



Stock Code : 3675

# ERIS Technology Corporation

## 2025 Annual Report

### Notice to readers

*This English version annual report is a translation of the Mandarin version. This document is created for the sole purpose of the convenience for its non-Mandarin readers and is not an official document to represent the financial status of the Company per Taiwan law. Should any discrepancy arise between the English and Mandarin versions, the Mandarin version shall prevail.*

Taiwan Stock Exchange Market Observation Post System:

<http://newmops.twse.com.tw>

The Company's Annual Report is available at: <http://www.ERIS.com.tw>

Printed in May 27, 2025

**I. Spokesperson**

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Deputy Spokesperson: Rita Lee / Special Assistant to the Chairman  
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**II. Headquarters, Branches and Plant**Headquarters

Address: 6F., No.17, Lane 155, Sec. 3, Beishen Rd., Shenkeng Dist.,  
New Taipei City 22203, Taiwan

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Address: 1F、2F., No.51, Neixi Rd., Luzhu Dist., Taoyuan City 338, Taiwan

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**III. Common Share Transfer Agent and Registrar:**

Name of Agent: KGI Securities Corporation  
Address: 5/F, No. 2 Chung Ching South Road, Section 1, Taipei, Taiwan, ROC  
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Website: <https://www.kgi.com.tw>

**IV. Auditors for the Latest Financial Statements**

Name of Auditors: Jimmy Wu、Sabrina Liu  
CPA Firm: Deloitte Touche Tohmatsu International Taiwan  
Address: 20F, Taipei Nan Shan Plaza, No. 100,  
Songren Rd., Xinyi Dist., Taipei 11073, Taiwan  
Telephone: 886-2-2725 9988  
Website: <https://www2.deloitte.com.tw>

**V. Overseas Securities Exchange: NA****VI. Corporate Website** <https://www.eris.com.tw>

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## Letter to Shareholders

Dear Shareholders,

Looking at 2025, the global political and economic landscape continues to be influenced by uncertainties such as geopolitical conflicts, changes in tariff policies, and the restructuring of technology supply chains, all of which have ongoing impacts on global industrial development. As a critical strategic resource, the semiconductor industry's technological capabilities, degree of self-sufficiency, supply chain resilience, and operational efficiency have become key determinants of whether companies can achieve stable growth. In response to these challenges, Eris Tech. has continued to enhance product quality, optimize manufacturing costs, strengthen supply chain risk management, and promote talent optimization alongside rigorous financial management mechanisms. Guided by the principle of prudent operations, the Company remains focused on its core technologies and industry positioning, comprehensively enhancing operational strength while reinforcing its production capabilities and long-term competitive advantages.

In 2025, the Company further deepened its "Manufacturing Automation" strategy, significantly reducing unit production costs. Through a stringent quality management system, it ensures that all product lines meet the rigorous certification standards of leading international manufacturers, thereby further strengthening its market competitiveness. Building on the completion of the integration of old and new production capacities in the previous year, the Company has adopted an automation-driven production model. This transition has not only effectively reduced labor costs but also substantially improved production efficiency and process stability.

The Company hereby presents an overview of its 2025 operating performance, a summary of the 2026 business plan, and an outline of its future development strategies as follows:

### **(1) Review of 2025 Operating Performance**

1. Integration of New and Existing Production Capacity: The Company has completed the establishment of fully automated production lines, effectively reducing labor costs while improving production efficiency.
2. Mass Production of Next-Generation Products: The new small-signal product lines have completed validation and have fully entered a stable mass production phase.
3. Benefits from Foundry Integration: Products from upstream wafer foundries have been widely adopted in key application areas such as automotive electronics and AI servers.
4. Expansion of Market Channels: Leveraging the business networks of its subsidiaries, Yea Shin Technology and SecCos, the Company has successfully penetrated the domestic electronics industry ecosystem and secured major ODM customers in the high-end AI computing sector.

### **(2) Budget Execution Status**

ERIS did not publish any financial forecasts for the year 2025.

### (3) Financial income / expenditure and profitability analysis

Items		2025	2024	
Financial structure	Debt-to-asset ratio (%)	45.76	41.50	
	Long-term capital to fixed assets ratio (%)	147.52	178.47	
Profitability	Return on assets (%)	3.63	8.07	
	Return on shareholders' equity (%)	5.56	13.15	
	Occupancy capital ratio (%)	Operating Income	41.01	58.35
		Pre-Tax income	34.13	64.56
	Net income rate (%)	5.78	11.58	
Earnings per share (NTD)	2.67	8.34		

### (4) Research and Development Status

In 2025 and 2024, ERIS's R&D expenses amounted to NT\$320,687thousand and NT\$236,357thousand, respectively, accounting for 12.16% and 8.08% of annual revenue. The 2025 R&D spending was primarily allocated to the development of automated packaging processes, optimization of the integration of new and existing production capacities, installation of next-generation product line equipment, new product development, and the cultivation of R&D talent. Looking ahead, the Company will continue to focus on optimizing manufacturing processes, developing new products, and gradually enhancing automated production capabilities to maximize capacity utilization.

Items	Year	2025	2024
	Research Expense (thousand)		320,687
Net Revenues (thousand)		2,636,632	2,925,654
Percentage of R&D expenses relative to net revenue		12.16%	8.08%

### (5) Corporate Governance and Sustainability

Sustainable development is a core guiding principle of Eris's operations. Since its founding, the Company has regarded innovation, social responsibility, and environmental stewardship as its fundamental values. In addition to pursuing growth in its core business, the Company actively engages with stakeholders to maintain strong and positive relationships. Through continuous participation in social welfare initiatives and the development of an environmentally friendly supply chain, the Company fulfills its corporate citizenship responsibilities and strives toward sustainable operations.

Within its sustainable development framework for social well-being, Eris Technology has outlined four key focus areas for 2025: “Education Support and Talent Development,” “Care for the Underprivileged,” “Community Care,” and “Environmental Protection.”

- The Company’s commitment to social well-being also extends to providing a friendly and supportive workplace for its employees. In 2025, the Company organized domestic and overseas employee trips, arranged health check-ups, provided influenza vaccinations for employees, and continued to offer childcare subsidies as well as scholarships for employees’ children.
- Since 2009, the Company has continuously participated in the child sponsorship program of World Vision for 16 years without interruption. The Company expresses its sincere gratitude to employees for their enthusiastic and sustained involvement in supporting this meaningful initiative.
- Over the past four years, the Company has donated a total of NTD 4.5 million to Mackay Memorial Hospital Tamsui Branch Health Management Center, supporting community care equipment, dementia-friendly initiatives, and healthcare outreach programs in rural areas, thereby safeguarding the health of residents.
- The Company has sponsored National Taiwan University of Science and Technology in organizing the “Charity Golf Tournament for Love,” providing scholarships for outstanding underprivileged indigenous students.

As we coexist within a shared environment, Eris Technology upholds the spirit of empathy and caring for others as we would for ourselves. The Company is committed to giving back to society, building an environmentally friendly supply chain, and fulfilling its responsibilities as a corporate citizen. Through these efforts, Eris Technology aspires to contribute meaningfully to the protection of our planet.

## **(6) 2026 Business outlook**

Looking ahead, Eris Technology will continue to focus on its core semiconductor technologies while deepening its presence in existing markets and prudently evaluating opportunities in new applications and customer segments. The Company will prioritize enhancing product value, strengthen supply chain resilience, and advancing digital management to respond effectively to global industry changes, thereby creating stable and sustainable long-term business performance.

## **(7) Our Vision**

Since its establishment, Eris Technology has officially entered its 31st year, consistently upholding a core belief: “Focus on core business and pursue sustainable operations.” The Company firmly believes that this philosophy serves as the foundation for long-term sustainability. Guided by this principle, Eris Technology continues to accelerate its global expansion, strengthen its product portfolio, enhance key technologies, and build robust quality service systems and market positioning strategies. Through these efforts, the Company aims to maintain its competitive advantage and embrace a new era of growth.

In terms of sustainable development, the Company remains committed to the principle of “giving back to society what is taken from it.” Eris Technology will continue to advance toward its sustainability goals across four key pillars: corporate governance, environmental protection, social well-being, and innovation. Driven by its vision of “leveraging technological innovation to enhance the quality of life and the environment,” the Company actively collaborates with internal technical resources and external partners. By doing so, it strives to achieve both sustainable operations and profitable growth, laying a solid foundation as Eris Technology enters its fourth decade.

We would like to express our sincere gratitude to all shareholders for their long-standing support and encouragement. The management team and all employees of the Company will continue to work hard to create the greatest value for the Company and its shareholders.

*(Notice: This translation document is prepared in accordance with the Chinese version and is for reference only. In the event of any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.)*

Sincerely yours,

Chairman:  
President & CEO:  
Chief Financial Officer:

Jonathan Chang  
Wen-Yi Huang  
Doris Hsu

## II. Corporate Governance Report

### 2.1 Directors, Supervisors and Management Team

#### (1) Information on the Company's BOD members

As of May 01, 2026

Title/ Name	Nationality/ Country of Origin	Gender	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			
						Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman Jonathan Chang	R.O.C.	Male	2023/08/21	3	1995/08/08	1,171,332	2.64%	1,455,283	2.74%	NA	NA	NA	NA	CEO, ERIS Corp. NTU EMBA	CEO, ERIS Corp. Representative of Overseas subsidiary affair. YeaShin Technology Co. Ltd. Chairman SeCos Corp. Chairman	NA	NA	NA	
Diodes Holdings UK.	UK	NA	2023/08/21	3	2011/10/11	22,687,604	51.07%	27,925,357	52.63%	NA	NA	NA	NA	Diodes Inc.(NASDAQ)100% Shareholders	NA	NA	NA	NA	
Representative Gary Yu	R.O.C.	Male				NA	NA	NA	NA	NA	NA	NA	NA	NA	Master of Science in Communications Engineering, Southern Methodist University MBA, University of Texas at Dallas.	President of Group at Diodes Inc. Diodes Inc.of Group the BOD and Manager.	NA	NA	NA
Representative Maxine Lei	R.O.C.	Female				NA	NA	NA	NA	NA	NA	NA	NA	NA	Bachelor of Economics, Soochow University Master of Science, Institute of Technology Management, National Chengchi University	CFO of DIODES TAIWAN LLC, TAIWAN BRANCH(USA)	NA	NA	NA
Representative Patricia Hwang	R.O.C.	Female				NA	NA	NA	NA	NA	NA	NA	NA	NA	Graduated with a Master of Accounting degree from the University of Texas at Austin. Certified Public Accountant (CPA) in the United States.	Director of Investment & Portfolio Management of DIODES TAIWAN LLC, TAIWAN BRANCH(USA)	NA	NA	NA
Independent Director Jackie Ding	R.O.C.	Female	2023/08/21	3	2010/01/19	NA	NA	NA	NA	NA	NA	NA	NA	(Retire)VP of SIMPLO TECHNOLOGY CO., LTD.	NA	NA	NA	NA	
Independent Director Kun Shan Lin	R.O.C.	Male	2023/08/21	3	2014/10/11	NA	NA	NA	NA	NA	NA	NA	NA	(Retire)Consultant of NUVOTON TECHNOLOGY CORPORATION	NA	NA	NA	NA	
Independent Director Ed Tang	R.O.C.	Male	2023/08/21	3	2020/10/15	NA	NA	NA	NA	NA	NA	NA	NA	(Retire) Vice president of Texas Instruments, US	NA	NA	NA	NA	

Major shareholders of the institutional shareholders

As of May 1, 2026

Name of Institutional Shareholders	Major Shareholders
Diodes Holdings UK	Diodes Incorporated (100%)

Major shareholders of the Company's major institutional shareholders

As of May 1, 2026

Name of Institutional Shareholders	Major Shareholders
Diodes Incorporated	BlackRock Inc (14.7%) · FMR LLC (13.7%) · The Vanguard Group(12.3%)

Disclosure of information regarding directors' professional qualifications and the independence of independent directors:

Condition/Name	Professional qualifications and experience	Independence Case	Number of companies that also serve as independent directors of other publicly listed companies
Jonathan Chang	The company's chairman holds a Master's degree in Business Administration from the EMBA program at National Taiwan University and a Bachelor's degree in Industrial Management from National Taiwan University of Science and Technology. His expertise lies in financial and investment analysis and management, operations management, industrial engineering quality management, discrete component manufacturing/sales operations and wafer development innovation, and diode automation equipment, among other areas where he has extensive managerial experience.	Chairman and Chief Strategy Officer of the Company and Legal Representative of Overseas Subsidiaries, Chairman of Yea shin Technology (Group) Co., Ltd. and SeCos Co., Ltd.	0
Representative Gary Yu	The company's legal representative holds a Master's degree in Communications Engineering from Southern Methodist University and an MBA from the University of Texas at Dallas. He possesses professional managerial experience in areas such as financial management, global operations management, international semiconductor sales management, and resource allocation.	CEO and President of Diodes Inc. Director and Manager of Diodes Inc.	0
Representative Maxine Lei	The company's legal representative holds a Bachelor's degree in Economics from Soochow University and a Master's degree in Technology Management from National Chengchi University. His expertise lies in accounting, finance, and general economic analysis, and he has many years of experience in these fields.	CFO of DIODES TAIWAN LLC, TAIWAN BRANCH(USA)	0
Representative Patricia Hwang	Our legal representative holds a Master's degree in Accounting from the University of Texas at Austin and is a certified public accountant (CPA) in the United States. Their expertise lies in global accounting, finance, investment analysis, and taxation, and they have many years of professional experience in these fields.	Director of Investment Department, DIODES TAIWAN LLC, TAIWAN BRANCH(USA)	0
Jackie Ding	The company's independent director is a graduate of the Accounting Institute of National Chengchi University and has extensive business experience, including a retired assistant manager at the Semiconductor Asia Operations Headquarters of Philips Electronics (SJM). His expertise lies in global financial accounting and investment analysis, business management, and he has many years of experience in these areas.	Her spouse, nor any of her relatives within two degrees of kinship serve as directors, supervisors, or employees of the company or its related enterprises; she does not hold any shares in the company; she has not provided business/legal/financial services; she is independent and does not hold any other positions in other companies; and she does not hold any shares in the company.	0
Kun Shan Lin	Our independent director holds a Ph.D. in Electrical Engineering from the University of New Mexico, and is a retired Vice President of Texas Instruments and a retired Senior Consultant at Nuvoton Technology. He is a professional manager with extensive experience in global semiconductor operations and management.	His spouse, nor any of his relatives within two degrees of kinship serve as directors, supervisors, or employees of the company or its related enterprises; he does not hold any shares in the company; he has not provided business/legal/financial services; he is independent and does not hold any other positions in other companies; and he does not hold any shares in the company.	0
Ed Tang	Our independent director holds a Master's degree in Electrical Engineering from Methodist University in Southern Texas and is a retired Vice President from Texas Instruments. He possesses extensive professional management experience in global international semiconductor operations management, global administrative operations, business management, and investment analysis.	His spouse, nor any of his relatives within two degrees of kinship serve as directors, supervisors, or employees of the company or its related enterprises; he does not hold any shares in the company; he has not provided business/legal/financial services; he is independent and does not hold any other positions in other companies; and he does not hold any shares in the company.	0

Professional qualifications and independence analysis of directors and supervisors

Name	Meet One of the Following Professional Qualification Requirements, Together with at Least Five Years Work Experience			Independence Criteria(Note)												Number of Other Taiwanese Public Companies Concurrently Serving as a Compensation Committee Member
	An Instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Department Related to the Business Needs of the Company in a Public or Private Junior College, College or University	A Judge, Public Prosecutor, Attorney, Certified Public Accountant, or Other Professional or Technical Specialist Who has Passed a National Examination and been Awarded a Certificate in a Profession Necessary for the Business of the Company	Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	1	2	3	4	5	6	7	8	9	10	11	12	
Jonathan Chang			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	NA
Representative of DIODES HOLDINGS UK.: Gary Yu			✓			✓	✓			✓	✓	✓	✓	✓		NA
Representative of DIODES HOLDINGS UK: Maxine Lai			✓			✓	✓			✓	✓	✓	✓	✓		NA
Representative of DIODES HOLDINGS UK: Patricia Hwang			✓			✓	✓			✓	✓	✓	✓	✓		NA
Jackie Ding			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA
Kun Shan Lin			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA
Ed Tang			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA

Note: All board members met with the following conditions for the two years leading up to assuming their posts and while they held their posts.

Please place a tick mark "✓" in the box under number that represents their situation.

(1) Not an employee of the Company or its affiliated companies

(2) Not a director or supervisor of the Company's affiliates (unless the person is an independent director of the Company, the Company's parent company or any subsidiary of the Company)

- (3) Not a shareholder whose total holdings, including those of his/her spouse and minor children, or shares held under others' names, reach or exceed 1 percent of the total outstanding shares of the Company or rank among the top 10 individual shareholders
- (4) Not a spouse, relative of second degree or closer, or direct blood relative of third degree or closer to the managers listed in (1) and persons listed in (2) or (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds more than 5% of the total issued shares of the Company, a top-five shareholder, or authorized representative to be a director or supervisor of the Company in accordance with Article 27, Paragraph 1 or 2 of the Company Act (however, this does not apply when serving concurrently and mutually as independent director established by the Company and its parent company, subsidiary, or subsidiary of the same parent company in accordance with provisions hereof or local laws and regulations).
- (6) Not a director, supervisor, or employee of another company where more than half of the director positions or voting shares of that other company and the Company are controlled by the same person (however, this does not apply when serving concurrently and mutually as independent director established by the Company or its parent company, subsidiary, or subsidiary of the same parent company in accordance with provisions hereof or local laws and regulations).
- (7) Not a director (managing director), supervisor (managing supervisor) or employee of another company or institution where any of its chairmen, presidents, or other equivalent positions are served by the same person or is the spouse of the Company's chairmen, presidents, or other equivalent positions (however, this does not apply when serving concurrently and mutually as independent director established by the Company and its parent company, subsidiary, or subsidiary of the same parent company in accordance with provisions hereof or local laws and regulations).
- (8) Not a director (managing director), supervisor (managing supervisor), manager, or shareholder with 5% or more shareholding of a specific company or institution with which the Company has financial or business dealings (however, this does not apply when serving concurrently and mutually as independent director established by the Company and its parent company, subsidiary, or subsidiary of the same parent company in accordance with provisions hereof or local laws and regulations, if that specific company or institution holds no less than 20%, but no more than 50%, of the total issued shares of the Company).
- (9) Not a professional who provides auditing to the Company or its affiliates, or a professional who provides commercial, legal, financial, accounting, or related services to the Company or its affiliates with a total remuneration of less than NT\$500,000 in the past two years, nor is an owner, partner, director (managing director), supervisor (managing supervisor), or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides such services to the Company or its affiliates. However, this does not apply to members of the Remuneration Committee, Public Tender Offer Review Committee or Special Committee for Merger/Consolidation and Acquisition who perform their functions in accordance with laws relevant to the Securities and Exchange Act or the Business Mergers And Acquisitions Act.
- (10) Not a spouse or relative within second degree by affinity to other directors
- (11) Not in contravention of Article 30 of the Company Act
- (12) Not an institutional shareholder or its representative pursuant to Article 27 of the Company Act

(2) Management Team

As of May 1, 2026

Title	Nationality/ Country of Origin	Name	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
				Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman	R.O.C.	Jonathan Chang	1995.08.08	1,455,283	2.74%	NA	NA	NA	NA	CEO, ERIS Corp. NTU EMBA	CEO, ERIS Corp. Representative of Overseas subsidiary affair. YeaShin Technology Chairman, SecCos Corporation Chairman	NA	NA	NA
President	R.O.C.	Wenyi Huang	2019.01.26	NA	NA	NA	NA	NA	NA	B.S. in IE Nan Jeon University of Science and Technology	NA	NA	NA	NA
Financial accounting Manager	R.O.C.	Doris Hsu	2008.04.01	70,866	0.13%	1,742	0.00%	NA	NA	BS in Accounting Chung Yuan Christian University	NA	NA	NA	NA
Internal Auditor (Notes)	R.O.C.	Alice Wu	2025.04.28	NA	NA	NA	NA	NA	NA	BS in Accounting Feng Chia University	NA	NA	NA	NA

Note 1: Mr. Chang, who also served as General Manager, was relieved of his duties on December 31, 2025.

Note 2: Mr. Huang was appointed as the new President on December 31, 2025.



(2) Supervisor's Remuneration: Not Applicable

Remuneration Range Table: Not Applicable (Our company adopts an audit committee system)

(3) Remuneration of the President and Vice President

Unit: NT\$ thousands / As of December 31, 2025

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Profit Sharing- Employee Bonus (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration received from all investee companies (other than subsidiaries) or the parent company
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
Chairman	Jonathan Chang (1)													
President	Wenyi Huang (2)	9,804	12,144	0	0	4,761	5,831	817	0	1,097	0	15,382 10.72%	19,072 13.29%	0
Vice President	Calvin Chu (3)													

Note 1: Mr. Chang (who concurrently served as General Manager) was dismissed on December 31, 2025.

Note 2: Mr. Huang was appointed as the new General Manager on December 31, 2025.

Note 3: Mr. Chu was dismissed on December 26, 2025.

Range of Remuneration	Name of President and Vice President	
	The company	Companies in the consolidated financial statements
Under NT\$ 2,000,000	-	-
NT\$2,000,001 ~ NT\$5,000,000	Calvin Chu 、Wenyi Huang	Wenyi Huang
NT\$5,000,001 ~ NT\$10,000,000	Jonathan Chang	Jonathan Chang 、Calvin Chu
Over NT\$10,000,000	0	0
Total	3	3

(4) Managers and employee bonuses

Unit: NT\$ thousands / As of December 31, 2025

Title	Name	Employee Bonus - in Stock (Fair Market Value)	Employee Bonus - in Cash	Total	Ratio of Total Amount to Net Income (%)
President	Jonathan Chang (1)	None	1,433	1,433	1.00%
President	Wenyi Huang (2)				
Vice President	Calvin Chu (3)				
Quality Division Manager	Mac Huang (4)				
Financial accounting Manager	Doris Hsu				

Note 1: Mr. Chang (who concurrently served as General Manager) was dismissed on December 31, 2025.

Note 2: Mr. Huang was appointed as the new General Manager on December 31, 2025.

Note 3: Mr. Chu was dismissed on December 26, 2025.

Note 4: Mr. Mac Huang was dismissed on December 26, 2025.

(5) Comparison of Remuneration for Directors, Supervisors, Presidents and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, Presidents and Vice Presidents

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

Unit: NT\$ thousands

Title	Total remuneration paid to directors, supervisors, presidents and vice president and to net income (%)							
	2024				2025			
	Parent Company only	%	All of companies in financial statements	%	Parent Company only	%	All of companies in financial statements	%
Board of Directors	2,780	0.63	2,780	0.63	2,750	1.92	2,750	1.92
presidents and vice president	16,757	3.81	18,169	4.13	14,563	10.15	20,008	13.95

B. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance.

The compensation to directors and other key management personnel were determined by the Remuneration Committee of the Company in accordance with the individual performance and the market trends.

The compensation is measured based on the employee's personal achievements, contribution made to the business operation, and the market averages. It has a positive correlation with the performance of the Company's business.

## 2.3 Implementation of Corporate Governance

### (1) Board of Directors

The number of board meetings in the most recent year (2025) and 2026 as of the printing date of this annual report is 9 [A]. The attendance (attendance) of directors is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B/A 】	Remarks
Chairman	Jonathan Chang	9	0	100	
Director	Representative of DIODES HOLDINGS UK: Gary Yu	8	0	88.89	
Director	Representative of DIODES HOLDINGS UK: Maxine Lai	9	0	100	
Director	Representative of DIODES HOLDINGS UK: Patricia Hwang	9	0	100	
Independent director	Jackie Ding	9	0	100	
Independent director	Kun Shan Lin	9	0	100	
Independent director	ED Tang	9	0	100	

#### Other mentionable items:

1. If there are circumstances referred to in Article 14-3 of the Securities and Exchange Act and resolutions of the directors' meetings objected to by independent directors or subject to qualified opinion and recorded or declared in writing, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified: None
2. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None
3. TWSE/TPEX listed companies shall disclose information such as evaluation cycle and period, evaluation scope:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation result
Once per year	2025/01/01- 2025/12/31	Performance evaluation of the overall board of directors.	Self- evaluation by individual Board members.	Overall condition is excellent

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

(2) Audit Committee ( or Attendance of Supervisors at Board Meetings )

A. Audit Committee

A total of 8 (A) Audit Committee meetings were held in the previous period. The attendance of the independent directors was as follows:

The number of Audit Committee in the most recent year (2025) and 2026 as of the printing date of this annual report is 8 [A]. The attendance (attendance) of directors is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B/A 】	Remarks
Independent Director/ Convener	Jackie Ding	8	0	100	
Independent director/ Committee Members	Kun Shan Lin	8	0	100	
Independent director/ Committee Members	ED Tang	8	0	100	

Other mentionable items:

1. If there are the circumstances referred to in Article 14-5 of the Securities and Exchange Act and resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified:  
None
2. If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None
3. Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. the items, methods and results of audits of corporate finance or operations, etc.)
  - (1)The internal auditors have communicated the result of the audit reports to the members of the Audit Committee periodically, and have presented the findings of all audit reports in the quarterly meetings of the Audit Committee. Should the urgency of the matter require it, the Company's chief internal auditor will inform the members of the Audit Committee outside of the regular reporting. The communication channel between the Audit Committee and the internal auditor has been functioning well.
  - (2)The Company's CPAs have presented the findings or the comments for the quarterly corporate financial reports, as well as those matters communication of which is required by law, in the regular quarterly meetings of the Audit Committee. Under applicable laws and regulations, the CPAs are required to communicate to the Audit Committee any material matters that they have discovered. The communication channel between the Audit Committee and the CPAs has been functioning well.

(3) Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status <sup>1</sup>			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Company has established the 'Corporate Governance Best Practice Principles' with reference to the 'Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies,' which was approved by the Board of Directors on April 19, 2023. This is to effectively implement the spirit of corporate governance, maximize shareholders' interests, and ensure sustainable business operations. For details regarding the Company's corporate governance practices, please refer to the 'Corporate Governance Report' section of this annual report. The actual implementation does not differ significantly from the 'Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.'	None
2. Shareholding structure & shareholders' rights (1) Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?  (2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?  (3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?  (4) Does the company establish internal rules against insiders trading with undisclosed information?	✓		In order to ensure the rights and interests of shareholders, the company has set up spokespersons and acting spokespersons, and has a dedicated unit responsible for shareholder suggestions, doubts, disputes and other matters. If the dispute involves legal issues, they will be handled by legal advisors.  The Company has access to the list of major shareholders and their ultimate control.  The company has internal procedures related to reinvestment management and inter-company operations, business and financial transactions, subsidiary supervision and management procedures, endorsement and guarantee procedures, fund lending procedures to others, and procedures for acquiring or disposing of assets. Measures should be taken to establish appropriate risk control mechanisms and firewall mechanisms.  The company has established "Insider Trading Prevention Management Procedures" to prohibit company insiders from using undisclosed information in the market to buy and sell securities. When new directors and managers take office, the company will provide relevant normative information for education and promotion; and every time a board meeting notice is sent, or when the company raises funds or issues new shares, it will remind insiders of the necessary procedures. Avoid buying and selling the company's stocks to implement policies to prevent insider trading.  The Company also stipulates in Article 10 of the Company's Code of Practice (Prevention of Insider Trading Matters) that directors and managers are not allowed to disclose information 30 days before the announcement date of the annual financial report and 15 days before the announcement date of the quarterly financial report (hereinafter referred to as the closed	None

Evaluation Item	Implementation Status <sup>1</sup>			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			period). trades the company’s stocks or other equity securities it holds.	
<p>3. Composition and Responsibilities of the Board of Directors</p> <p>(1) Does the Board develop and implement a diversified policy for the composition of its members?</p> <p>(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?</p> <p>(3) Does the company establish a standard to measure the performance of the Board, and implement it annually?</p> <p>(4) Does the company regularly evaluate the independence of CPAs?</p>	✓		<p>The Company has clearly defined the diversity policy for board members in Article 19 of the "Corporate Governance Code of Practice". Please refer to the "Board Diversity and Independence" chapter for relevant specific management objectives and implementation.</p> <p>The company has established a salary and remuneration committee and an audit committee to strengthen corporate governance functions. In order to enhance the functions of the board of directors and functional committees, performance targets are clearly defined to improve operational efficiency. In the future, other functional committees will be added based on the needs of the company's operating scale.</p> <p>In order to implement corporate governance, improve the functions of the board of directors, establish performance goals and enhance the operational efficiency of the board of directors, the company has formulated the "Measures for the Performance Evaluation of the Board of Directors and the Performance Evaluation of Functional Committee Members". According to the provisions of the method, the board of directors and functional committees should conduct an annual evaluation For performance evaluation, the evaluation period starts from January 1st to December 31st of the current year, and the report should be completed before the end of the first quarter of the next year.</p> <p>The company has completed the performance evaluation results of board operations and self-evaluation of board members from January 1, 2025 to December 31, 2025, and has also completed the performance evaluation of functional committees (audit committee and remuneration committee). The evaluation results are all "Excellent". The above performance evaluation results have been reported to the board of directors on February 25, 2026, and will be uploaded to the Public Information Observation Station before March 30, 2026.</p> <p>Our company's certified accountants have recused themselves from those who have direct or indirect interests in the matters assigned and themselves. The company evaluates the qualifications and independence of accountants through the "Audit Committee" every year. The company relies on the audit quality indicators (AQIs) and independence statement provided annually by the certified accountants of Qinye United Accounting Firm, and refers to the Accounting Law and Accountant Professional Ethics Bulletin No. 10 "Integrity,</p>	None

Evaluation Item	Implementation Status <sup>1</sup>			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons																								
	Yes	No	Abstract Illustration																									
			<p>impartiality, objectivity and independence" Regarding the content of "Independence", the accountant evaluation items are formulated as follows. The evaluation results have not found any violations of independence, and the rotation of certified accountants is also handled in compliance with relevant regulations.</p> <table border="1"> <thead> <tr> <th>Evaluation Items</th> <th>Evaluation result</th> </tr> </thead> <tbody> <tr> <td>Whether the appointed accountant has no direct or indirect significant financial interest in the company.</td> <td>conform to</td> </tr> <tr> <td>Whether the appointed accountant has any inappropriate interest in the company.</td> <td>conform to</td> </tr> <tr> <td>Whether the appointed accountant has not served the company within two years before practicing (if so, the applicant shall not be checked to provide financial statement services for the company.)</td> <td>conform to</td> </tr> <tr> <td>Whether there is no appointed accountant to use the account in his own name for others.</td> <td>conform to</td> </tr> <tr> <td>Whether the appointed accountants and audit service team members do not hold shares in the company.</td> <td>conform to</td> </tr> <tr> <td>Whether there is no money loan between the appointed accountant and the company.</td> <td>conform to</td> </tr> <tr> <td>Whether there is no joint investment or interest-sharing relationship between the appointed accountant and the company.</td> <td>conform to</td> </tr> <tr> <td>Whether the appointed accountant does not concurrently perform regular work of the company, receive a fixed salary or serve as a director.</td> <td>conform to</td> </tr> <tr> <td>Whether the appointment of accountants does not involve the company's decision-making management functions.</td> <td>conform to</td> </tr> <tr> <td>Whether the appointed accountant does not receive any commission related to the business.</td> <td>conform to</td> </tr> <tr> <td>Whether the appointed accountant does not have a spouse, direct blood relative, direct marriage relative, or second blood</td> <td>conform to</td> </tr> </tbody> </table>	Evaluation Items	Evaluation result	Whether the appointed accountant has no direct or indirect significant financial interest in the company.	conform to	Whether the appointed accountant has any inappropriate interest in the company.	conform to	Whether the appointed accountant has not served the company within two years before practicing (if so, the applicant shall not be checked to provide financial statement services for the company.)	conform to	Whether there is no appointed accountant to use the account in his own name for others.	conform to	Whether the appointed accountants and audit service team members do not hold shares in the company.	conform to	Whether there is no money loan between the appointed accountant and the company.	conform to	Whether there is no joint investment or interest-sharing relationship between the appointed accountant and the company.	conform to	Whether the appointed accountant does not concurrently perform regular work of the company, receive a fixed salary or serve as a director.	conform to	Whether the appointment of accountants does not involve the company's decision-making management functions.	conform to	Whether the appointed accountant does not receive any commission related to the business.	conform to	Whether the appointed accountant does not have a spouse, direct blood relative, direct marriage relative, or second blood	conform to	
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	Yes	No	Abstract Illustration	
			relationship with the person in charge or manager of the company, or any collateral blood relationship.	
			Is there any situation where the company has not served as the lead accountant for financial statement verification and certification for the company for more than 7 years?	conform to
4. Has the TWSE/TPEX listed company been equipped with competent and appropriate numbers of corporate governance personnel, and designated a CGO responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with the information required for business execution, assisting directors and supervisors with legal compliance, handling matters related to board meetings and shareholders meetings in accordance with the law, and producing meeting minutes for board of directors meetings and shareholders meetings)?	✓		<p>The company has adopted a resolution of the board of directors on April 19, 2023 to establish a corporate governance manager in accordance with the regulations of the competent authority. The main responsibilities of the corporate governance manager include the following:</p> <ol style="list-style-type: none"> <li>(1) Handle matters related to board of directors and shareholders’ meetings in accordance with the law.</li> <li>(2) Prepare minutes of board of directors and shareholders meetings.</li> <li>(3) Assist directors in taking office and continuing their education.</li> <li>(4) Provide the directors with the information they need to carry out their business.</li> <li>(5) Assist directors to comply with laws.</li> <li>(6) Other matters stipulated in the company's articles of association or contract, etc.</li> </ol> <p>The company's corporate governance-related business execution status in 2025 is as follows:</p> <ol style="list-style-type: none"> <li>1. Formulate meeting agendas of the Board of Directors, Audit Committee, and Salary and Remuneration Committee, and prepare meeting materials; if the subject matter is related to interested parties, give prior reminders to the parties that they need to avoid interests. In 2025, 6 meetings of the board of directors, 5 meetings of the audit committee, and 2 meetings of the salary and remuneration committee were completed.</li> <li>2. Assisted the company's shareholders' meeting held on May 28, 2015.</li> <li>3. Responsible for the announcement of important information regarding important resolutions of the board of directors and shareholders' meeting, and release important information in accordance with the law.</li> <li>4. A six-hour course was arranged for all directors, general managers, corporate governance executives, and managers to attend, with the topics being "Overall Industry Environment Outlook and Analysis of Semiconductor Policy and Industry Competition and Cooperation" and "The Impact of Tariffs on the US, Taiwan, and Global Economies."</li> <li>5. Arrange for independent directors to communicate with the internal auditor and CPA at</li> </ol>	

Evaluation Item	Implementation Status <sup>1</sup>			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>quarterly audit committee meetings.</p> <p>6. On July 29, 2015, the Sustainability Office reported to the Board of Directors on the results of its sustainability implementation for the year, the analysis of major themes, and the communication with stakeholders.</p> <p>7. Handle the performance evaluation of the board of directors in 2025, and upload the performance evaluation results to the public information observatory before March 30, 2026. The board of directors report on February 25, 2026.</p>	
5. Does the company establish a communication channel and build a designated section on its website for involved parties (including but not limited to shareholders, employees, customers and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		The company follows the Global Sustainability Reporting Standards (GRI Standards) and the reference stakeholder engagement standards (AA1000 Stakeholder Engagement Standards) to construct a material identification process for corporate sustainable development, which serves as the basis for the disclosure of corporate sustainability reports. In order to effectively communicate with various stakeholders, Eris refers to the five principles of AA1000 SES to identify stakeholder negotiation standards: dependence, responsibility, influence, multiple perspectives and tension, and divides stakeholders into five equal scores. Five groups: customers, employees, shareholders/investors, suppliers/contractors, government/competent authorities, etc. The company has also set up a stakeholder area and contact information for relevant corresponding units on the ESG official website, and has properly responded to stakeholders' concerns about corporate sustainability, social responsibility, and other related issues.	None
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company designates KGI Securities Co.Ltd. Registrar Dep. to deal with shareholder affairs.	None
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance? (2) Does the company have other information disclosure channels (e.g. building an	✓		The Company has set up a Chinese/English website (www.ERIS.com.tw) to disclose information regarding the Company's financials, business and corporate governance status. The company's website contains information in both Chinese and English, and the responsible unit is responsible for the collection and disclosure of company information.	None

Evaluation Item	Implementation Status <sup>1</sup>			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?</p> <p>(3) Does the company announce and report the annual financial report within two months after the end of the fiscal year, and announce and report the financial report for the first, second and third quarters and the operating conditions of each month before the specified deadline?</p>			<p>Set up spokespersons and acting spokespersons, and implement the spokesperson system. Regular and irregular corporate briefings are held and disclosed on the company's website and the exchange's audio-visual communication network</p> <p>The company is currently reporting financial reports and monthly operations in accordance with the specified date of "Occupational Listed Companies"; the company has announced and reported the annual financial report within two months after the end of the fiscal year, and announced the annual financial report before the specified deadline. quarterly financial report. Important financial figures and XBRL information will be announced on the day the board of directors approves the financial report, and the complete financial report e-book will be announced on the next day. The Company had announced and submitted its quarterly financial reports and monthly operating status for 2025 ahead of the stipulated deadline, and the 2025 annual financial report was approved by the Board of Directors on February 25, 2026.</p>	
<p>8. Does the company have other important information that is helpful to understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of stakeholders, training of directors and supervisors, risk management) The implementation of policies and risk measurement standards, the implementation of customer policies, the company's purchase of liability insurance for directors and supervisors, etc.)?</p>	✓		<p>1.Employee rights and employee care: Set up an employee welfare committee, implement a pension system to protect the rights and interests of employees, and hold quarterly labor-management meetings to coordinate labor-management relations. The company also plans employee group insurance, regular health checks, and conducts various employee education and training. The company attaches great importance to the physical and mental health and learning and development of each employee.</p> <p>2.The company has established an employee welfare committee and implemented a retirement pension system to protect employee rights. It also holds quarterly labor-management meetings to coordinate labor relations. Furthermore, the company plans group insurance for employees, provides regular health checkups, and conducts various employee training programs. The company values the physical and mental health and professional development of every employee.</p> <p>3. Investor Relations: The main task of the company's investor relations department is to provide global investors with the latest company information. Investors learn about the latest developments and decision-making motives of the company through the Investor Relations Department. The main purpose is to strengthen the communication between the</p>	None

Evaluation Item	Implementation Status <sup>1</sup>			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>company and investors, increase the transparency of finance and corporate governance, and build a good corporate image.</p> <p>4.Situation of Directors’ Further Education: On October 30, 2025, the Company arranged a 6-hour training session for all directors, the general manager, the corporate governance officer, and other internal managers. The topics covered were "Overall Industry Environment Outlook and Semiconductor Policy and Industry Competition and Cooperation Analysis" and "The Impact of Tariffs on the US, Taiwan and Global Economies".</p> <p>5.Implementation Status of Risk Management Policies and Risk Measurement Standards: The company established a Risk Control Center in May 2024 to ensure that all major company decisions are submitted to the Audit Committee or Board of Directors for resolution.</p> <p>Implementation Status of Risk Management Policies and Risk Measurement Standards: The company established a Risk Control Center in May 2024 to ensure that all major company decisions are submitted to the Audit Committee or Board of Directors for resolution.</p> <p>Comprehensive enterprise-level and operational-level risk identification is conducted. These risks include, but are not limited to, operational risks, market risks, legal compliance risks, environmental risks, climate change risks, operational risks, and other operation-related risks. Through bottom-up and top-down analysis and discussion, potential risk events that may prevent the company from achieving its objectives, cause losses, or have negative impacts are comprehensively identified. Based on the company's strategic objectives, the perspectives of internal and external stakeholders, risk appetite, and available resources, risk response strategies or risk mitigation plans are selected and implemented. The Risk Control Center personnel, together with relevant personnel from various operating units, continuously monitor these measures and report to the Risk Control Team as needed to ensure the implementation of internal control mechanisms.</p> <p>Supervise all units and subsidiaries within the company to conduct internal control self-assessments. The auditing unit reviews the self-assessment reports of each unit and</p>	

Evaluation Item	Implementation Status <sup>1</sup>			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>subsidiary, and issues an internal control system statement annually, including any internal control deficiencies and irregularities found and the progress of improvements.</p> <p>6.Implementation of consumer or customer protection policy: Implement quality policy in accordance with ISO standards.</p> <p>7.The Company’s Purchase of Liability Insurance for Directors and Supervisors and Its Social Responsibility: The Company’s directors uphold the principle of integrity in management and have not been involved in any litigation or illegal activities. Liability insurance has been purchased for directors and independent directors (For the year 2026, the insured amount is USD 5 million. A summary of the key terms of the insurance policy was reported to the Board of Directors on February 25, 2026).</p> <p>8.Code of Conduct for Directors and Managers, Code of Conduct for Employees (please refer to Chinese version of pages 43-45)</p> <p>9.Supplier relationship: In order to maintain the company's long-term advantages in new technology research and development, quality control and price competition, and sufficient supply, and to provide green products that meet energy conservation and environmental protection, and on the basis of integrity, audit and management of suppliers are carried out to confirm that suppliers are in In compliance with various environmental protection treaties and social responsibilities, we can continue to provide products that meet the company’s standards and have competitive prices. The company will continue to uphold the spirit of mutual trust and mutual benefit for suppliers, in order to grow together with Eris and create Win-win.</p> <p>10.Rights of interested parties: Depending on the situation, the company instructs the departments including investor relations, public relations, stock affairs, legal affairs and other departments to communicate with stakeholders, and there are spokespersons and contact information for</p>	

Evaluation Item	Implementation Status <sup>1</sup>			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			relevant business departments on the company's website.	

9. Please explain the improvement situation in the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year, and propose priority enhancements and measures for those who have not yet improved.

As per the instructions from the competent authority, we have carried out corporate governance-related matters.

We continued to conduct performance evaluations of functional committees in 2025, and reported to the Board of Directors on February 25, 2026. The results of this performance evaluation were uploaded by March 30, 2026. The operation and annual work priorities of the functional committees (Audit Committee and Remuneration Committee) will also be disclosed in the annual report and on the company website. The company has issued the Fifth edition before August 31, 2025.

The company's report has been Upload the Chinese and English versions of the electronic files to the Public Information Observatory for distribution, and establish a sustainability report area on the company's official website. The reporting cycle is once a year.

10. Other important information on the operation of corporate governance:

(1) The company purchases liability insurance for directors and managers

The company's insurance amount for 2026 is US\$5,000 thousand, and the important details of the insurance will be reported to the board of directors.

(2) Directors' and supervisors' training records:

Title	Name	Training hours	Study period		Sponsoring Organization	Course
			From	To		
Directors	Jonathan Chang	6 H	2025/10/30	2025/10/30	(Taiwan) Corporate Governance Association	Overall Industry Environment Outlook and Analysis of Semiconductor Policy and Industry Competition and Cooperation.
	Gary Yu					
	Maxine Lai					
	Patricia Hwang					
Independent directors	Jackie Ding	6 H	2025/10/30	2025/10/30	(Taiwan) Corporate Governance Association	The impact of tariffs on the economies of the United States, Taiwan, and the world.
	Kun Shan Lin					
	Ed Tang					

- Operation of risk management

The purpose of the company's risk management policy is to discover in advance the risk factors that are sufficient to adversely affect the operation, and after appropriate assessment procedures and processing procedures, the risks can be transformed, reduced, and then the occurrence of losses can be prevented; Changes in the external environment can detect and warn of risks in a timely manner, so that colleagues in various locations around the world can implement risk management in a timely manner

Evaluation Item	Implementation Status <sup>1</sup>			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>within the scope of business. In accordance with the "Public Issuing Companies Establishing Internal Control System Handling Standards" and relevant laws and regulations, the company has established financial, business and accounting management systems, as well as the supervision and management of the subsidiary's financial and business information, as well as credit and funds for affiliated companies. For important risk matters such as loan and endorsement guarantee, acquisition and disposal of assets, relevant management policies, risk measurement standards and handling procedures are formulated for all employees to conduct risk assessment, review and management operations in accordance with their operating procedures; In the business unit, there are also full-time personnel responsible for the relevant risk management operations to control, reduce and prevent the company's various risks.</p>				

#### 4. Composition, Responsibilities and Operations of the Remuneration Committee

The Remuneration Committee assists the Board in discharging its responsibilities relating to the Company's compensation and benefits policies, plans and programs, and the evaluation of the directors' and executives' compensation.

The term of the Salary and Remuneration Committee (current term): October 15, 2023 to October 14, 2026.

##### A. Professional Qualifications and Independence Analysis of Remuneration Committee Members

Title	Criteria Name	Meets One of the Following Professional Qualification Requirements, Together with at Least Five Years' Work Experience			Independence Criteria (Note)										Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member	Remarks	
		An instructor or higher position in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the Company in a public or private junior college, college or university	A judge, public prosecutor, attorney, Certified Public Accountant, or other professional or technical specialist who has passed a national examination and been awarded a certificate in a profession necessary for the business of the Company	Has work experience in the areas of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company	1	2	3	4	5	6	7	8	9	10			
Independent director	Jackie Ding			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	None	None
Independent director	Kun Shan Lin			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	None	None	
Independent director	Ed Tang			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	None	None		

Note: Please tick the corresponding boxes that apply to a member during the two years prior to being elected or during the term(s) of office.

- (1) Not an employee of the Company or its affiliated companies
- (2) Not a director or supervisor of the Company or its affiliated companies (unless the person is an independent director of the Company, the Company's parent company or of any subsidiary in which the Company holds, directly or indirectly, more than 50 percent of the voting shares)
- (3) Not a shareholder whose total holdings, including that of his/her spouse and minor children, or shares held under others' names reach or exceed 1 percent of the total outstanding shares of the Company or rank among the top 10 individual shareholders
- (4) Not a spouse, relative of second degree or closer, or direct blood relative of third degree or closer to the managers listed in (1) and persons listed in (2) or (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds more than 5% of the total issued shares of the Company, a top-five shareholder, or authorized representative to be a director or supervisor of the Company in accordance with Article 27, Paragraph 1 or 2 of the Company Act (however, this does not apply when serving concurrently and mutually as independent director established by the Company and its parent company, subsidiary, or subsidiary of the same parent company in accordance with provisions hereof or local laws and regulations).
- (6) Not a director, supervisor, or employee of another company where more than half of the director positions or voting shares of that other company and the Company are controlled by the same person (however, this does not apply when serving concurrently and mutually as independent director established by the Company or its parent company, subsidiary, or subsidiary of the same parent company in accordance with provisions hereof or local laws and regulations).
- (7) Not a director (managing director), supervisor (managing supervisor) or employee of another company or institution where any of its chairmen, presidents, or other equivalent positions are served by the same person or is the spouse of the Company's chairmen, presidents, or other equivalent positions (however, this does not apply when serving concurrently and mutually as independent director established by the Company and its parent company, subsidiary, or subsidiary of the same parent company in accordance with provisions hereof or local laws and regulations).
- (8) Not a director (managing director), supervisor (managing supervisor), manager, or shareholder with 5% or more shareholding of a specific company or institution with which the Company has financial or business dealings (however, this does not apply when serving concurrently and mutually as independent director established by the

Company and its parent company, subsidiary, or subsidiary of the same parent company in accordance with provisions hereof or local laws and regulations, if that specific company or institution holds no less than 20%, but no more than 50%, of the total issued shares of the Company).

(9) Not a professional who provides auditing to the Company or its affiliates, or a professional who provides commercial, legal, financial, accounting, or related services to the Company or its affiliates with a total remuneration of less than NT\$500,000 in the past two years, nor is an owner, partner, director (managing director), supervisor (managing supervisor), or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides such services to the Company or its affiliates. However, this does not apply to members of the Remuneration Committee, Public Tender Offer Review Committee or Special Committee for Merger/Consolidation and Acquisition who perform their functions in accordance with laws relevant to the Securities and Exchange Act or the Business Mergers and Acquisitions Act.

(10) Not in contravention of Article 30 of the Company Act

#### B. Attendance of Members at Remuneration Committee Meetings

There are 3 members in the Remuneration Committee. A total of 3(A) Remuneration Committee meetings were held in the previous period. The Salary and Remuneration Committee will meet 3 times in the most recent year (2025) and 2026 as of the printing date of this year's report.

The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【 B/A 】	Remarks
Convener	Ed Tang	3	0	100	
Committee Member	Jackie Ding	3	0	100	
Committee Member	Kun Shan Lin	3	0	100	

#### Other mentionable items:

- If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
- Resolutions of the remuneration committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.
- The results of the 2025 annual discussion proposal and resolution of the Compensation and Remuneration Committee, and the company's handling of members' opinions:

Meeting Date	Discussion	Committee Resolution	Consequent
2025/01/13	"2024 Annual Managers' Year-end Bonus Payment Proposal"	Approved	Approved by the BOD
2025/07/29	The case of managers who manager case of issued 2024 employee compensation	Approved	Approved by the BOD
2026/01/15	"2025 Annual Managers' Year-end Bonus Payment Proposal" Proposal a salary adjustment proposal for newly appointed General Manager and Finance Assistant Manager.	Approved	Approved by the BOD

#### 5. Implementation of sustainable development/Guidelines and Regulations

Please refer to the Company's website at [http:// www. eris.com.tw](http://www.eris.com.tw)

6. Other Important Information Regarding Corporate Governance: None.

7. Internal Control Systems

Please refer to page 76 of the Chinese annual report.

8. Major Resolutions of Shareholders' Meeting and Board Meetings

Please refer to page 46 of the Chinese annual report.

9. Major Issues of Record or Written Statements Made by Any Director or Supervisor

Dissenting to Important Resolutions Passed by the Board of Directors: None

10. Resignation or Dismissal of the Company's Key Individuals, Including the Chairman, CEO, and Heads of Accounting, Finance, Internal Audit and R&D :

Please refer to page 47 of the Chinese annual report.

## 2.4 Accountant Free Information

### A. Accountant's Free Information Tier Table

Name of CPA Firm	Name of Signing CPA		Audit Period	Notes
Deloitte & Touche firm	Jimmy Wu	Sabrina Liu	2025.01.01~2025.12.31	NA

Expense Item		Audit Fees	Non-audit Fees	Total
Monetary Range				
1	Less than NT\$2 million	-	345	345
2	NT\$2 million (inclusive) to NT\$4 million	3,300	-	3,300
3	NT\$4 million (inclusive) to NT\$6 million	-	-	-
4	NT\$6 million (inclusive) to NT\$8 million	-	-	-
5	NT\$8 million (inclusive) to NT\$10 million	-	-	-
6	NT\$10 million or more	-	-	-

B. Where the non-audit fees paid to the signing CPA, the CPA firm of the signing CPA, and its affiliated entities amount to 25% or more of the audit fees, the Company shall disclose the amounts of audit fees and non-audit fees, together with a description of the non-audit services rendered.

Name of CPA Firm	Name of Signing CPA	Audit Fees	Non-audit Fees					Audit Period	Notes
			System Design	Business Registration	Human Resources Services	Others	Subtotal		
Deloitte & Touche firm	Jimmy Wu	3,300	-	-	-	345	3645	2025.01.01~2025.12.31	1.Preparation of Transfer Pricing Report – NT\$300 thousand
	Sabrina Liu								2. Articles of Incorporation Amendment and Registration Services – NT\$15 thousand 3.Treasury Share Cancellation and Capital Reduction Registration Services – NT\$30 thousand

C. Where the Company changes its CPA firm and the audit fees for the year of change are lower than those of the preceding year, the Company shall disclose the amount and percentage of the decrease in audit fees, as well as the reasons therefor: Not applicable.

D. Where the audit fees decrease by 15% or more compared with the preceding year, the Company shall disclose the amount and percentage of the decrease in audit fees, as well as the reasons therefor: None.

## 2.5 Replacement of CPA

### A. Regarding the former CPA

Replacement Date	April 17, 2023		
Replacement reasons and explanations	Due to internal restructuring at Deloitte & Touche firm, the CPAs of the Company were changed to Sabrina Liu from Hsiu-Chun Huang.		
Describe whether the Company terminated or the CPA did not accept the appointment	Parties	CPA	The Company
	Status		
	Termination of appointment	-	-
	No longer accepted (continued) appointment	-	-
Other issues (except for unqualified issues) in the audit reports within the last two years	None		
Differences with the company	Yes	-	Accounting principles or practices
		-	Disclosure of Financial Statements
		-	Audit scope or steps
		-	Others
	None	✓	
	Remarks/specify details:		
Other Revealed Matters	None		

### B. Regarding the successor CPA

Name of accounting firm	Deloitte & Touche firm
Name of CPA	Jimmy Wu
Date of appointment	July 25, 2022
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

### C. Audit Independence

The Company's Chairman, Chief Executive Officer, Chief Financial Officer, and managers in charge of its finance and accounting operations did not hold any positions in the Company's independent auditing firm or its affiliates during 2025.

### 2.6 Changes in Shareholding of Directors, Supervisors, Managers and Major

#### Shareholders: NONE

1. Shares Trading with Related Parties: None

2. Shares Pledge with Related Parties: None

### 2.7 Information on share transfers and changes in share pledges involving directors, supervisors, managers, and shareholders holding more than 10% of shares for the most recent fiscal year and up to the date of publication of this annual report is available on the Market Observation Post System (<https://mops.twse.com.tw>).

Please refer to the Chinese version on page 51.

### 2.8 Relationships among the Top Ten Shareholders

As of 05 / 01 /2026

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Diodes Holdings UK	27,925,357	52.63%	None	None	None	None	None	None	None
Jonathan Chang	1,455,283	2.74%	None	None	None	None	None	None	None
Barclays Capital Securities Limited--Barclays Capital Securities Limited SBL/PB	637,071	1.20%	None	None	None	None	None	None	None
Morgan Stanley & Co. International Plc	342,542	0.65%	None	None	None	None	None	None	None
Hsiang-Yuan Yao	318,000	0.60%	None	None	None	None	None	None	None
Sheng Ge Investment Co., Ltd.	250,000	0.47%	None	None	None	None	None	None	None
UPAMC Quality Growth Fund	240,000	0.45%	None	None	None	None	None	None	None
Yuanta Securities	195,230	0.37%	None	None	None	None	None	None	None
MERRILL LYNCH INTL-MAIN TRADING-FIA	189,657	0.36%	None	None	None	None	None	None	None
Paul Wang	180,000	0.34%	None	None	None	None	None	None	None

## 2.9 Ownership of Shares in Affiliated Enterprises

As of 12/31/2025 Unit: shares/ %

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors, Supervisors, Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Keep High Limited	-	100%	-	-	-	100%
Forever Eagle Inc.	-	100%	-	-	-	100%
Jiecheng Electronic (Shanghai) Co., Ltd.	-	100%	-	-	-	100%
Yea Shin Technology Corp.	49,342,218	96.1%	-	-	49,342,218	96.1%
Erishin Semiconductor Corporation	100,000	100%	-	-	100,000	100%
Secos Corporation	7,200,000	40%	10,800,000	60%	18,000,000	100%

### III. Capital Overview

#### 3.1 Capital and Shares

##### 1. Source of Capital

##### A. Type of Stock

As of 05/01 /2026

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Share	53,057,923	16,942,077	70,000,000	Listed on TPEX

##### Issued Shares

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares (thousands)	Amount (NT\$ thousands)	Shares	Amount (NT\$ thousands)	Sources of Capital (NT\$ thousands)	Capital Increased by Assets Other than Cash	Other
2023.10	10	70,000	700,000	50,204	502,039	Surplus transferred to capital increase 57,756	-	
2024.06	248.9	70,000	700,000	54,704	547,039	Cash Capital Increase 45,000	-	
2025.07	10	70,000	700,000	53,057	530,579	Cancellation of 16,460 treasury shares	-	

##### B. Information Related to the Consolidated Reporting System : None

##### C. List of Major Shareholders

As of 05/01/2026

Shareholder's Name	Shareholding	
	Shares	Percentage %
Diodes Holdings UK	27,925,357	52.63%
Jonathan Chang	1,455,283	2.74%
Barclays Capital Securities Limited--Barclays Capital Securities Limited SBL/PB	637,071	1.20%
Morgan Stanley & Co. International Plc	342,542	0.65%
Hsiang-Yuan Yao	318,000	0.60%
Sheng Ge Investment Co., Ltd.	250,000	0.47%
UPAMC Quality Growth Fund	240,000	0.45%
Yuanta Securities	195,230	0.37%
MERRILL LYNCH INTL-MAIN TRADING-FIA	189,657	0.36%
Paul Wang	180,000	0.34%

## D. Dividend Policy and Implementation Status

### A. Dividend Policy

The Company's dividend policy is formulated in accordance with the Company Act and the Company's Articles of Incorporation. After settlement of each annual final accounts, earnings shall be distributed in the following order:

If the Company has earnings at the end of the fiscal year, such earnings shall first be used to pay taxes and offset accumulated losses. Thereafter, 10% shall be appropriated as legal reserve in accordance with the law; however, when the legal reserve has reached the Company's paid-in capital, such appropriation may be discontinued. The remaining balance shall then be appropriated or reversed as special reserve in accordance with applicable laws and regulations. Any remaining distributable earnings, together with accumulated undistributed earnings, shall be proposed by the Board of Directors as a profit distribution proposal and submitted to the shareholders' meeting for resolution on the distribution of dividends to shareholders.

The dividend policy has been set forth in Article 25-1 of the Company's Articles of Incorporation. Dividends to shareholders may be distributed in cash or in shares, with cash dividends accounting for not less than 10% of the total dividend distribution.

As the Company operates in a growth-oriented industry, the form and proportion of dividend distribution shall take into consideration the Company's future capital requirements and long-term operational planning. The Board of Directors may adjust the proposal in light of the Company's operating conditions at the time, while balancing shareholders' interests, dividend policy, and funding requirements, and submit such proposal to the shareholders' meeting for resolution.

Note: The Company operates in the semiconductor industry, which is technology- and capital-intensive and currently in a growth stage. To support long-term capital planning, sustainable operations, and stable growth, the dividend policy adopts a residual dividend approach. Cash dividends distributed each year shall not be less than 10% of the total amount of cash and stock dividends combined. (Please refer to page 52-53 of the Chinese annual report.)

### B. Proposed Distribution of Dividend

The Company's 2025 earnings distribution proposal was approved by the Board of Directors on February 25, 2026. It is proposed to distribute a cash dividend of NT\$4.0 per share. The dividend payout ratio is shown in the table below. The proposal will be subject to approval by the annual general shareholders' meeting on June 29, 2026, after which the Chairman will separately determine the ex-dividend date.

Years.	2024	2025
Cash Dividends (NT\$)	5.15	4.0
EPS (NT\$)	8.34	2.67
dividend payout ratio %	61.75%	149.81%

C. When it is expected that there will be major changes in the dividend policy, it should be explained: None.

E. Impact of the proposed bonus share issuance on the Company's operating performance and earnings per share:

The Company only proposes to distribute cash dividends for fiscal year 2025, and no financial forecast for 2026 has been announced; therefore, this item is not applicable.

F. Employee Bonus and Directors' and Supervisors' Remuneration

A. Percentage or range of remuneration for employees, directors, and supervisors as stipulated in the Articles of Incorporation

Pursuant to Article 25 of the Company's Articles of Incorporation, if the Company has annual profits, 1% to 5% shall be appropriated as employee remuneration. Employee remuneration may be distributed in the form of cash or shares and shall be approved by a resolution of the Board of Directors with the attendance of more than two-thirds of the directors and the consent of more than half of the directors present, and reported to the shareholders' meeting.

However, if the Company has accumulated losses, an amount sufficient to offset such losses shall be set aside in advance, and employee remuneration shall then be appropriated in accordance with the aforementioned percentage.

B. Basis for estimating current-period employee, director, and supervisor remuneration; calculation basis for employee remuneration distributed in shares; and accounting treatment for differences between actual distribution and estimated amounts

The Company accrues employee remuneration in accordance with the Articles of Incorporation at 1% to 5% of pre-tax profit before deducting employee remuneration for the current year. If the actual amount resolved by the Board of Directors differs from the estimated amount, it shall be treated as a change in accounting estimate and adjusted in the following year.

C. Linkage between directors' performance evaluation and remuneration

In accordance with the Company's "Regulations Governing the Remuneration of Directors and Managers" and Article 22 of the Articles of Incorporation, remuneration of all directors is not contingent upon profit or loss. Compensation for directors' execution of duties shall be determined with reference to each director's responsibilities, attendance, and performance evaluation results, as well as the degree of participation and contribution to the Company's operations. The remuneration system is reviewed from time to time in consideration of sustainable operation and risk management.

Directors' remuneration is distributed in accordance with the "Principles for Directors' Remuneration," and is reviewed by the Remuneration Committee before being submitted to the Board of Directors for resolution.

D. Remuneration distribution resolved by the Board of Directors

(1) Amount of employee remuneration and remuneration for directors and supervisors distributed in cash or shares, and disclosure of differences from the estimated amounts recognized in the financial statements, including reasons and treatment:

The Board of Directors resolved, in accordance with the Articles of Incorporation, to distribute employee bonuses within the range of 1% to 5% in cash amounting to NT\$3,100,000. There is no difference between the actual distribution and the amount accrued for fiscal year 2025.

(2) Employee remuneration distributed in shares and its ratio to net profit after tax in the parent

company only or individual financial statements and to total employee remuneration: Not applicable.

- E. Actual distribution of employee, director, and supervisor remuneration for the prior year (2024), including number of shares, amount, and share price, and disclosure of any differences from recognized amounts, along with reasons and treatment

The employee remuneration and directors' remuneration for fiscal year 2024 were approved by the Board of Directors on February 25, 2025, with a total amount of NT\$8,000 thousand, all of which was distributed in cash. The actual distribution was consistent with the amount recognized in the 2024 financial statements.

G. Company's repurchase of its own shares:

Report on the Implementation of Treasury Share Buyback Period

Buyback Period	Frist Time
Board Resolution Date	2025/04/10
Purpose of Buy back	Maintaining the company's credit and shareholder rights
Buyback Period	2025/04/11~2025/06/09
Buy back Price Range	NT\$110.00 ~NT\$182.00
Type and Quantity of Shares Buy back	1,646,000 ordinary shares
Amount of Shares buy back	NT\$255,183,307
Percentage of Buy back Shares Represented by the Planned Buy back Quantity (%)	54.87%
Number of Shares Cancelled and Transferred	1,646,000 ordinary shares
Cumulative Number of Shares Held in the Company	0 ordinary shares
Cumulative Number of Shares Held in the Company Buy back by the Total Issued Shares (%)	0.00%

3.2 Status of Corporate Bonds (including Overseas Corporate Bonds): None.

3.3 Status of Preferred Shares: None

3.4 Status of Issuance of Global Depository Receipts (GDRs): None

3.5 Status of Employee Stock Warrants:

A. Status of employee stock warrants: None.

B. Up to the date of publication of this annual report, the names of managers who have obtained employee stock warrants and the top ten employees who have obtained such warrants and are entitled to subscribe for shares with subscription amounts of NT\$30 million or more, as well as their respective acquisition and subscription status: None.

3.6 Status of Restricted Stock Awards: None.

**3.7 Status of New Shares Issued in Connection with Mergers or Share Transfers:**  
None.

**3.8 Status of Implementation of Capital Utilization Plan:**

The Company's cash capital increase in fiscal year 2025 has been fully completed, and the use of funds is consistent with the fundraising plan.

As of the quarter immediately preceding the publication date of this annual report, there are no outstanding issues relating to previous issuances or private placements of securities that have not been completed, nor any cases within the past three years in which the planned benefits have not yet been realized.

## IV. Operational Highlights

### 4.1 Business Activities

1. Please refer to page 57 of the Chinese annual report.
2. The revenue proportion of the Company's main business operations

Unit: NT\$ thousands

Major Products \ Year	2024		2025	
	Amount	%	Amount	%
Diodes	2,137,857	73.08	1,690,613	64.12
Wafer	721,586	24.66	887,178	33.65
Other	66,211	2.26	58,841	2.23
Total	2,925,654	100.00	2,636,632	100.00

### 4.2 Market and Production Overview

1. Please refer to page 61 of the Chinese annual report.
2. Sales (Provision) Regions of Major Products (Services)

The Company's major customers are international manufacturers. The sales regions of products are subject to adjustment in accordance with the global supply chain management of these international customers. The major service regions for the most recent two years are set out as follows:

Unit: NT\$ thousands

Fiscal Year		2024		2025	
Sales Region		Sales Amount	%	Sales Amount	%
Domestic Sales		1,002,756	34.27	782,376	29.68
Export Sales	Asia	1,887,799	64.53	1,820,456	69.04
	Europe	26,199	0.9	28,460	1.08
	Americas	8,900	0.3	5,329	0.2
	Oceania	-	-	11	-
Total		2,925,654	100	2,636,632	100

### 4.3 Human Resources

Year		2024	2025	03/31/2026
Number of Employees	Manager	61	57	60
	Sales & Marketing	273	238	243
	Operator	205	175	179
	Total	539	470	482
Average Age		38.44	40.10	39.97
Average Years of Service		4.1	7.1	7.0
Education distribution %	Ph.D.	0.4	0.2	0.2
	Masters	4.8	5.1	5.6
	Bachelor's Degree	61.2	64.0	64.7
	Senior High School	30.6	28.9	27.8
	Below Senior High School	3.0	1.7	1.7

### 4.4 Environmental Protection Expenditure

Please refer to page 65 of the Chinese annual report.

### 4.5 Labor Relations

Please refer to page 66 of the Chinese annual report.

### 4.6 IT Security Control

Please refer to page 67 of the Chinese annual report.

### 4.7 Important Contracts

Please refer to page 68 of the Chinese annual report.

## V. Review and Analysis of Financial Condition and Performance, and Risk Factors

### 5.1 Analysis of Financial Status

#### Analysis of Financial Performance

Unit: NT\$ thousands

Item \ Year	2025	2024	Difference	
			Amount	%
Current Assets	1,880,514	2,258,341	(377,827)	(16.73)
Non-Current Assets	2,336,673	2,093,999	242,674	11.59
Other Assets	478,246	667,296	(189,050)	(28.33)
<b>Total Assets</b>	<b>4,695,433</b>	<b>5,019,636</b>	<b>(324,203)</b>	<b>(6.46)</b>
Current Liabilities	1,248,296	1,282,461	(34,165)	(2.66)
Non-Current Liabilities	900,523	800,514	100,009	12.49
<b>Total Liabilities</b>	<b>2,148,819</b>	<b>2,082,975</b>	<b>65,844</b>	<b>3.16</b>
Ordinary Share	530,579	547,039	(16,460)	(3.01)
Capital surplus	1,473,611	1,517,949	(44,338)	(2.92)
Retained Earnings	472,789	797,232	(324,443)	(40.70)
Other Equity Interest	(453)	(686)	233	(33.97)
Non-controlling interests	70,088	75,127	(5,039)	(6.71)
<b>Total Equity</b>	<b>2,546,614</b>	<b>2,936,661</b>	<b>(390,047)</b>	<b>(13.28)</b>
<p>1. The changes in the most recent two years are more than 20% and the amount of changes is more than NT\$10 million, the main reasons are analyzed and explained as follows:</p> <p>(1) Other assets: This is due to the realization or reversal of some deductible temporary differences in the current period, resulting in a decrease in future deductible amounts and thus a reduction in the recognition of deferred tax assets; and the decrease in prepaid equipment payments due to the transfer of some equipment to real estate, plant and equipment after completion of delivery or acceptance in the current period.</p> <p>(2) Total equity: This is mainly due to the repurchase of treasury shares and the subsequent capital reduction in 2025.</p> <p>2. Future response plans: The above changes have no significant impact on the company.</p>				

## 5.2 Operating Performance

### 1. Analysis of Financial Performance

Unit: NT\$ thousands

Item \ Year	2025	2024	Difference	
			Amount	%
Net Sales	2,636,632	2,925,654	(289,022)	(9.88)
Cost of Sales	1,721,600	1,929,836	(208,236)	(10.79)
Gross Profit	915,032	995,818	(80,786)	(8.11)
Operating Expenses	697,462	676,637	20,825	3.08
Operating Income	217,570	319,181	(101,611)	(31.83)
Non-operating Income (Expense)	(36,507)	33,981	(70,488)	(207.43)
Profit Before Tax	181,063	353,162	(172,099)	(48.73)
Income Tax	28,640	14,420	14,220	98.61
Net Profit	152,423	338,742	(186,319)	(55.00)
<p>The changes in the most recent two years are more than 20% and the amount of changes is more than 10 million yuan, the main reasons are analyzed and explained as follows:</p> <p>1.Non-operating income and expenses: Primarily due to exchange rate fluctuations affecting the year-end valuation of foreign currency monetary items and resulting exchange differences in actual receipts and payments.</p> <p>2.Operating profit, pre-tax profit, and after-tax profit: Primarily due to a decline in revenue growth during the period, coupled with increased raw material costs and operating expenses, leading to a decrease in operating profit; furthermore, the decrease in non-operating income and losses resulted in a corresponding decrease in pre-tax profit; consequently, after-tax profit also decreased.</p>				

### 2. Expected sales volume and its basis, possible impact on the company's future financial business and response plan:

The company is mainly engaged in the professional OEM manufacturing of various types of diodes and the sales of diode wafers. In response to market demand, we will focus on automated production services for high value-added products to expand the sales of our products to high-end application markets. In this field, it is expected that sales in the coming years will maintain a steady growth trend.

### 5.3 Analysis of Cash Flow

#### 1. Analysis of Changes in Cash Flows in the Most Recent Fiscal Year

Item \ Year	2025	2024	Increase (Decrease) Change	Change Rate (%)
Cash Flow Ratio (%)	531,603	563,776	(32,173)	(5.71)
Cash Flow Adequacy Ratio (%)	(362,160)	(327,443)	(34,717)	10.60
Cash Reinvestment Ratio (%)	(423,285)	99,577	(522,862)	(525.08)
Description of major changes: The main reason is that the company bought back treasury shares and carried out a capital reduction in 2025, which resulted in a decrease in fundraising activities.				

#### 2. Plan for Improving Liquidity Shortage: Not Applicable.

#### 3. Cash Flow Analysis for the Coming Year

Unit: NT\$ thousands

Estimated Cash and Cash Equivalents, Beginning of Year (1)	Estimated Net Cash Flow from Operating Activities (2)	Estimated Cash Outflow (Inflow) (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Financing Plans
665,979	375,595	(413,243)	628,331	NA	NA

#### (1) Analysis of Cash Flow Changes in the Next Year:

A. Net Cash Flow from Operating Activities: Mainly generated from operating-related activities.

B. Cash Outflows: Mainly due to the purchase of additional equipment and the payment of cash dividends.

#### (2) Remedial Measures for Expected Cash Shortages and Liquidity Analysis: Not applicable.

#### 5.4. Major Capital Expenditure Items: None

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

Unit: NT\$ thousands

Item	Remarks	2025 Investment Gain or Loss	Policies	Action Plan	Investment Plan for the coming year
Keep High Limited		3,006	Primarily due to the recognition of investment income from the subsidiary, Forever Eagle Incorporation.	—	—
Yea Shin Technology Corp		198,616	Mainly attributable to increased overall demand driven by market forces.	—	—
Erishin Semiconductor Corporation		6	Primarily due to the recognition of interest income from deposits.	—	—
SeCoS Corporation		72,185	Mainly attributable to overall improvement in market conditions.		
Forever Eagle Incorporation		3,006	Primarily due to the recognition of investment income from the equity investment in the subsidiary, Jiecheng Electronic Trading (Shanghai) Co., Ltd.	—	—
Jiecheng Electronic (Shanghai) Co., Ltd		3,006	Primarily engaged in trade and sales activities in the China market.	—	—

## 5.6 Analysis of Risk Management

### 1. Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures:

#### (1) Interest rate

The Company's net interest expenses for fiscal years 2024 and 2025 were NT\$28,225 thousand and NT\$30,154 thousand, respectively, accounting for 0.96% and 1.14% of operating revenue for each period. The ratios remain low and do not have a material impact on the Company's financial position.

Countermeasures: The Company will continuously monitor interest rate trends in the financial markets and manage the portfolio of floating-rate and fixed-rate loans and time deposits in order to minimize potential impacts from interest rate fluctuations.

#### (2) Foreign exchange rates

The Company primarily conducts transactions denominated in U.S. dollars, which provides a natural hedge against exchange rate fluctuations. Additionally, the Company engages in foreign exchange and interest rate swap contracts to mitigate currency risks. In fiscal year 2024, foreign exchange gains (losses) and gains (losses) from derivative financial instruments were NT\$46,265 thousand and NT\$2,465 thousand, respectively, representing 1.58% and 0.08% of total operating revenue. In fiscal year 2025, these figures were NT\$(17,636) thousand and NT\$(2,785) thousand, accounting for (0.67)% and (0.11)% of total operating revenue, respectively. The impact remains relatively small and does not pose a material threat to the Company's operations.

Countermeasures: The Company’s Finance and Accounting Department continuously monitors exchange rate trends and maintains close communication with banks to stay informed of the latest domestic and international exchange rate developments. In addition, the Company manages its net foreign currency positions through the timely use of derivative financial instruments to reduce potential foreign exchange risks.

(3) Inflation

The impact of inflation does not currently have a significant impact on the Company’s profits and business operations.

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

(1) The Company does not engage in high-risk or highly leveraged investments, nor in lending funds to others or providing endorsements and guarantees. The Company has established internal procedures such as the “Procedures for Lending Funds to Others,” “Procedures for Endorsements and Guarantees,” and “Procedures for Acquisition or Disposal of Assets,” all of which have been approved by the Board of Directors and the Shareholders' Meeting. Any future lending of funds, provision of guarantees, or acquisition/disposal of assets will be conducted in accordance with these established procedures.

(2) Currently, the Company engages in hedging financial instruments primarily involving currency options, cross-currency swaps, and forward foreign exchange contracts. The main purpose of these transactions is to mitigate risks arising from exchange rate fluctuations. In fiscal years 2024 and 2025, gains from such financial instruments were NT\$2,465 thousand and NT\$(2,785) thousand, respectively, representing 0.19% and (0.11)% of annual operating revenue—an immaterial proportion. Going forward, the Company will continue to periodically evaluate and flexibly adjust its hedging strategies based on operational conditions and market trends.

3. Future Research & Development Projects and Corresponding Budget

Unit: NT\$ thousands

Item	2025	2026 Budget
Research & development expenses	320,687	320,738

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

The execution of all business operations of the Company is conducted in accordance with the laws and regulations promulgated by the competent authorities. For the most recent fiscal year and up to the date of publication of this annual report, the Company has not been affected in any material respect on its financial condition or business operations by any significant domestic or international policy or legal changes.

The Company will continue to closely monitor developments in domestic and international policies and regulatory changes, in order to fully grasp changes in the market environment and

adopt appropriate strategies to mitigate the impact of such policy and legal changes on its financial condition and business operations.

#### 5. Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales

Although the electrical characteristics of rectifier diodes cover a wide range, they are widely used in the circuits of various electronic products. Their applications include the communications industry, information technology industry, consumer electronics industry, automotive industry, aerospace industry, and medical industry. In fact, almost all electronic products require the use of rectifier diodes.

Since its establishment, the Company has continuously strengthened its technological capabilities, verification and analytical capabilities, as well as the composition of its technical team to provide higher-quality services to customers. As a result, the Company has developed strong adaptability to rapid changes in the technology industry. The management team also closely monitors any technological or industry-related developments that may affect the Company's business and operations, and implements preventive measures in advance when necessary. Accordingly, for the most recent fiscal year and up to the date of publication of this annual report, there have been no material impacts on the Company's financial condition or business operations arising from technological or industry changes.

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

Since its establishment, the Company has complied with relevant laws and regulations, and has actively strengthened its internal management and cultivated its core corporate values in order to enhance management quality and performance. At the same time, the Company maintains harmonious labor-management relations and actively contributes to society to sustain a favorable corporate image. For the most recent fiscal year and up to the date of publication of this annual report, there have been no events that have adversely affected the Company's corporate image.

#### 7. Expected Benefits, Potential Risks, and Countermeasures of the Merger and Acquisition (M&A):

The selection of M&A targets is primarily based on alignment with the Company's business development strategy. Given the close operational integration with the acquired entities, the Company expects to effectively manage risks related to business integration, investment returns, and financial performance.

#### 8. Expected Benefits, Potential Risks, and Countermeasures of Plant Expansion:

To support the production of diverse products for various customers at the most suitable locations, the Company continues to expand potential manufacturing sites in Taiwan and other regions, aiming to deliver customized and comprehensive production service solutions.

However, the establishment of new plants will lead to increased operating costs, including the purchase of equipment, workforce expansion, and employee training. If revenue does not grow in tandem, this may adversely affect the Company's financial performance. To mitigate expansion-related risks, the Company will continue to optimize manufacturing processes, improve product quality, and reduce resource consumption while delivering higher-quality

services. Additionally, the Company is actively strengthening partnerships with major international clients to secure more orders and improve capacity utilization.

9. Risks and Countermeasures Associated with Procurement or Sales Concentration:

(1) Procurement Concentration Risk

The Company's procurement is primarily concentrated in wafer sourcing. However, the Company has multiple qualified and certified wafer suppliers. Overall, the Company's wafer supply remains stable, and there is no significant risk of over-concentration. As of the date of this annual report, all suppliers have maintained acceptable standards in both quality and delivery timelines, with no instances of material shortages or supply disruptions.

(2) Sales Concentration Risk

The Company's primary customer is the Diodes Group, with sales to this group accounting for 69.90% and 64.42% of the Company's total revenue in fiscal years 2024 and 2025, respectively. Broadly speaking, diodes are categorized as power management components and are essential to the safety and stability of electronic device operations. Therefore, once international diode manufacturers select supply chain partners, they are generally reluctant to make changes unless there are serious quality issues, in order to avoid disruptions to the stability of their electronic devices.

The Company has demonstrated sufficient technical capabilities and yield quality to meet international standards and has been rigorously approved as a qualified supplier to the Diodes Group. The long-standing partnership between the two parties has been strong, and order volume from the Diodes Group has continued to increase over time, indicating a stable relationship.

In addition, the Company will continue to foster long-term relationships with customers and actively develop new OEM clients to expand its business scale. This strategy aims to meet the growing needs of both existing and new clients, thereby mitigating the risk associated with sales concentration. While there is a current degree of customer concentration, the associated risk is considered limited.

10. Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10% : None

11. Effects of, Risks Relating to and Response to the Changes in Management Rights : None

12. Litigation or Non-litigation Matters: None

13. Other Major Risks: None

5.7 Other Material Matters: None.

## VI. Special Disclosure

### 6.1 Related Party Information

(1) Consolidated Business Report of Affiliates:

Relevant information can be found on the Market Observation Post System (MOPS) at

<https://doc.twse.com.tw/server-java/t57sb01>

(2) Consolidated Financial Statements of Affiliates: None.

(3) Affiliate Report:

Relevant information can be found on the Market Observation Post System (MOPS) at

<https://doc.twse.com.tw/server-java/t57sb01>

### 6.2 Status of Private Placement of Securities in the Most Recent Fiscal Year and up to the Date of Publication of the Annual Report:

As of the end of the most recent quarter prior to the publication of this annual report, the Company has not issued or privately placed any securities that are either still in progress or have been completed in the most recent fiscal year but with anticipated benefits yet to be realized.

### 6.3 Other Necessary Supplementary Explanations:

(1) Disclosure of Unfulfilled Commitments Related to the Company's OTC Listing

Please refer to Chinese version page 75

(2) Audit Committee Review Report on the Financial Statements for the Most Recent Fiscal Year: Please refer to Chinese version page 77.

(3) If the Company or any of its affiliates has experienced financial difficulties in the most recent fiscal year or up to the date of publication of the annual report, such instances and their impact on the Company's financial condition should be disclosed: None.

### 6.4. Material Events in the Most Recent Fiscal Year and up to the Date of Publication of the Annual Report That May Have a Significant Impact on Shareholders' Equity or the Price of Securities as Defined in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act: None