differences arising from the translation of foreign operations and remeasurements of defined benefit plans.
2. Cause of change to the Company’s major business activities: There was no major change, so it is not applicable.
3. Projected sales volume and its base for next year. Explain the major factors that keep the Company’s projected sales volume to rise: continue to cultivate the retailing of communication products and distribution channels, maintain the leading position in communication products distribution, introduce more competitive smartphones and a more diverse portfolio of information and digital products. Via the Senaonline, the Company will integrate the Online and Offline businesses and receive the synergy from combining virtual and physical channels.

III. Cash Flow

(I) Liquidity analysis for the last 2 years:

Unit: NT$ thousand

	2025	2024	Amount increased (decreased)	Variation (%)
Beginning cash and cash equivalent balance	1,897,404	2,168,285	-270,881	-12.49%
Net cash inflows (outflows) from operating activities	391,169	903,512	-512,343	-56.71%
Net cash inflows (outflows) from investing activities	-14,223	-355,872	341,649	-96.00%
Net cash inflows (outflows) from financing activities	-388,533	-818,544	430,011	-52.53%
Ending cash and cash equivalent balance	1,885,814	1,897,404	-11,590	-0.61%

Analysis of variations exceeding 20%:

1. Net decrease in cash from operating activities: This was primarily attributable to changes in key items such as inventory and accounts receivable/payable, resulting in reduced cash.
2. Net increase in cash from investing activities: This was mainly due to higher cash outflows in the prior year related to investments accounted for using the equity method (cash capital increase in EnGenius).
3. Net increase in cash from financing activities: This was mainly attributable to an increase in short-term borrowings and a decrease in cash dividend distributions compared to the same period of the previous year.

(II) Cash liquidity analysis for the next year:

Unit: NT$ thousand

Beginning cash balance (1)	Annual net cash flows from operating activities (2) (Note)	Annual cash outflows (3) (Note)	Cash surplus (Deficit) (1)+(2)-(3)	Remedies for cash deficit	
				Plan for investing activities	Plan for financing activities
1,642,974	355,130	494,283	1,503,821	-	-

Note: the financial information above is the unconsolidated data projected by the Company and is not reviewed by the CPA.

1. Analysis of 2026 cash flows:
   - (1) Operating activities: Net income is projected for 2026 which will result in the net cash inflows from operating activities.
   - (2) Investing activities: Cash outflows mainly to support the capital expenditure for operating IT system and acquisition of equipment for retail stores.
   - (3) Financing activities: Mainly to support short-term capital needs.
2. Remedies and analyses for cash deficit: not applicable.

IV. Impacts on financial operations of any major capital expenditures during the most recent fiscal year: none.

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

(I) Investment policy for the most recent fiscal year: The Company's investment policy is oriented on the core business of sale and operation of the information and communication products and agency of property and life insurance.

(II) Analysis of losses or gains from investments: The Company's share of income from associates using the equity method in 2025 based on merging foundation is NT$ 101,807 thousand.

(III) Investment plans for the coming year: There is no investment plan for the coming year.

(IV) Improvement plan: Continue to control and reduce the expenses in order to improve overall operating performance.

VI. Risk assessment for the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report

(I) Impact of interest rate, exchange rate and inflation on the Company's earnings, and responsive measures.

1. Interest risk: The Company upholds the principles of prudence and conservativeness for its capital allocation plan and places emphasis on security. It evaluates currency market interest rate and financial information on a regular basis and, based on costs of fund and the potential return and risk, choose the most beneficial capital allocation plan as well as responsive measures.
2. Impact of change to the foreign exchange rate: Our profit from foreign exchange in 2025 based on the merging foundation was NT$3,120 thousand which posed limited impact on the company gains or losses.
3. Inflation risk: the change of inflation rate does not cause any material impact on the Company's operation and profitability.

(II) High-risk and highly leveraged investments, loans to third parties, endorsements / guarantees and derivatives trading

The main causes of any profits or losses incurred and future responsive measures:

1. Loans to third parties: Up till the publication date of this annual report, the Company does not have any loans to third parties.
2. Endorsements / guarantees: the Company only provides

endorsements and guarantees to subsidiaries in accordance with the Company's Endorsement and Guarantee Procedures.

3. Policy for derivatives trading: the Company places focus on development of core businesses and does not involve in any high-risk and high-leveraged investment or loans to third parties. All the investments were made with prudent evaluations. Loans to third parties, endorsements and guarantees, derivatives trading are conducted in accordance with the Company's "Procedures Governing the Acquisition or Disposal of Assets", "Procedures for Loans to Others", "Endorsement and Guarantee Procedures" and "Guidelines for Derivatives Trading" and relevant responsive measures.

(III) Future research and development plans and the projected expenses:

As a professional channel agent, the Company does not directly engage in product technology research and development; however, it remains committed to innovative transformation of its "business model," with the core objective of building a 360-degree comprehensive sales experience. Through the integration of physical stores with joint activities in commercial districts, supplemented by digital social tools such as LINE and Facebook to deepen community engagement, the Company transforms its stores from single-point sales locations into highly interactive service hubs. By leveraging digital tools to precisely manage customer segments within commercial districts, the Company has successfully optimized each touchpoint in the consumer shopping journey, ensuring consistent and high-quality professional services across an omnichannel environment.

In terms of digital transformation and e-commerce deployment, its online shopping platform "Senao Life (senaonline)" has deepened strategic cooperation with the parent company Chunghwa Telecom's Hami Point ecosystem. Through expansion of the points ecosystem and mutual benefit mechanisms, it effectively attracts cross-platform customer segments and significantly enhances customer stickiness. In addition, to strengthen the stability of its profit structure, the Company has introduced "subscription-based services" for health supplements and 3C consumables, aiming to advance toward a new retail model integrating physical and online channels, and to ensure stable recurring revenue in 2026, thereby achieving full integration of online and offline information flows, logistics, and cash flows.

(IV) The effect of major policy changes and legal practices, whether domestic or foreign, on the Company's financial operations and responsive actions: the Company has taken adequate measures targeting important domestic and overseas policy and law changes in recent years, which have no significant impact on our financial business.

(V) Financial impacts and responsive measures in the event of technological or industrial changes: The technological or industrial change did not materially impact the Company in the most recent year.

(VI) Impact on crisis management and responsive measures in the event of a change in corporate image: The Company owns a good corporate image and does not encounter any change that may cause crisis.

(VII) Expected benefits, risks and responsive measures of planned mergers or acquisitions: The Company does not have any planned merger or acquisition, so it is not applicable.

(VIII) Expected benefits, risks and responsive measures associated with plant expansions: The Company does not have any plan for plant expansion, so it is not applicable.

(IX) Risks and responsive measures associated with concentrated sales or purchases: The Company's suppliers are mainly the well-known international brands; meanwhile, the Company actively expend its business lines, so there are no risks associated with concentrated sales or purchases.

(X) Impacts and risks associated with major transfer of shares by directors, supervisors, or major shareholders with more than 10% ownership interest: none.

(XI) Effects, risks and responsive measures associated with a change in management: None.

(XII) Litigation and non-contentious cases: none.

(XIII) Other material risks and responsive measures: none.

VII. Other important matters: None

VI. Special Remarks

I. Information related to the Company’s affiliates

The Company's most recent annual consolidated business report, consolidated financial report of affiliated enterprises, and report on affiliated enterprises have been posted on the website designated by the Financial Supervisory Commission for information reporting. Please refer to the website: https://mopsov.twse.com.tw/mops/web/t57sb01_q10

II. Private placement of securities for the most recent fiscal year, and during the current fiscal year up to the date of publication of the annual report: none.

III. Other matters that require additional description: none.

IV. Occurrence of situations listed in subparagraph 2, paragraph 3 of Article 36 of the Securities and Exchange Act, which might materially affect shareholders’ equity or the price of the company’s securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

VII. Appendix

Contact information for the Company's operating offices

Office	Address
Head Office	2F., No.531, Zhongzheng Rd., Xindian Dist., New Taipei City
Taichung Office	3F., No.8, Huaxin St., North Dist., Taichung City
Chungli Office	No. 39, Section 2, Zhongshang East Road, Zhongli District, Taoyuan City
Hualien Office	1F., No.16, Sec. 1, Jianguo Rd., Ji'an Township, Hualien County
Tainan Office	No. 39, Sec. 2, Zhongshan E. Rd., Zhongli Dist., Taoyuan City
Chiayi Office	No.12, Zhongyi St., West Dist., Chiayi City
Minzu Office	7F., No.853, Minzu 1st Rd., Zuoying Dist., Kaohsiung City
Kaoshiung Wenxin Office	2F., No.262, Wenxin Rd., Gushan Dist., Kaohsiung City
North Regional Repairs Center	2F., No. 500, Fuxing 3rd Rd., Guishan Dist., Taoyuan City
Central Regional Repairs Center	23F.-3, No.925, Sec. 4, Taiwan Blvd., Xitun Dist., Taichung City
Taipei Minquan ASP	1F., No.102, Sec. 3, Xinyi Rd., Da'an Dist., Taipei City
Taipei Guanghua ASP	2, 3F., No.13, Sec. 1, Bade Rd., Zhongzheng Dist., Taipei City
Taoyuan Daye ASP	No. 347, Sec. 1, Daye Rd., Taoyuan Dist., Taoyuan City
Taichung Yizhong ASP	No.148, Sec. 3, Sanmin Rd., North Dist., Taichung City
Taichung Zhonggang ASP	23F.-2, No.925, Sec. 4, Taiwan Blvd., Xitun Dist., Taichung City
Tainan Zhonghua East ASP	No.201, Sec. 3, Zhonghua E. Rd., East Dist., Tainan City
Kaohsiung Arena ASP	No.45, Bo'ai 3nd Rd., Zuoying Dist., Kaohsiung City
Samsung Yilan Service Center	1F., No. 137, Singdong Rd., Luodong Township, Yilan County
Samsung Hualien Service Center	1F., No. 210-6, Linsen Rd., Hualien City
Samsung Taichung Zhonggang Service Center	23F.-3, No.925, Sec. 4, Taiwan Blvd., Xitun Dist., Taichung City