TSE: 2451

Transcend Information, Inc.
Annual Report 2025

Notice to readers

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

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Transcend Information, Inc. annual report is available at https://tw.transcend-info.com/about/stockholders

Taiwan Stock Exchange Market Observation Post System: https://mops.twse.com.tw/mops/#/web/t57sb01_q5

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The name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities: Not applicable

Corporate Website: https://tw.transcend-info.com/

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1. Letter to Shareholders

Dear Shareholders,

Looking back on 2025, the memory market experienced a significant increase in prices. In the first half of the year, benefiting from the ramp-up of industrial projects and the continued expansion of AI applications, demand for high-end memory modules increased, supporting solid operational performance. Although Transcend Information Inc. ("Transcend" or the "Company") faced foreign exchange losses due to the depreciation of the U.S. dollar, market conditions evolved in the second half of the year as major wafer manufacturers shifted capacity toward DDR5 and HBM. This transition resulted in tightening supply and sharp price increases for legacy DDR4 products. In response, the Company flexibly adjusted inventory allocation while continuously optimizing production efficiency and cost control. In this rapidly changing market environment, Transcend maintained proactive planning and close collaboration with suppliers. Through stable supply arrangements, efficient production, and disciplined pricing strategies aligned with project requirements, the Company was able to sustain steady operating results through the dedication of all employees. On behalf of the Company, I would like to express my sincere gratitude to all shareholders, customers, suppliers, and employees for your long-standing support and trust.

2025 Business Report

(1) 2025 Business Report, Financial Highlights & Analysis

Transcend's consolidated revenue in 2025 was NT$17.1 billion, an increase of 69.8% from the previous year. Consolidated operating profit reached NT$6.55 billion, marking a 244% increase compared to 2024. Net income after tax was NT$5.57 billion, reflecting a 141% increase year-over-year. Earnings per share were NT$12.98, calculated based on the weighted average of outstanding share capital of NT$4.3 billion. Overall, business performance improved compared to 2024.

In addition, equity attributable to owners of the Company reached NT$23.0 billion, accounting for 87.8% of total assets. The ratio of long-term capital to property, plant, and equipment was 1,545%, the current ratio was 662%, the return on assets was 23.4%, and the return on equity was 26.0%.

(2) Budget Execution

Transcend did not publicly disclose financial forecasts.

(3) Research & Development

As a leading brand in the industry, Transcend continues to deepen its technological capabilities, focusing on high-performance storage solutions to meet growing market demand for speed, durability, and security. With AI applications rapidly expanding from cloud to edge computing, and with big data analytics driving exponential demand for massive storage and real-time processing, the need for highly reliable and ultra-high-capacity storage devices is becoming increasingly critical. Transcend actively invests in embedded storage technologies and strategic product development, aiming to deliver faster, more stable, and highly reliable solutions to address the stringent requirements for real-time processing and long-term data retention in the era of massive data.

In industrial applications, the Company focuses on enterprise-grade and high-performance industrial solutions, including enterprise SSDs for data centers and cloud computing, as well as

DDR5 6400 high-speed memory modules, ensuring stability under heavy workloads. In parallel, Transcend has expanded into advanced imaging applications by developing professional camera modules that provide precise image capture and processing capabilities for automation systems, smart healthcare, and surveillance, meeting the real-time data processing needs of the IoT era.

In the consumer market, Transcend continues to push the limits of transfer speed and storage performance. Representative products include the next-generation PCIe Gen5 SSD 260S, delivering unprecedented read/write performance for gaming and professional content creation. In portable storage, the Company introduced the ESD420 magnetic portable SSD, combining compact design with user convenience. For professional imaging, the CFexpress 830 memory card supports smooth recording of 8K RAW content, while the microSD Express memory card USD710S and RDE3 card reader provide reliable expansion solutions for next-generation handheld gaming devices. In wearable imaging devices, the DrivePro Body 10D body camera offers enhanced battery life and advanced night vision technology, providing more reliable recording support for frontline law enforcement and security personnel.

Through continuous innovation and quality enhancement, Transcend strengthens its product competitiveness, addresses diverse storage needs across markets, and remains committed to delivering efficient, secure, and durable storage solutions to drive sustainable corporate growth.

Summary of 2026 Business Plan

(1) Management Policy
Guided by a spirit of innovation and continuous self-improvement, the Company adheres to its core management philosophy of quality first, premium service, effective management, and mutual benefit for all stakeholders.

(2) Estimated Sales Volume
Transcend estimates product sales for 2026 based on industry trends, market research, and future order forecasts.

Product Category	Estimated Sales Volume (in Thousand Units)
DRAM + Flash products	15,000
Others	1,500

(3) Key Production and Sales Strategies
a. DRAM Modules
Facing supply shortages of DDR4 caused by the industry-wide shift of wafer capacity toward HBM and DDR5, Transcend leverages its strong strategic alliances with upstream chip suppliers to secure stable and competitive supply. Amid market volatility, the Company continues to expand its global presence through distribution channels, OEM partnerships, and e-commerce platforms. Resources are prioritized toward high-margin industrial, medical, and embedded system projects, while DDR5 6400 high-speed modules are actively promoted in the AI PC market. All products undergo rigorous quality testing and compatibility validation to ensure stable and reliable performance, supported by comprehensive technical services and warranty programs to meet the diverse needs of enterprise, industrial, and consumer markets.

b. Flash Products
In response to the surge in demand for massive storage driven by AI servers and edge computing, as well as ongoing supply instability expected in 2026, Transcend remains

committed to developing consumer products while further strengthening its presence in embedded applications. In the industrial segment, the Company continues to enhance its enterprise SSD and industrial NVMe SSD product lines to meet 24/7 high-endurance requirements. In consumer and professional markets, Transcend focuses on high-value niches, promoting key products such as PCIe SSDs, portable SSDs, and CFexpress memory cards. Through a diversified high-end product portfolio, the Company not only mitigates supply volatility risks but also enhances profitability and core competitiveness in the era of massive data.

Impacts of Future Development, External Environment, Regulatory Environment, and Overall Operating Environment

Transcend remains focused on its core business while actively strengthening corporate governance, ensuring transparency, and providing comprehensive information to shareholders and investors. The Company has long been committed to supporting youth sports development in Taiwan, sponsoring events from elementary to high school levels. In addition to long-term support for interscholastic athletic programs, Transcend has received the Ministry of Education's "Sports Activist Award" Bronze Award and Long-Term Sponsorship Award for 12 consecutive years. Through initiatives that extend from domestic engagement to international participation, Transcend supported the U-12 Baseball World Cup for the third time in 2025, helping connect Taiwan's grassroots baseball development to the global stage. Since launching the "Rural Baseball Seed Program" in 2015, the Company has supported 27 schools and over 700 young athletes, contributing to the cultivation of future sports talent. In terms of brand influence, Transcend ranked among Taiwan's Top 25 International Brands again in 2025, with a steadily improving position, reflecting the Company's long-term commitment to sustainable operations.

Looking ahead, the global IT industry continues to be driven by AI training and inference applications. In light of ongoing uncertainties stemming from tight DRAM and Flash supply, Transcend will strengthen inventory management through flexible procurement strategies and foreign currency asset allocation to ensure supply stability and mitigate foreign exchange risks. At the same time, the Company will continue to shift toward high value-added, higher-margin industrial and enterprise product lines to optimize production efficiency. In parallel, Transcend will further advance ESG initiatives by developing energy-efficient products and adopting environmentally friendly packaging materials, actively reducing its operational carbon footprint and contributing to the establishment of a green supply chain. Through concrete actions and collaboration with partners, the Company is committed to achieving sustainable development.

Finally, we sincerely thank all shareholders for your long-term support and recognition. We welcome your continued guidance and support, and Transcend will remain dedicated to creating greater value in the years ahead.

Chairman: Shu, Chung-Won

2. Corporate Governance Report

2.1. Background Information on Directors, General Managers, Vice General Managers, Assistant Managers and Heads of Various Department and Branches

2.1.1. Information on the company's directors

April 19, 2026

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C	Shu, Chung-Won	Male 71-80 years old	2024.06.21	3	2003.06.03	10,709,453	2.49%	10,709,453	2.49%	-	0.00%	-	0.00%	Department of Electrical Engineering, National Cheng Kung University Project Manager of Hewlett-Packard Development Company, L.P.	CEO of Transcend Information Inc. Chairman of Taiwan IC Packaging Corporation Director of C-Tech Corporation, Transcend Information Trading GmbH and Sports Gear Co., Ltd. General Manager of Transcend Information Trading GmbH	Director	Shu, Chung-Cheng	Brother	Note
																	Director	Shu, Dao-An	Parents	
Director	R.O.C	Shu, Chung-Cheng	Male 71-80 years old	2024.06.21	3	2004.06.11	5,034,098	1.17%	5,034,098	1.17%	312,000	0.07%	-	0.00%	Department of Civil Engineering, National Taipei Institute of Technology General Manager of Transcend Information Inc.	Chairman of C-Tech Corporation, Cheng Chuan Technology Development Inc. and Shu Min Investment Inc. Executive Director of Transtech Trading (Shanghai) Co., Ltd. Director of Wan An Technology Inc., Won Chin Investment Inc., Wan Min Investment Inc., Wan Chuan Investment Inc., Saffire Investment Ltd. and Memhiro Pte. Ltd. Consultant of Transcend Information Inc.	Chairman and CEO	Shu, Chung-Won	Brother	-
Director	R.O.C	Shu, Dao-An	Male 31-40 years old	2024.06.21	3	2024.06.21	153,000	0.04%	481,000	0.11%	-	0.00%	-	0.00%	National Taiwan University MBA, Global Business University of California, Los Angeles B.S.,Electrical and Electronics Engineering Marketing Director of Transcend Information, Inc. Industrial Control Business Manager of Transcend Information, Inc. Product Manager of Transcend Information, Inc.	Procurement Director of Transcend Information, Inc.	Chairman and CEO	Shu, Chung-Won	Parents	-
Director	R.O.C	Cheng, Yan-Wei	Male 71-80 years old	2024.06.21	3	2024.06.21	950,000	0.22%	950,000	0.22%	-	0.00%	-	0.00%	National Taipei Institute of Technology Chairman of the board of director of Hitron Technologies, Inc. Chairman of the board of director of Interactive Digital Technologies Inc. Chairman of the board of directors of Artmo Inc.	Director of Sports Gear Co., Ltd. Independent Director of TPK Holding Co., Ltd. and Senao Networks Inc.	None	None	None	-
Director	R.O.C	Jiayun Investment Inc.	–	2024.06.21	3	2024.06.21	10,000	0.00%	10,000	0.00%	-	0.00%	-	0.00%	NA	None	None	None	None	-
		Representative: Yeh Ming-Han	Male 41-50 years old	2024.06.21	3	2024.06.21	-	0.00%	-	0.00%	-	0.00%	-	0.00%	Bachelor of Industrial Design, College of Engineering, Datong University Business Engineer of Hong Yi International Co., Ltd.	Special Assistant to the President of Realtek Semiconductor Corporation Chairman of Dejia Investment Co., Ltd. Director of Hengxuan Co., Ltd. Legal representative of West Germany Organic Chemical Pharmaceutical Co., Ltd. Legal representative of the board of directors of Unitech Computer Co., Ltd. Legal representative of Jinglian Electronics Co., Ltd. Legal representative of Realtek Semiconductor Corporation	None	None	None	-

Note : Due to the needs of the company's operations and business development, the current Chairman and CEO are the same person. After the re-election in 2024, four independent director seats were established to further improve the supervisory function of the board of directors.As of April 19, 2026, the personal shareholding of Director Shu, Chung-Won was 2,709,453 shares, and he retained the right to decide the exercise of the 8,000,000 shares. The total amount was 10,709,453 shares.

April 19, 2026

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Indeoendent Director	R.O.C	Lin, Shu-Shan	Female 51-60 years old	113.06.21	3	113.06.21	27,599	0.01%	11,599	0.00%	-	0.00%	-	0.00%	Institute of Science and Technology Management, Jiaotong University Vice President, China Development Industrial Bank Product Manager, Philips Taiwan Institutional Director Representative of Wendell Industrial Co., Ltd. Institutional Director Representative of ANPEC Electronics Corporation Institutional Supervisor Representative of ASPEED Technology Inc.	Senior Vice President of CDIB Capital Management Corp. Managing Director of China Development Advantage Venture Capital Limited Partnership Managing Director of Innolux Development Venture Capital Limited Partnership Managing Director of Innolux Development II Venture Capital Limited Partnership	None	None	None	-
Indeoendent Director	R.O.C	Kuo, Tsung-Ming	Male 61-70 years old	113.06.21	3	113.06.21	-	0.00%	-	0.00%	-	0.00%	-	0.00%	Institute of National Taiwan University EMBA Accounting Department of Accounting, Taipei University Deputy Director of PwC Taiwan and Certified Public Accountant Primary consultant for high-net-worth family business succession planning and consultation services COO, Tax and Legal Services, PwC Taiwan Adjunct Professor at the Executive Master of Business Administration Program, College of Management, Tunghai University Adjunct Associate Professor, In-service Master Program of Accounting, National Taipei University Director, Taiwan CPA Association Chairman, Accounting Department Association, National Taipei University Independent Director of XAVI Technologies Corp.	Independent Director: - BRIM Biotechnology, Inc. - China Bills Finance - Chicony Electronics Co., Ltd. Supervisor: - CommonWealth Magazine Co., Ltd. - Common Life Publishing Co., Ltd. - Screenworks Asia LTD. - Tung Hua Books Co., Ltd - New Moon Education Co., Ltd - Kai Ming Bookstore Co., Ltd. - Commonwealth Education Media And Publishing Co., Ltd. - Parenting Education Co., Ltd.	None	None	None	-

April 19, 2026

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Indeoendent Director	R.O.C	Lin, Jia-Xing	Male 61-70 years old	113.06.21	3	113.06.21	-	0.00%	-	0.00%	-	0.00%	-	0.00%	Department of Electrical Engineering, College of Engineering, Datong University Chairman of the board of director of Elpida Memory (Taiwan) Co., Ltd. Director of Kingmax Digital Inc Director of Walton Advanced Engineering, Inc. Micron Technology： Director of Worldwide Sale, SSG Director of Sale, Asia Director of Corporate Development, Asia Director of Sale, Great China Micron Technology Asia Pacific Taiwan Branch： Legal Representative	Independent Director: - Zimmite Taiwan Ltd. - Grandsys Inc.	None	None	None	-
Indeoendent Director	R.O.C	Chen, Shi-Hong	Male 71-80 years old	113.06.21	3	92.06.03	38,463	0.01%	38,463	0.01%	27,278	0.01%	-	0.00%	Department of Electrical Engineering, College of Engineering, Datong University Director and General Manager of Hitachi Asia Pacific Co., Ltd. Taiwan Hitachi, Ltd. Taiwan Representative	None	None	None	None	Note

Note: Independent Director Chen, Shi-Hong previously served as Supervisor of the Company from June 3, 2003 to June 14, 2012, and as Director of the Company from June 15, 2012 to June 11, 2015. He did not continue in the position thereafter.

2.1.2. The Major Shareholders of the Institutional Shareholders :

April 19 2026

Name of Institutional Shareholders	Major Shareholders	Shareholding ratio
Jiayun Investment Inc.	Yeh, Wei-Ting	99.99%

2.1.3. Top 10 Shareholders' Names and Shareholding Ratio of the Institutional Shareholders: Not applicable.

2.1.4. Disclosure of information as professional qualifications and independent status of directors and independent directors

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Shu, Chung-Won	Department of Electrical Engineering, National Cheng Kung University. He is former Project Manager of Hewlett-Packard Development Company, L.P. Presently, he has been dedicated in the memory industry business management for more than 38 years since the establishment of the Company in 1988. In addition to the positions of Director and CEO at a subsidiary 100% owned by the Company, he also acted as the Chairman of the affiliated company of Taiwan IC Packaging Corporation and vertically integrates the industry value chain. He is equipped with extensive industry knowledge, practical experience, business management and leadership, and he is also equipped with insight on the industrial development trend. With regard to the promotion of overseas market business, he also understands various commercial environment, economy, culture and relevant risks. Accordingly, his valuable experience is able to propose comments and directives on matters related to corporate governance, operational management and risk management to the board of directors of the Company, thereby achieving the functions of strategic guidance and performance improvement. Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. Not been a person of any conditions defined in Article 30 of the Company Law.	He is the CEO of the Company, and concurrently acts as the Director and President of the affiliated company of Transcend Information Trading GmbH. Shu, Chung-Cheng is a second-degree relative of him and he also acts the Director of affiliated companies of Transtech Trading (Shanghai) Ltd., Won Chin Investment Inc., Saffire Investment Ltd., and Memhiro Pte. Ltd., while another second-degree relative, Shu Dao-An, serves as the Procurement Director at Transcend Information, Inc. The number of shares held by him and his second-degree relative Shu Chung-Cheng and Shu Dao-An is 16,224,551 shares, accounting for 3.77%, and he is listed as individual shareholder of the top 10 shareholding percentage. Act as the Chairman of Taiwan IC Packaging Corporation, an affiliated company invested under the equity method. He has not provided the services of commerce, law, finance and accounting to the Company or its affiliates in the last 2 years. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	0
Shu, Chung-Cheng	Department of Civil Engineering, National Taipei Institute of Technology. Acted as the President of the Company from November 1998 to March 2020. Currently acts as a consultant of the Company.He has been dedicated in the memory industry business management for more than 28 years, and also acts as the Chairman or Director in related companies of the Company, in order to contribute	He is the Director of affiliated companies of Transtech Trading (Shanghai) Ltd., Won Chin Investment Inc., and Saffire Investment Ltd., Memhiro Pte. Ltd. Shu, Chung-Won is a second-degree relative of him and he also acts the Director and President of affiliated companies of Transcend Information Trading GmbH.	0

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	his expertise in corporate governance. He is equipped with extensive industry knowledge, practical experience, business management and crisis handling capabilities, and also has certain understanding on the overall business policy, objective of the overall operation as well as major business decision of the Company, such that he is able to promptly adopt changes, adjust strategies and implement timely responsive measures. Accordingly, with his valuable experience he is able to propose comments and directives on matters related to corporate governance, operational management and risk management to the board of directors of the Company, and provide references and adjustments for the management team. Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. Not been a person of any conditions defined in Article 30 of the Company Law.	The number of shares held by him and his second-degree relative Shu, Chung-Won is 15,743,551 shares, accounting for 3.66%, and Shu, Chung-Won is listed as individual shareholder of the top 10 shareholding percentage. He acts as the Chairman of Cheng Chuan Technology and also acts as the Director of Won Chin Investment Inc., where both Cheng Chuan Technology and Won Chin Investment Inc. are business partners of the Company. He has not provided the services of commerce, law, finance and accounting to the Company or its affiliates in the last 2 years. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	
Shu, Dao-An	National Taiwan University MBA, Global Business.Currently serving as the Procurement Director, responsible for managing the Company's procurement operations, ensuring the stable operation of the supply chain, maintaining safe inventory levels of procured items, and managing supplier relationships to enhance procurement efficiency and risk control.In the Board of Directors, serving in the capacity of a managerial officer, able to provide timely opinions and guidelines on corporate governance, business operations, and risk management. Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. Not been a person of any conditions defined in Article 30 of the Company Law.	He is the Procurement Director of Transcend Information, Inc. Shu, Chung-Won is a second-degree relative of him and he also acts the Director and President of affiliated companies of Transcend Information Trading GmbH. The number of shares held by him and his second-degree relative Shu, Chung-Won is 11,190,453 shares, accounting for 2.60%, and Shu, Chung-Won is listed as individual shareholder of the top 10 shareholding percentage. He is not assuming any position of director, supervisor or employee of a company having a special relationship with the Company. He has not provided the services of commerce, law, finance and	0

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		accounting to the Company or its affiliates in the last 2 years. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	
Cheng, Yan-Wei	National Taipei Institute of Technology. He currently acts as Director of Sports Gear Co., Ltd., Independent Director of TPK Holding Co., Ltd. and Independent Director of Senao Networks Inc. He once acted as the Chairman of the board of directors of Artmo Inc., the Chairman of the board of director of Hitron Technologies, Inc., and Chairman of the board of director of Interactive Digital Technologies Inc. He is equipped with the experience in corporate governance, finance, operation management capability and cooperate business development. He is able to provide recommendations to the management team, to improve the corporate governance quality of the board of directors. Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. Not been a person of any conditions defined in Article 30 of the Company Law.	He is not an employee, director and supervisor of affiliates. His spouse, relative within the second degree of kinship or direct blood relative within the third degree of kinship is not an employee, director and supervisor of the Company or its affiliates. The number of shares of the Company held by him and his spouse, relatives within the second degree of kinship (or under the name of others) is 950,000 shares, accounting for 0.22%. He is not assuming any position of director, supervisor or employee of a company having a special relationship with the Company. He has not provided the services of commerce, law, finance and accounting to the Company or its affiliates in the last 2 years. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	2
JIAYUN Investment Inc. (Rep. Yeh Ming-Han)	Bachelor of Industrial Design, College of Engineering, Datong University. He currently acts as the Special Assistant to the President of Realtek Semiconductor Corporation, Chairman of Dejia Investment Co., Ltd., Director of Hengxuan Co., Ltd., Legal representative of West Germany Organic Chemical Pharmaceutical Co., Ltd., Legal representative of the board of directors of Unitech Computer Co., Ltd., Legal representative of Jinglian Electronics Co., Ltd., and Legal representative of Realtek Semiconductor Corporation. He once acted as the Business Engineer of Hong Yi International Co., Ltd..He is equipped with the experience in corporate governance, finance, operation	He is not an employee, director and supervisor of affiliates. His spouse, relative within the second degree of kinship or direct blood relative within the third degree of kinship is not an employee, director and supervisor of the Company or its affiliates. The number of shares of the Company held by him and his spouse, relatives within the second degree of kinship (or under the name of others) is 0 shares. He is not assuming any position of director, supervisor or	0

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	management capability and cooperate business development. He is able to provide recommendations to the management team, to improve the corporate governance quality of the board of directors. Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. Not been a person of any conditions defined in Article 30 of the Company Law.	employee of a company having a special relationship with the Company. He has not provided the services of commerce, law, finance and accounting to the Company or its affiliates in the last 2 years. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	
Lin, Shu-Shan	Institute of Science and Technology Management, Jiaotong University. She currently acts as the Senior Vice President of CDIB Capital Management Corp., Managing Director of China Development Advantage Venture Capital Limited Partnership, Managing Director of Innolux Development Venture Capital Limited Partnership and Managing Director of Innolux Development II Venture Capital Limited Partnership. She once acted as the Vice President, China Development Industrial Bank, Product Manager, Philips Taiwan, Institutional Director Representative of Wendell Industrial Co., Ltd., Institutional Director Representative of ANPEC Electronics Corporation, and Institutional Supervisor Representative of ASPEED Technology Inc.She is equipped with the experience in corporate governance, finance, operation management capability and cooperate business development. She is able to provide recommendations to the management team, to improve the corporate governance quality of the board of directors, to implement audit committee supervisory authority and to strengthen the salary and remuneration management function. Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. Not been a person of any conditions defined in Article 30 of the Company Law.	She is not an employee, a director and supervisor of the Company or any of its affiliates. Her spouse, relative within the second degree of kinship or direct blood relative within the third degree of kinship is not an employee, director and supervisor of the Company or its affiliates. The number of shares of the Company held by him and his spouse, relatives within the second degree of kinship (or under the name of others) is 11,599 shares, accounting for 0.00%. She is not assuming any position of director, supervisor or employee of a company having a special relationship with the Company. She has not provided the services of commerce, law, finance and accounting to the Company or its affiliates in the last 2 years. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	0

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Kuo, Tsung-Ming	Graduated from the National Taiwan University's EMBA Institute of Accounting, with professional background in financial accounting. He currently acts as an independent director of BRIM Biotechnology, Inc., an independent director of China Bills Finance Co., Ltd., a supervisor of CommonWealth Magazine Co., Ltd., a supervisor of Common Life Publishing Co., Ltd., a supervisor of Screenworks Asia LTD., a supervisor of Tung Hua Books Co., Ltd, a supervisor of New Moon Education Co., Ltd, a supervisor of Kai Ming Bookstore Co., Ltd., a supervisor of Commonwealth Education Media And Publishing Co., Ltd., a supervisor of Parenting Education Co., Ltd, and an independent director of Chicony Electronics Co., Ltd.. He once acted as the Deputy Director of PwC Taiwan and Certified Public Accountant, Primary consultant for high-net-worth family business succession planning and consultation services, chief operating officer of tax and legal services of PwC Taiwan, Adjunct Professor at the Executive Master of Business Administration Program at the College of Management of Tunghai University, Adjunct Associate Professor at the In-service Master Program of Accounting at National Taipei University, Director of the Taiwan CPA Association, Chairman of the Accounting Department Association of National Taipei University, and an Independent Director of XAVI Technologies Corp. He is equipped with the experience in corporate governance, finance, operation management capability and cooperate business development. He is able to provide recommendations to the management team, to improve the corporate governance quality of the board of directors and to implement audit committee supervisory authority. Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. Not been a person of any conditions defined in Article 30 of the Company Law.	He is not an employee, director and supervisor of affiliates. His spouse, relative within the second degree of kinship or direct blood relative within the third degree of kinship is not an employee, director and supervisor of the Company or its affiliates. The number of shares of the Company held by him and his spouse, relatives within the second degree of kinship (or under the name of others) is 0 shares. He is not assuming any position of director, supervisor or employee of a company having a special relationship with the Company. He has not provided the services of commerce, law, finance and accounting to the Company or its affiliates in the last 2 years. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	3

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Lin, Jia-Xing	Department of Electrical Engineering, College of Engineering, Datong University. He currently acts as an independent director of Zimmite Taiwan Ltd. and an independent director of Grandsys Inc. He once acted as the Chairman of the board of director of Elpida Memory (Taiwan) Co., Ltd., Director of Kingmax Digital Inc, Director of Walton Advanced Engineering, Inc., Micron Technology (Director of Worldwide Sale, SSG, Director of Sale, Asia, Director of Corporate Development, Asia, Director of Sale, Great China) and Legal Representative of Micron Technology Asia Pacific Taiwan Branch. He is equipped with the experience in corporate governance, finance, operation management capability and cooperate business development. He is able to provide recommendations to the management team, to improve the corporate governance quality of the board of directors, to implement audit committee supervisory authority and to strengthen the salary and remuneration management function. Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. Not been a person of any conditions defined in Article 30 of the Company Law.	He is not an employee, director and supervisor of affiliates. His spouse, relative within the second degree of kinship or direct blood relative within the third degree of kinship is not an employee, director and supervisor of the Company or its affiliates. The number of shares of the Company held by him and his spouse, relatives within the second degree of kinship (or under the name of others) is 0 shares. He is not assuming any position of director, supervisor or employee of a company having a special relationship with the Company. He has not provided the services of commerce, law, finance and accounting to the Company or its affiliates in the last 2 years. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	2
Chen, Shi-Hong	Department of Electrical Engineering, College of Engineering, Datong University. He once acted as director and general manager of Hitachi Asia Pacific (Taiwan) Co., Ltd. and Taiwan representative of Hitachi, Ltd. He is equipped with the experience in corporate governance, finance, operation management capability and cooperate business development. He is able to provide recommendations to the management team, to improve the corporate governance quality of the board of directors, to implement audit committee supervisory authority and to strengthen the salary and remuneration management function. Have Work Experience in the Areas of Commerce, Law, Finance, or	He is not an employee, director and supervisor of affiliates. His spouse, relative within the second degree of kinship or direct blood relative within the third degree of kinship is not an employee, director and supervisor of the Company or its affiliates. The number of shares of the Company held by him and his spouse, relatives within the second degree of kinship (or under the name of others) is 65,741 shares, accounting for 0.02%. He is not assuming any position of director, supervisor or employee of a company having a special relationship with the	0

Criteria / Name	Professional Qualifications and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	Accounting, or Otherwise Necessary for the Business of the Company. Not been a person of any conditions defined in Article 30 of the Company Law.	Company. He has not provided the services of commerce, law, finance and accounting to the Company or its affiliates in the last 2 years. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	

2.1.5. Diversity and Independence of the Board of Directors

(1)Diversity of the Board of Directors

The nomination and election of board members of the Company comply with the ”Procedures for Election of Directors” and ”Corporate Governance Best-Practice Principles” , in order to ensure the diversity and independence of board members. According to Article 20 of the”Corporate Governance Best-Practice Principles” of the Company, the composition of the board of directors shall consider the diversity, focusing on gender equality, and directors shall be generally equipped with knowledge, skills and expertise necessary for executing their job duties. To realize the ideal of corporate governance, the board of directors as a whole shall possess the abilities, including operational judgment capability, accounting and financial analysis capability, business management capability, crisis handling capability, industrial knowledge, international market view, leadership capability, decision-making capability, etc.

Specific management objectives and achievement of the Board's Diversity Policy:

Management Objectives	Achieved
There should be at least one female board member	Achieved
At least one-third of the directors have computer industry, marketing or technology expertise	Achieved
At least one-third of independent directors have legal, accounting or technological expertise	Achieved
At least one-third of the Board members shall be of either gender.	Not achieved. This is due to the Company's focus on professional qualifications, industry experience, and operational needs during the director nomination process, which resulted in the gender ratio not reaching one-third. In future Board elections, gender balance will be considered as a key factor in the nomination and selection of directors to enhance diversity in decision-making.

The Company's diversity policy for current Board members and its implementation are as follows:

Core of diversify / Name	Basic composition										Industry experience				Professional ability		
	Nationality	Gender	Employee	Age					Tenure and seniority of independent directors			Bank	Business management	Marketing	R & D	Accounting and Financial Analysis	Information Technology	Risk Management
				31 ~ 40	41 ~ 50	51 ~ 60	61 ~ 70	Over 71	Below 3 years	3-9 years	Over 9 years							
Shu, Chung-Won	R.O.C	Male	V					V					V	V			V	V
Shu, Chung-Cheng	R.O.C	Male						V					V	V				V
Shu, Dao-An	R.O.C	Male	V	V									V	V				V
Cheng, Yan-Wei	R.O.C	Male						V					V	V	V			V
Jiayun Investment Inc. (Representative: Yeh Ming-Han)	R.O.C	Male			V								V	V				V
Lin, Shu-Shan	R.O.C	Female				V			V			V	V			V		V
Kuo, Tsung-Ming	R.O.C	Male					V		V				V			V		V
Lin, Jia-Xing	R.O.C	Male					V		V				V	V				V
Chen, Shi-Hong	R.O.C	Male						V	V				V					V

All directors are equipped with extensive experience in leadership, decision, operation determination, business management, crisis handling, and are also equipped with industrial knowledge and international market view such that they are equipped with various capabilities necessary to execute the corporate governance. Independent directors, Mr. Kuo, Tsung-Ming and Ms. Lin, Shu-Shan, are equipped with the professional backgrounds in accounting and financial analysis, such they are able to provide professional recommendations to the Company from different viewpoints and aspects.

The current nine directors are of the nationality of the R.O.C., and the composition structure includes four independent directors, accounting for 44% of all directors. Two directors have the identity of an employee, accounting for 22%, and one independent directors are female directors, accounting for 11%. Furthermore, with regard to the age distribution, four director is above the age of 71 years old, two directors are of the age of 61–70 years old, and three directors are under the age of 60 years old.

(2) Independence of the Board of Directors

According to the provisions of the Securities and Exchange Act, the Company has obtained written declarations issued by all independent directors during their assumption of office, and they are confirmed to comply with the provision specified in Article 14-2 of the Securities and Exchange Act and relevant requirements specified in Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Following the re-election of directors at the 2024 shareholders' meeting, the Company added one independent director seat, bringing the total number of independent directors to four, all of whom are newly appointed. This adjustment aims to further strengthen the supervisory function of the Board and ensure the effective performance of independent oversight. Additionally, the Company pays only fixed remuneration to independent directors, which is not tied to the Company's performance. After evaluation, this arrangement does not compromise their independence.

The Company is of the opinion that the board of directors is able to evaluate the independence of directors according to actual condition, including the required recusal of directors due to conflict of interest, and to provide reports on important operation affairs, risk management, sustainable operation issues and corporate governance, and whether directors are able to express perspectives different from other directors. In addition, according to the provisions of Paragraph 3 and Paragraph 4 of Article 26-3 of the Securities and Exchange Act, the percentage of directors having the relationship of a spouse or relatives within the second degree is 33% only, less than half of the total number of directors, and it is evaluated as complying with the regulations.

2.1.6. Information on the company's Management Team

April 19, 2026

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman and CEO (Note 1)	R.O.C	Shu, Chung-Won	Male	1991.06.01	10,709,453	2.49%	-	0.00%	-	0.00%	• Department of Electrical Engineering, National Cheng Kung University • Project Manager of Hewlett-Packard Development Company, L.P. • Chairman of Transcend Information, Inc.	(Note 2)	None	None	None	(Note 3)
General Manager	R.O.C	Chang, Tsung-Kai	Male	2025.11.06	-	0.00%	-	0.00%	-	0.00%	• Baruch College CUNY of MBA • General Manager of Transcend Information Inc.(Transcend USA)	General Manager of Transcend Information Inc.(Transcend USA)	None	None	None	
Vice General Manager	R.O.C	Li, Tseng-ho	Male	2020.10.01	-	0.00%	4,000	0.00%	-	0.00%	• Master of Information Management, National Taiwan University of Science and Technology • R&D Vice General Manager of Transcend Information, Inc.	None	None	None	None	-
Vice General Manager	R.O.C	Fang, Wen-Jeng	Male	2019.09.01	-	0.00%	25,967	0.01%	-	0.00%	• University of Southern California Electrical Engineering • Administration Vice General Manager of Transcend Information, Inc.	None	None	None	None	-

April 19, 2026

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Vice General Manager	R.O.C	Chen, Po-Shou	Male	2019.07.01	-	0.00%	-	0.00%	-	0.00%	• San Jose State University Economics • Sales Vice General Manager of Transcend Information, Inc.	None	None	None	None	-
CFO & Corporate Governance Officer	R.O.C	Chi, Wen-Hui	Female	2023.01.19	-	0.00%	-	0.00%	-	0.00%	• Master of Accountancy, National Cheng Kung University • Financial and Accounting Manager of Transcend Information, Inc.	None	None	None	None	-

Note 1: Due to the needs of the Company's operation and business development, presently, the Chairman and CEO refer to the same person. However, a majority of the directors are not concurrently assuming the positions of employees or managerial officers. Four independent director seats have been established to further enhance the supervisory function of the Board.

Note 2: Chairman of Taiwan IC Packaging Corporation
Director of C-Tech Corporation, Transcend Information Trading GmbH and Sports Gear Co., Ltd.
General Manager of Transcend Information Trading GmbH

Note 3: As of April 19, 2026, the personal shareholding of Director Shu, Chung-Won was 2,709,453 shares, and he retained the right to decide the exercise of the 8,000,000 shares. The total amount was 10,709,453 shares.

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

2.2.1. Remuneration of Directors and Independent Directors

Dec.31,2025; Unit:NT$ thousands

Title	Name	Remuneration								Total compensation and Ratio of total compensation (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Total compensation and Ratio of total compensation (A+B+C+D) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Compensation (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G) (Note1)						
																The company		Companies in the consolidated financial statements				
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	Cash	Stock	Cash	Stock	The company	Companies in the consolidated financial statements	
Chairman	Shu, Chung-Won	-	-	-	-	3,120	3,120	40	40	3,160 0.06%	3,160 0.06%	6,300	6,300	-	-	-	-	-	-	9,460 0.17%	9,460 0.17%	770
Director	Shu, Chung-Cheng	-	-	-	-	3,120	3,120	40	40	3,160 0.06%	3,160 0.06%	-	-	-	-	-	-	-	-	3,160 0.06%	3,160 0.06%	-
Director	Shu, Dao-An	-	-	-	-	3,120	3,120	40	40	3,160 0.06%	3,160 0.06%	2,313	2,313	-	-	649	-	649	-	6,122 0.11%	6,122 0.11%	-
Director	Cheng, Yan-Wei	-	-	-	-	3,120	3,120	40	40	3,160 0.06%	3,160 0.06%	-	-	-	-	-	-	-	-	3,160 0.06%	3,160 0.06%	-
Director	Jiayun Investment Inc. (Representative: Yeh Ming-Han)	-	-	-	-	3,120	3,120	40	40	3,160 0.06%	3,160 0.06%	-	-	-	-	-	-	-	-	3,160 0.06%	3,160 0.06%	-
Independent Director	Lin, Shu-Shan	1,200	1,200	-	-	-	-	40	40	1,240 0.02%	1,240 0.02%	-	-	-	-	-	-	-	-	1,240 0.02%	1,240 0.02%	-
Independent Director	Lin, Jia-Xing	1,200	1,200	-	-	-	-	40	40	1,240 0.02%	1,240 0.02%	-	-	-	-	-	-	-	-	1,240 0.02%	1,240 0.02%	-
Independent Director	Chen, Shi-Hong,	1,200	1,200	-	-	-	-	40	40	1,240 0.02%	1,240 0.02%	-	-	-	-	-	-	-	-	1,240 0.02%	1,240 0.02%	-
Independent Director	Kuo, Tsung-Ming	1,200	1,200	-	-	-	-	40	40	1,240 0.02%	1,240 0.02%	-	-	-	-	-	-	-	-	1,240 0.02%	1,240 0.02%	-

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:

(1) Independent directors receive fixed remuneration, which is paid monthly. Independent directors do not participate in the distribution of directors' remuneration in order to maintain their independence. In addition, meeting attendance fees are determined based on the number of meetings attended.

(2) The remuneration for general directors is determined with reference to the Company's overall operating performance, future industry risks and development trends, as well as each director's contributions to the Company's operations and the results of the annual board (including individual director) performance evaluation. Reasonable remuneration is provided accordingly. Among these factors, the Company's overall operating performance is the primary consideration, while the results of board performance evaluations serve as a reference basis for adjusting overall remuneration. In addition, according to Article 22 of the Company's Articles of Incorporation, if the Company has profits for the year, no more than 0.5% of the annual profit shall be allocated as directors' remuneration. Meeting attendance fees are also determined based on the number of meetings attended. This year, revenue growth rate was 74%, pre-tax net profit growth rate was 145%, operating profit growth rate was 247%, and return on equity growth rate was 107%. In addition, the directors' evaluation results improved compared to the previous year. Accordingly, directors' remuneration increased by 114% compared to the previous year, accounting for 0.28% of net income after tax.

2. In addition to the above remuneration, remuneration received by directors from all companies included in the financial reports in the most recent year for providing services (such as serving as non-employee consultants): NT$2,800 thousand.

Note 1: The compensation of employees approved by the Board of Directors for the year ended December 31, 2025 is NT$140,033,959.

2.2.2. Remuneration of the General Manager and Vice General Managers

Dec. 31, 2025; Unit: NT$ thousands

Title	Name	Salary (A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D) (Note 1)				Total compensation and Ratio of total compensation (A+B+C+D) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
Chairman and CEO(Note 2)	Shu, Chung-Won	5,400	5,400	-	-	900	900	-	-	-	-	6,300 0.11%	6,300 0.11%	770
General Manager (Note 2)	Chang, Tsung-Kai	500	500	-	-	326	326	550	-	550	-	1,376 0.02%	1,376 0.02%	-
Vice General Manager	Li, Tseng-Ho	2,472	2,472	-	-	1,339	1,339	1,185	-	1,185	-	4,996 0.09%	4,996 0.09%	-
Vice General Manager	Fang, Wen-Jeng	2,373	2,373	-	-	995	995	1,051	-	1,051	-	4,419 0.08%	4,419 0.08%	-
Vice General Manager	Chen, Po-Shou	2,328	2,328	-	-	1,067	1,067	1,185	-	1,185	-	4,580 0.08%	4,580 0.08%	-

Note 1: The compensation of employees approved by the Board of Directors for the year ended December 31, 2025 is NT$140,033,959.
Note 2: The position of General Manager was previously concurrently held by the Chairman. The Company appointed a new General Manager on November 6, 2025.

2.2.3. Employee Compensation for Managerial Officers

Dec. 31, 2025; Unit: NT$ thousands

	Title	Name	Employee Compensation		Total	Ratio of Total Amount to Net Income (%)
			in Stock	in Cash		
Managerial Officers	Chairman and CEO(Note 1)	Shu, Chung-Won	-	4,777	4,777	0.09
	General Manager(Note 1)	Chang, Tsung-Kai				
	Vice General Manager	Li, Tseng-Ho				
	Vice General Manager	Fang, Wen-Jeng				
	Vice General Manager	Chen, Po-Shou				
	CFO and Corporate Governance Officer	Chi, Wen-Hui				

Note 1: The position of General Manager was previously concurrently held by the Chairman. The Company appointed a new General Manager on November 6, 2025.

2.2.4. 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, General Manager and Vice General Managers of the Company, to the net income:

Year / Title	Ratio of total remuneration paid to Directors, General Manager and Vice General Manager to net income (%)			
	2025		2024	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements
Directors	0.54%	0.54%	0.87%	0.87%
General Manager and Vice General Managers	0.38%	0.38%	0.71%	0.71%

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

Transportation allowance is issued according to the attending status (listed for attendance) of the directors and independent directors of the Company in the board of directors' meetings. The determination of the remuneration of general directors is made based on the consideration of the overall business performance of the Company, future operational risk and development trend of the industry, along with the consideration of the contribution of each director on the operation of the Company and the annual performance evaluation result by the board of directors (including individual director), in order to issue reasonable remuneration. Furthermore, according to Article 22 of the Articles of Incorporation of the Company, when the Company has a profit for each fiscal year, an amount no more than 0.5% of the profit shall be appropriated as the remuneration of directors, and after the resolutions of the Remuneration Committee and the Board of Directors, the remuneration is then issued to each director.

The salaries of the CEO, General Manager, Vice General Managers and other managerial officers, etc., are issued based on the consideration of the standard adopted in the same industry, market status, professional competence and job duties. According to Article 22 of the Articles of Incorporation of the Company, when the Company has a profit for each fiscal year, an amount not less than 2% of the profit shall be appropriated as the remuneration of employees, and the personal annual work performance, including the achievement rate of revenue and profit of the entire company and his/her in-charge department, personal goal achievement rate, operational management capability, and whether there is any special contribution or negative events, etc., such that the amount of distribution is determined after comprehensive evaluation of all aspects.

Remuneration performance evaluation and reasonableness for directors and managerial officers are reviewed and approved by the Remuneration Committee and Board of Directors. The remuneration system is also reviewed according to the actual condition of business and relevant laws and regulations appropriately at all times.

2.3. Implementation of Corporate Governance

2.3.1. Operations of the Board of Directors

A total of 4 meetings of the Board of Directors were held in the previous period. The attendance of directors were as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%)	Remarks
Chairman	Shu, Chung-Won	4	0	100	2024.06.21 Renewal of office
Director	Shu, Chung-Cheng	4	0	100	2024.06.21 Renewal of office
Director	Shu, Dao-An	4	0	100	2024.06.21 New term of office
Director	Cheng, Yan-Wei	4	0	100	2024.06.21 New term of office
Director	Jiayun Investment Inc. (Representative: Yeh Ming-Han)	4	0	100	2024.06.21 New term of office
Independent Director	Lin, Shu-Shan	4	0	100	2024.06.21 New term of office
Independent Director	Lin, Jia-Xing	4	0	100	2024.06.21 New term of office
Independent Director	Chen, Shi-Hong	4	0	100	2024.06.21 New term of office
Independent Director	Kuo, Tsung-Ming	4	0	100	2024.06.21 New term of office

Other mentionable items:

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:
   (1) Matters referred to in Article 14-3 of the Securities and Exchange Act.
   (2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors.
   The independent directors of the Company did not object to or reserve any resolution of the Board of Directors.Please refer to "2.3.11 Major resolutions of Shareholders' Meeting, Board of Directors Meetings, Audit Committee meetings and Remuneration Committee meetings in the most recent year and up to the publication date of this Annual Report" for major resolutions of Board of Directors Meetings in the most recent year and up to the publication date of this Annual Report.

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:
   At the second board meeting of 2025, the proposal for the second issuance of employee restricted stock awards declared in 2023 was reviewed. As Director Shu, Dao-An also serves as an employee of the Company, he recused himself from the discussion and voting in accordance with the principle of conflict of interest. The proposal was unanimously approved by all other attending directors upon inquiry by the chairperson.

3. TWSE/TPEx-listed companies are required to disclose the evaluation cycle and period, scope of evaluation, evaluation method, and evaluation items of the self evaluations conducted by the Board of Directors:

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
Once a year	January 1, 2025 to December 31, 2025	Board of Directors, individual directors, Audit committee and Remuneration committee	Self-assessment by directors, internal self-evaluation by the Board of Directors , Audit committee and Remuneration committee	(1) Board performance evaluation: level of participation in company operations, the quality of Board decisions, Board composition and structure, appointment of directors and their continued development, and internal controls. (2) Individual director performance evaluation: grasp of company targets and missions, understanding of the director's role and responsibilities, level of participation in company operations, internal relationship management and communication, director's specialty and continued development, and internal controls. (3) Audit committee performance evaluation: Participation in company operations, understanding of the responsibilities of Audit committees, improvement of the decision-making quality of Audit committees, composition of Audit committees, and member selection and internal control. (4) Remuneration committee performance evaluation: Participation in company operations, understanding of the responsibilities of Remuneration committees, improvement of the decision-making quality of Remuneration committees, and composition of Remuneration committees, and member selection and internal control.

The results of the Board performance evaluation for the year ended December 31, 2025 have been disclosed on corporate website at: https://tw.transcend-info.com/about/board_of_directors

4. Evaluation of targets for strengthening of the functions of the board during the current and immediately preceding fiscal years, and measures taken toward achievement thereof:

(1) The Company established Remuneration committee in 2011 and Audit Committee in 2012 to assist the Board of Directors in carrying out its various duties. The board of directors also established the ”Codes of Ethical Conduct for Directors and Managerial Officers” in 2013 in order to provide guidance to the conducts of directors and managerial officers for compliance with the moral standards, thereby achieving sound corporate governance.

(2) To strengthen the independent directors’ participation in the operation of the board of directors and to improve the understanding of the company affairs, at least three independent directors are required to attend a board of directors’ meeting in person. (Note)

(3) To implement corporate governance and to improve the function of the board of directors, performance goals are established in order to enhance the operational efficiency of the board of directors. The Company’s board of directors approved the “Rules for Performance Evaluation of Board of Directors” on

March 5, 2020 and implemented them in 2021. The evaluation period was from January 1, 2025 to December 31, 2025, and the evaluation result was reported to the board of directors on March 4, 2026. Please refer to the aforementioned Point 3 for the evaluation content and result.

(4) To strengthen the effective operation of the board of directors, the Company established Corporate Governance Officer on May 6, 2021 to assist the Board of Directors in carrying out its various duties and compliance with the laws and regulations.

(5) Operation of the Sustainability Development Committee:

To achieve the Company's sustainable development goals and strengthen sustainability governance, the Sustainability Development Committee was established on August 7, 2025, in accordance with Paragraph 3, Article 27 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Paragraph 1, Article 9 of the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies." The primary purposes of the Sustainability Development Committee are as follows:

A. Formulate, promote, and strengthen the Company's sustainability development policies, annual plans, and strategies.

B. Review, track, and revise the implementation status and effectiveness of sustainability development.

C. Supervise sustainability information disclosure matters and review sustainability reports.

D. Supervise the implementation of the Company's Sustainable Development Best Practice Principles and other sustainability-related matters resolved by the Board of Directors.

Members of the Sustainability Development Committee are appointed by resolution of the Board of Directors. The Committee shall consist of no fewer than three members, who shall possess professional knowledge and capabilities in corporate sustainability, with at least one director participating in supervision. The term of office shall, in principle, coincide with that of the Board of Directors, and members may be reappointed upon re-election. The current Sustainability Development Committee consists of four members: Shu, Dao-An, Fang, Wen-Jeng, Peng, Shi-Xian, and Wu, Ruo-Qi , among whom one member is a director.

The Sustainability Development Committee convened one meeting in 2025. Attendance of the four members is as follows:

Date	Major Resolutions	Resolution Results
2025.08.14	Election of Convener	Following nomination by all committee members, Fang, Wen-Cheng was unanimously elected as the convener of the current committee.

Member	Actual Attendance	Attendance by Proxy	Attendance Rate (%)	Background and Sustainability Expertise
Shu, Dao-An	1	0	100%	Director of the Company / Director of Procurement Division. Familiar with supply chain management and procurement risk control, with professional expertise in strengthening supplier sustainability management and reducing environmental and social risks in the supply chain.
Fang, Wen-Jeng	1	0	100%	Administrative Vice President of the Company. Possesses expertise in corporate governance and risk management, and is familiar with sustainability governance frameworks and related policy implementation.

	Peng, Shi-Xian	1	0	100%	Manager of the Company's Quality Assurance Department. Responsible for implementing ISO systems and QA management systems, and leading internal and external audit and certification activities to reduce quality management-related risks.
	Wu, Ruo-Qi	1	0	100%	Occupational Safety Specialist of the Company. Familiar with environmental management and occupational safety and health systems, with the capability to promote ESH management and reduce operational environmental risks.

Note: Attendance of each independent directors during Board of Director meetings held in 2025.

Independent Directors	The First Meeting	The Second Meeting	The Third Meeting	The Forth Meeting
Lin, Shu-Shan	Attendance in Person	Attendance in Person	Attendance in Person	Attendance in Person
Lin, Jia-Xing	Attendance in Person	Attendance in Person	Attendance in Person	Attendance in Person
Chen, Shi-Hong	Attendance in Person	Attendance in Person	Attendance in Person	Attendance in Person
Kuo, Tsung-Ming	Attendance in Person	Attendance in Person	Attendance in Person	Attendance in Person

2.3.2. Operations of the Audit Committee

1. Information on the members of the Audit Committee

Identity	Criteria / Name	Professional Qualification and Experience	Independent Status
Independent Director & Convener	Kuo, Tsung-Ming	Please refer to "2.1.4 Information disclosure of the professional qualifications of directors and independence of independent directors".	
Independent Director	Lin, Shu-Shan		
Independent Director	Lin, Jia-Xing		
Independent Director	Chen, Shi-Hong		

2. The Company established Audit Committee on June 2012, which is composed of the entire number of independent directors. After the re-election at the 2024, there are four members in total. The Committee operations by the Company's Audit Committee Charter, and the main function of the Audit Committee is to supervise the following matters:
   (1) Fair presentation of the financial reports of this Corporation.
   (2) The hiring (and dismissal), independence, and performance of certificated public accountants of this Corporation.
   (3) The effective implementation of the internal control system of this Corporation.
   (4) Compliance with relevant laws and regulations by this Corporation.
   (5) Management of the existing or potential risks of this Corporation.

3. The powers of the Committee are as follows:
   (1) The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
   (2) Assessment of the effectiveness of the internal control system.
   (3) The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act,

of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.

(4) Matters in which a director is an interested party.
(5) Asset transactions or derivatives trading of a material nature.
(6) Loans of funds, endorsements, or provision of guarantees of a material nature.
(7) The offering, issuance, or private placement of equity-type securities.
(8) The hiring or dismissal of a certified public accountant, or their compensation.
(9) The appointment or discharge of a financial, accounting, or internal audit officer.
(10) Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairman, managerial officer, and accounting officer.
(11) Other material matters as may be required by this Corporation or by the competent authority.

4. The key tasks of the Audit Committee of the Company for the year of 2025 includes: Review of all quarterly and annual financial statements, review of annual earning distribution proposal, examine the effectiveness of the internal control system, corporate governance related affairs, risk management matters, restricted stock issuance, independence and competency assessment of c CPAs, appointment of c CPAs and audit fees, etc. Please refer to "2.3.11 Major resolutions of Shareholders' Meeting, Board of Directors Meetings, Audit Committee meetings and Remuneration Committee meetings in the most recent year and up to the publication date of this Annual Report" for major resolutions of Audit Committee meetings in the most recent year and up to the publication date of this Annual Report.

5. A total of 4 Audit Committee meetings were held in the previous period. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%)	Remarks
Independent Director	Lin, Shu-Shan	4	0	100	2024.06.21 New term of office
Independent Director	Lin, Jia-Xing	4	0	100	2024.06.21 New term of office
Independent Director	Chen, Shi-Hong	4	0	100	2024.06.21 New term of office
Independent Director	Kuo, Tsung-Ming	4	0	100	2024.06.21 New term of office

Other mentionable items:

1. If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, the content of the objections, reservations or material recommendations of independent directors, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified:
   (1) Matters referred to in Article 14-5 of the Securities and Exchange Act.
   (2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors.

   None. Please refer to "2.3.11 Major resolutions of Shareholders' Meeting, Board of Directors Meetings, Audit Committee meetings and Remuneration Committee meetings in the most recent year and up to the publication date of this Annual Report" for major resolutions of Audit Committee meetings in the most

recent year and up to the publication date of this Annual Report.

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 material items, methods and results of audits of corporate finance or operations, etc.):

   (1) The internal auditors have communicated the result of the audit reports to the members of the Audit Committee periodically, and have presented the findings of all audit reports in the quarterly meetings of the Audit Committee. The internal auditors report the next Annual Audit Plan and get the approval of the Audit Committee in the last Audit Committee meeting every year. 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. There was no such special situation in 2025. 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. There was no such special situation in 2025. The communication channel between the Audit Committee and the CPAs has been functioning well.

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

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"?	v		The Company has established the Corporate Governance Best-Practice Principles based on the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies". The information has been disclosed on the Company's website. http://tw.transcend-info.com/about/policies	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?	v		The Company has established spokesperson and investor relationship unit to handle issues of shareholders' suggestions or disputes.	None
(2) Does the company possess the list of its major shareholders as well as the	v		The Company reports the shareholding change status of insiders (directors, managerial officers and shareholders with shareholding over 10% of the total number of shares) in time, and also discloses the top 10 shareholders' information in the shareholders' meeting annual report every year.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
ultimate owners of those shares?				
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	v		The Company and its affiliated enterprises enter into inter-company business transactions, a written agreement governing the relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness, and the procedures including the activities of trading, acquisition or disposal of assets, endorsement and loans between the Company and its affiliates, in order to implement the risk control mechanism thoroughly.	None
(4) Does the company establish internal rules against insiders trading with undisclosed information?	v		The Company has established and disclosed the "Codes of Ethical Conduct for Employees", "Codes of Ethical Conduct for Directors and Managerial Officers" and "Procedures for Handling Material Inside Information" on the Company's website, in order to prohibit employees to allow themselves or any third party to gain personal benefits through the use of the Company's assets, information of through one's job duties.	None
3. Composition and Responsibilities of the Board of Directors				
(1) Does the Board of Directors establish a diversified policy, set goals and implement them accordingly?	v		1. The nomination and election of board members of the Company comply with the "Procedures for Election of Directors" and "Corporate Governance Best-Practice Principles" , in order to ensure the diversity and independence of board members. According to Article 20 of the"Corporate Governance Best-Practice Principles" of the Company, all directors are preferably required to possess knowledge, skills and literacy necessary for performing duties, and diversity directives have been established, for details on the implementation of diversification objectives and achievement, please refer to section 2.1.5. 2. All directors are equipped with extensive experience in leadership, operation determination, business management, crisis handling, and are also equipped with industrial knowledge and international market view such that they are equipped with various capabilities necessary to execute the	None.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			corporate governance. Independent directors, Mr. Kuo, Tsung-Ming and Ms. Lin, Shu-Shan, are equipped with the professional backgrounds in accounting and financial analysis, such they are able to provide professional recommendations to the Company from different viewpoints and aspects. 3. Independent directors account for 44% of the Board, directors who are also employees account for 22%, and female independent directors account for 11%. All independent directors are newly appointed. In terms of age distribution, four directors are aged over 71, two are aged between 61 and 70, and three are under the age of 60. 4. The board of directors has disclosed the policy for the formation of diverse board members on the Company's website and the Market Observation Post System (MOPS).	
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	v		Presently, the Company has established the Remuneration Committee and Audit Committee, both of which are composed of independent directors. In addition, the Company has voluntarily established the Sustainability Development Committee, with one director participating in supervision. Other types of functional committees are continuously being assessed.	None
(3) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced	v		The Company has established and disclosed the "Rules for Performance Evaluation of Board of Directors" on the Company's website, and the evaluation period is from January 1 to December 31 of each year. The result is reported to the board of directors before the end of March of the following year in order to be used as a reference for review and improvement. The evaluation result on the performance of the board of directors of the Company will be used as a reference for election or nomination of directors. The result of 2025 board of directors performance evaluation has been reported to the board of directors' meeting on March 4, 2026. Please refer to "2.3.1 Operations of the Board of Directors".	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
when determining the remuneration of individual directors and nominations for reelection?				
(4) Does the company regularly evaluate the independence of CPAs?	v		The Company periodically evaluates the independence and suitability of the CPAs based on Audit Quality Indicators (AQIs) on an annual basis, and the recently result has been approval by the board of directors on November 6, 2025. After examination of the CPAs' independence and suitability evaluation checklist, and the evaluation items include that the CPAs have no direct or material indirect financial benefit relationships with the Company, not assuming the position of director, managerial officer or any job position that has material impack on the audit work of the Company, not engaging in any financing or guarantee activities with the Company or directors of the Company, not acting or representing as an agent of the Company, or involving any defense or coordination for the Company, not providing non-audit services other than certification and financial tax services to the Company that may have direct impact on the audit word, and not relatives to all of the aforementioned personnel, etc. Accordingly, the independence and suitability of the CPAs of the Company has been evaluated properly and confirmed to comply with the requirements	None
4. Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to	v		The Company assigns FAD as the main promotional unit for corporate governance. The board of directors appointed the CFO of the Company to act as the Corporate Governance Officer to be in charge of corporate governance related affairs. The officer is equipped with the experience of the supervisor role in the financial, stock affairs and corporate governance related affairs units of publicly listed companies for more than three years. The main responsibilities and authorities of the corporate governance unit are to provide documents and information necessary for directors to perform duties, to assist the Company and directors in the compliance with the laws and regulations, and to handle affairs for board of directors' meetings and shareholders' meetings. The key operational tasks for the current year are as follows:	None

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Illustration</th></tr>
<tr><td>providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?</td><td></td><td></td><td>1. Organize 2025 board of directors’ meetings, functional committees’ meetings, and shareholders’ meetings, including planning and establishment of agenda, mailing of meeting notice within the statutory time-limit, providing all documents and data necessary for the meetings, and also prepare meeting minutes after such meetings.
2. Assist and organize continuing educational courses for directors.
3. Perform 2025 board of directors’ performance evaluation, and submitted the evaluation result to the board of directors’ meeting on March 4, 2026.
4. Summarize amendments of latest laws of the competent authority, and revise internal regulations of the Company accordingly.
5. Provide appropriate and timely company information to directors.
6. Make public announcements on all material resolutions reached by the Company and material information of the Company according to the laws.
7. Update and disclose all corporate governance information, including the composition of board of directors and functional committees, audit plan of each year, organization and management team of the Company, important internal regulations of the Company and interested party section, etc.
8. Handle directors liability insurance related affairs.
9. Other matters related to corporate governance.
Continuing Education Training of Corporate Governance Officer in 2025
<table>
<tr><th>Date</th><th>Host by</th><th>Training/Speech Title</th><th>Hours</th></tr>
<tr><td>2025/06/10</td><td>Business Council for Sustainable Development, Republic of China</td><td>CDP Taiwan Forum – Strengthening Climate Information Disclosure to Enhance Corporate Climate Resilience</td><td>3</td></tr>
<tr><td>2025/07/09</td><td>Taiwan Stock Exchange</td><td>2025 Cathay Sustainable Finance and Climate Change Summit</td><td>6</td></tr>
<tr><td>2025/08/22</td><td>Chinese National Association of Industry and Commerce</td><td>2025 Taishin Shin Kong Net Zero Summit</td><td>3</td></tr>
</table>
The Company has established the Corporate Governance Officer section on the Company’s website, please refer to https://tw.transcend-info.com/about/directors</td><td></td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities ?	v		The definition of interested parties of the Company includes employees, suppliers, shareholders and customers. The Company has established various communication and compliant channels, such as the spokesperson system, contact mailbox and website, etc., and feedback information of the aforementioned interested parties are collected, in order to provide the latest information and communication channels of the Company. In addition, international trend and regulations, customer demands and methods adopted in the same industry are also considered, and issues concerned by all interested parties are identified, in order to list out the responsiveness and communication method for each issue. The Company has established the Interested Party section on the Company's website, please refer to: https://tw.transcend-info.com/about/stakeholders	None
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	v		The Company has appointed the Stock Affairs Department of Yuanta Securities Co., Ltd. to handle shareholders' meeting affairs starting from February 1, 2025.	None
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and	v		1. The Company has established official corporate website to disclose relevant information timely. The website address is: http://tw.transcend-info.com/ 2. Financial information disclosure status: The Chinese and English versions of the Company's website are established with the Investor Information section, disclosing financial information, and the information is	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
the status of corporate governance?			updated periodically for investors' reference. https://tw.transcend-info.com/about/month_sales https://us.transcend-info.com/about/month_sales 3. Corporate governance information disclosure status: The Company has disclosed the information on the composition of the committees, including board of directors, annual audit plan, company organization and management team, important internal regulations and interested party section of the Company on the Company's website. http://tw.transcend-info.com/about/board_of_directors	
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	v		1. The Company has assigned dedicated personnel to be responsible for the collection and disclosure of the Company's information, and spokesperson system is implemented according to the regulations. The presentation files and full audio and video recording of institutional investors' conferences are also published on the Company's website. http://tw.transcend-info.com/about/conference 2. The Company has set up the English website to provide investors from all countries to make inquiries and to understand relevant information. Please refer to: https://us.transcend-info.com/	None
(3) Does the company announce and report annual financial statements within two months after the end of each	v		The Company convened the board of directors' meeting on March 4, 2026 to approve the annual financial statements for 2025, and the annual financial statements were publicly announced and reported on the same day. And financial statements for Q1, Q2 and Q3 of the fiscal year were reported to the board of directors' meetings on May 8, 2025, August 7, 2025 and November 6, 2025 respectively. And they were also publicly announced and reported on the same day.	The Company makes public announcement and reports the annual and quarterly financial statements according to

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?				the time limits specified in Article 36 of the Securities and Exchange Act.
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and	v		1. Employees' rights and interests, employee care execution status: Please refer to "4.5 Labor Relations" of this Annual Report. 2. Investor relationship, supplier relationship, interested parties' rights and customer policy execution status: The Company has set up the Interested Party section on the Company's website. https://tw.transcend-info.com/about/stakeholders 3. Continuing education status of directors and supervisors: Please refer to "2.3.5.Continuing Education/Training of Directors in 2025" of this Annual Report. 4. Risk Management Policies and risk evaluation measures execution status: Please refer to "5.6 Analysis of Risk Management" of this Annual Report and the Company's website: https://tw.transcend-info.com/about/risk_management_policy 5. Customer policy execution status: The Company rigorously complies with the customer confidentiality rules and the Ethical Corporate Management Best-Practice Principles. In addition, the Company maintains excellent supply relationship with customers and has established different internal teams to service customers. 6. Status on the Company's purchase of liability insurance for directors and supervisors: The Company has purchased directors' and officers liability insurance, which has been approved by the board of directors on November 6, 2025 and has been publicly announced on MOPS. 7. The Company emphasizes the cultivation of senior management talents and promotes R&D Vice General Manager, Sales Vice General Manager, Vice President of Administration and Directors of all divisions. The Company also focuses on the management capability and professional competence of senior managers, and plan to through the transfer of different duties, senior managers are able to develop	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			different attributes and capabilities, thereby achieving integration and utilization to enhance decision making and understanding of management principles. Accordingly, candidates for board of directors and chairman of the board can be appropriately selected from the senior managers.	

9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.
   (1) Status of improvement:
      A. The Company has voluntarily disclosed the individual remuneration of directors, the General Manager, and Vice Presidents in the 2024 Annual Report (covering 2023), and further reported the individual remuneration of directors at the 2025 Annual General Shareholders' Meeting held on June 20, 2025, in order to enhance information transparency.
      B. The Company established a Sustainability Development Committee in 2025, with one director participating in supervision, in order to strengthen the Board's oversight of sustainability issues and further enhance corporate governance practices.

   (2) For the one item without scores, explanations are provided in the following:
      A. The Company will evaluate the introduction of an external evaluation mechanism for future board performance evaluations in order to enhance objectivity and completeness.
      B. The Company currently has not established a Nomination Committee. In order to further enhance the quality of board decision-making and governance effectiveness, the Company will evaluate the feasibility of establishing such a committee in the future to strengthen its corporate governance framework.

2.3.4. Composition, Responsibilities and Operations of the Remuneration Committee

To achieve sound corporate governance and to enhance remuneration management function, the Company has established the Remuneration Committee in accordance with the ”Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange”. The number of members of the Remuneration Committee of the Company is three, and the members are to be appointed in accordance with the resolution of the board of directors. The committee is formed by three external experts satisfying the professional qualification and independence requirements. For the Remuneration Committee meetings of the Company, at least two regular meetings are convened annually in order to periodically review the remuneration regulations of the Company and to provide recommendations on amendments, to periodically review the performance evaluation of directors and managerial officers and the policy, system, standard and structure for the salary and remuneration, as well as to periodically evaluate and establish salary and remuneration of directors and managerial officers of the Company. For the content of the performance evaluation standards for directors and managerial officers, please refer to “2.2.4. 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, General Manager and Vice General Managers of the Company, to the net income” and “2.2.5. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with risks and business performance”.

1. Information on the members of the Remuneration Committee

May 14, 2026

Identity	Criteria / Name	Professional Qualification and Experience	Independent Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director & Convener	Chen, Shi-Hong	Please refer to “2.1.4. Information disclosure of the professional qualifications of directors and independence of independent directors”.		0
Independent Director	Lin, Shu-Shan			0
Independent Director	Lin, Jia-Xing			2

2. Operation of Remuneration Committee:
   (1) There are 3 members in the Remuneration Committee. Term of service: August 1, 2024 to June 20, 2027.
   (2) A total of 2 Remuneration Committee meetings were held in the previous period. The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%)	Remarks
Convener	Chen, Shi-Hong	2	0	100%	2024.06.21 New term of office
Member	Lin, Shu-Shan	2	0	100%	2024.06.21 New term of office
Member	Lin, Jia-Xing	2	0	100%	2024.06.21 New term of office

Other mentionable items:

1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion:
   None. Please refer to "2.3.11 Major resolutions of Shareholders' Meeting, Board of Directors Meetings, Audit Committee meetings and Remuneration Committee meetings in the most recent year and up to the publication date of this Annual Report" for major resolutions of Remuneration Committee meetings in the most recent year and up to the publication date of this Annual Report.

2. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified:
   None.

2.3.5. Continuing Education/Training of Directors in 2025

Title	Name	Date	Organizer	Training/Speech Title	Hours
Chairman	Shu, Chung-Won	2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Director	Shu, Chung-Cheng	2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Director	Shu, Dao-An	2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Director	Cheng, Yan-Wei	2025/03/07	Corporate Governance Association of the Republic of China	Introduction to Greenhouse Gas Inventory and Assurance Principles and Key Points	3
		2025/03/14	Securities and Futures Institute	Directors and Supervisors Corporate Governance Program – Global and Taiwan Economic Outlook 2025	3
Representative of Juridical Person Director	Yeh, Ming-Han	2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Independent Director	Kuo, Tsung-Ming	2025/02/27	Taipei Foundation of Finance	Quantum New Opportunities: Key Technologies and Applications of Quantum Technology	2
		2025/03/04	Corporate Governance Association of the Republic of China	NVIDIA's Trillion-Dollar Miracle: New Perspectives on the Semiconductor Industry Revolution Behind AI	3
		2025/09/19	Taipei Foundation of Finance	Corporate Governance – A First Lesson on Avoiding Virtual Currency Risks: Strategy Guide for Directors	3
Independent Director	Lin, Shu-Shan	2025/07/31	Taiwan Stock Exchange	2025 Strengthening Taiwan Capital Market Summit	3
		2025/10/31	Securities and Futures Institute	2025 Insider Trading Legal Compliance Seminar for Insiders	3
Independent Director	Lin, Jia-Xing	2025/04/17	Industrial Technology Research Institute Academy	Towards Net Zero: Environmental Leadership, Global Plastic Reduction Trends, Carbon Pricing Era, and Industrial Opportunities	2
		2025/06/19	Corporate Governance Association of the Republic of China	Corporate Governance and Securities Regulations	3
		2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	3
Independent Director	Chen, Shi-Hong	2025/04/17	Industrial Technology Research Institute Academy	Towards Net Zero: Environmental Leadership, Global Plastic Reduction Trends, Carbon Pricing Era, and Industrial Opportunities	2
		2025/05/16	Securities and Futures Institute	2025 Insider Trading Prevention Seminar	3
		2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	3

2.3.6. Implementation of sustainable development promotion and difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
1. Does the company establish the governance structure for promoting the sustainable development, and set up a unit that specializes (or is involved) in the promotion of sustainable development, and does the board of directors authorize the senior management for handling such mater, and the supervision status of the board of directors?	v		The Company established the Sustainability Development Committee on August 7, 2025, with one director participating in supervision, and is committed to integrating sustainability principles into corporate operations and daily management. The Committee is responsible for planning and promoting sustainability policies, reviewing performance, ensuring information transparency, and supervising the implementation of sustainability initiatives. The Vice President of Administration serves as the sustainability development officer. The Office of the Vice President of Administration acts as the primary execution unit. Department heads are organized into four functional groups according to business nature, including Corporate Governance, Environmental Sustainability, Social Responsibility, and Sustainability Information Disclosure. Through a cross-functional collaboration mechanism, each group regularly reports implementation progress to the Sustainability Development Committee to ensure achievement of all objectives. The Sustainability Development Committee reports to the Board of Directors at least once a year. The Board reviews management direction, execution performance, and future plans, and provides recommendations to the management team for continuous improvement. The execution status of key sustainability initiatives for 2025 was reported to the Board of Directors on August 7, 2025. Please refer to the Company's website for detailed information: https://tw.transcend-info.com/about/social_responsibility	None
2. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	v		1. This risk assessment boundary mainly focuses on the Taiwan headquarters and factory site as the core of the assessment, and overseas business offices are excluded. 2. During the pursuit of sustainable operation and profit, the Company also conducts relevant risk assessment on environment, society and corporate governance related to the company operation in accordance with the materiality principle. By actively fulfilling sustainable development responsibilities, and through communication with internal and external stakeholders, review of	None

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			domestic and international relevant reports in the same industry and evaluation documents of all department, as well as incorporates such matters into the management directives and operating activities of the Company, thereby achieving the goal of sustainable operation. 3. To enhance the corporate governance and to establish sound risk management operation, the board of directors has approved the Risk Management Policies on November 10, 2020, in order to provide guidance on effective identification, measurement, supervision and control of all kinds of risks to all units of the Company during the performance of duties, and to also control the possible risks within the acceptable level, thereby achieving the goal of reasonable risk and compensation as well as the objective of sustainable operation of the Company. Reported various business risks and proposed control strategy and method in the board of director' s meeting on November 6, 2025, please refer to the Company's website: https://tw.transcend-info.com/about/risk_management_policy	
3. Environmental issues (1) Does the company establish proper environmental management systems based on the characteristics of their industries?	v		Transcend adopts a product life cycle perspective and, based on the characteristics of our industry, has planned and implemented an environmental management system in accordance with the ISO 14001:2015 standard (valid from 2024/06/25 to 2027/05/19). We continue to pass third-party certifications, enabling us to reduce negative environmental impacts and enhance our environmental performance. In terms of products: During the manufacturing process, Transcend utilizes components that comply with the EU RoHS environmental standards. Our products have also obtained QC 080000 certification, further minimizing environmental impact. All of Transcend's manufacturing facilities in Taiwan are certified to both ISO 14001 and QC 080000. For detailed certification information, please refer to the Company's website: https://tw.transcend-info.com/about/green Additionally, in line with the Task Force on Climate-related Financial Disclosures (TCFD) framework, we disclose our practices based on its four	None

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			core elements: Governance, Strategy, Risk Management, and Metrics and Targets. For more information, please refer to Section "2.3.7.1 Implementation of climate-related information" of this Annual Report, our Sustainability Report, and the TCFD section of our website: https://tw.transcend-info.com/about/TCFD	
(2) Does the company endeavor to promote energy utilizing more efficiently and use renewable materials which have low impact on the environment?	v		1. Energy saving: i. The R&D department continues to develop designs that reduce resource consumption and the use of hazardous substances. In 2025, improvements were completed for the DrivePro Body 30 product packaging, reducing plastic and paper usage in the original packaging. This achieved a 30% reduction in packaging volume and a 21% reduction in total overall cost. ii. In 2025, pipeline modifications were completed for the chilled water system to improve operating efficiency. The system can now operate at lower load during winter, resulting in annual electricity savings of 110,592 kWh, with an estimated annual energy-saving rate of approximately 9.86%. 2. Resource recycling: The wastepaper, waste plastics, waste metals and lighting fixtures generated by the Company daily are recycled by qualified recycling vendor periodically.	None
(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	v		1. Transcend assesses the potential risks and opportunities arising from climate change by evaluating their likelihood and analyzing the degree of impact. In alignment with the TCFD framework, we disclose our approach to climate-related governance, strategy, risk management, indicators and targets. For further details, please refer to Section "2.3.7.1 Implementation of climate-related information" of this Annual Report, our Sustainability Report, and our official website: https://tw.transcend-info.com/about/TCFD 2. While facing the potential impacts of climate change, the Company also identifies related opportunities for operational improvement. For example, during machinery replacement projects, Transcend applies for government energy-saving subsidies and incentives. To support environmental	None

<table>
<tr><th rowspan="2">Assessment Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Explanation</th></tr>
<tr><td></td><td></td><td></td><td>sustainability, we are committed to enhancing green manufacturing and developing technologies beneficial to the environment, such as low-profile PCBs, new eco-friendly packaging, and redesigned products with reduced power consumption. These process optimizations help reduce energy loss and contribute to building a low-carbon future. For more information, please refer to the Company’s website: https://tw.transcend-info.com/about/energysaving</td><td></td></tr>
<tr><td>(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on greenhouse gas reduction, water reduction, or waste management?</td><td>v</td><td></td><td>1. This data covers the Taiwan headquarters and factory site; however, overseas business offices are excluded.
2. Policies on the Management of Greenhouse Gas Emissions, Water Usage, and Waste Reduction
i. Greenhouse gas emissions:
Unit: tCO_2e
<table><tr><th>Year</th><th>Scope 1</th><th>Scope 2</th><th>Emission per unit revenue</th></tr><tr><td>2025</td><td>473.12</td><td>4,316.81</td><td>0.2897</td></tr><tr><td>2024</td><td>31.99</td><td>3,898.65</td><td>0.4141</td></tr></table>Note: In 2025, Scope 1 greenhouse gas inventory was expanded to include fugitive and process emissions, resulting in structural changes in the data; therefore, it is not directly comparable with previous years. The year 2025 is designated as the baseline year for future emission reduction performance. The 2025 statistics are based on the Taiwan headquarters only and are calculated using stand-alone financial statements; the 2024 figures are also prepared on a stand-alone basis for consistency.
The Company has established a greenhouse gas reduction policy, which includes specific reduction targets, implementation measures, and progress updates. For detailed information, please refer to Section “2.3.7.1 Implementation of climate-related information” of this Annual Report.

ii.Water consumption:
Unit: million tons
<table><tr><th>Year</th><th>Water consumption</th></tr><tr><td>2025</td><td>30.61</td></tr><tr><td>2024</td><td>28.11</td></tr></table>Water Conservation Management Policy
The Company does not generate industrial wastewater; all water usage is for domestic purposes such as sanitation, drinking, and cleaning. To ensure</td><td>None</td></tr>
</table>

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	

the sustainable use of water resources, we promote water-saving measures by enhancing equipment efficiency and encouraging responsible water usage behavior. These efforts aim to reduce water consumption and contribute to environmental sustainability.

Reduction Target
Gradually reduce domestic water consumption and improve the efficiency of water resource utilization.

Implementation Measures
I. Optimization of Water Equipment: Replace existing fixtures with high-efficiency water-saving devices such as low-flow faucets and automatic sensor taps to enhance water use efficiency.
II. Enhancing Employee Awareness: Strengthen internal communication and training to raise employee awareness about water conservation and encourage water-saving practices.
III. Water Monitoring and Management: Conduct regular audits and monitoring of water usage to detect anomalies early and adjust management strategies accordingly.
IV. Strengthened maintenance of chlorine dosing for air-conditioning cooling towers to reduce deterioration, thereby decreasing the need for frequent cleaning and the resulting wastewater discharge from water replacement.

Performance
The Company continues to implement water-saving initiatives and reviews water usage regularly to ensure effective reduction in water consumption and to minimize unnecessary waste.

iii. Total weight of waste:

Unit: tons

Year	Hazardous industrial waste	General industrial waste
2025	11.442	177.178
2024	9.823	183.412

Note: The original 2024 figures have been corrected in the current year due to partial data entry errors at the factory level.

Waste Reduction and Management Policy
The Company promotes waste reduction and management initiatives to ensure efficient resource utilization and minimize environmental impact. Our strategy focuses on reducing total waste volume and enhancing resource recovery and reuse.

Reduction Target
To achieve a 30% reduction in waste generated from

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			production and operations by 2030, compared to the 2020 baseline year, by progressively improving resource utilization. **Implementation Measures** I. Source Reduction: Optimize production processes and procurement strategies to minimize raw material waste and packaging use. II. Recycling and Reuse: Establish a comprehensive waste classification and recycling system to increase the reuse rate of recyclable materials. III. Monitoring and Performance Management: Conduct regular audits of waste generation and disposal to ensure compliance with government regulations and the Company's sustainability goals. **Performance** As of 2025, the Company has gradually reduced general industrial waste through production optimization and resource recovery measures: I. Paperless initiatives have been actively implemented, including the digitalization of internal documents such as transfer slips and purchase order receiving forms, the introduction of a card-swipe authentication system for photocopiers, and the promotion of printing only essential documents for archiving purposes. These measures have helped reduce unnecessary printing and paper waste. In 2025, paper consumption was reduced by 689,498 sheets, representing a 59% decrease compared to 2020. II. The Company continues to implement resource recycling programs, collecting waste paper, plastics, and other recyclable materials. Recycling bins are installed on each floor to separate waste paper, aluminum cans, PET bottles, and other recyclables, and employees are encouraged to actively participate in recycling practices. In 2025, the two plants collectively recycled 106,655 kg of materials. 3. The Company evaluates the risks and opportunities of all units in order to establish environmental objective plans and to execute follow-up appropriately every year. The environmental energy-saving and sustainability initiatives over the past three years are as follows: 2024: Completed the replacement project of air compressor and improvement for Drive Pro 3X function. 2025: Reduction of drive pro body 30 packaging	

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			(waste reduction) and engineering modification of ice water main pipeline at the second factory. 2026: Reduction of DrivePro Body 10D product packaging (waste reduction) and energy-saving replacement of dehumidifiers and air-conditioning systems at the second factory. The Company establishes environmental objective plans and executes follow-up appropriately every year. For relevant objective plans and specific execution measures, please refer to the Company's website for details: https://tw.transcend-info.com/about/energysaving	
4. Social issues (1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	v		The Company is committed to complying with the national labor laws, "RBA Responsible Business Alliance Code of Conduct" and other applicable industrial standards and international conventions. The Company also continues to improve the working environment and employee welfare for all employees. To achieve such commitment, the Company periodically identifies employee occupational safety and health risks, material environmental concerns, and entrusts a third-party authentication institution to perform audit periodically. Please refer to the Company's website for detailed information: https://tw.transcend-info.com/about/human	None
(2) Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	v		1. The Company has established the salary management regulations and employee bonus distribution system. In addition to the distribution of year-end bonus, the Company also distributes performance bonus quarterly depending on the profit of the Company in order to share the business outcome with employees, thereby encouraging and rewarding employees for their effort at work. Based on the long-term philosophy of "shared prosperity and mutual benefit" with employees, the company implemented the "Employee Stock Trust Plan" in 2022, encouraging employees to participate in long-term, stable investments to share in the company's operational results, while also gradually accumulating personal wealth. In 2024, the company issued "Restricted Employee Rights New Shares" for the first time, including senior management and some senior or high-performing employees as recipients. By observing individual	None

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			employee performance, the company can continuously and flexibly adjust rewards, achieving long-term incentives and sustainable business operations. 2. The Company has established the employee welfare committee to plan and provide various welfare to employees, such as wedding gift money, childbirth gift money, funeral condolence, group meal compensation, annual and holiday gifts. To allow employees to achieve a balance between work and living, the Company has set up recreation facilities and a gym in order to allow employees to relax and relieve pressure. Furthermore, the Company also plans free annual health examinations and arranges for a physician to provide on-site periodic consultation in order to care for and protect the employees' health properly. 3. The Company promotes the equal remuneration criteria for same job duties and equal promotion opportunities for employees of different genders. In 2025, the number of female employees accounted for 50% of all employees, and the number of female supervisors accounted for 16% of all management staff. 4. Please refer to "4.5.1 Employee benefit plans, continuing education, training, retirement systems, the status of their implementation, and the status of labor agreements and measures for preserving employees' rights and interests" and corporate website: https://tw.transcend-info.com/about/employee_benifit	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	v		1.Environmental Safety and Health Policy The Company is committed to continuously promoting various management and control mechanisms to fulfill its corporate responsibility for environmental protection and employee safety and health, prevent occupational injuries and diseases, reduce environmental, safety, and health-related risks, and maintain competitiveness while enhancing corporate image. The Company also aims to communicate this philosophy to all personnel working for the organization and all stakeholders, thereby serving as a cornerstone for sustainable corporate development. 2.Health and Safety in the Workplace Based on hazard identification and risk and	None

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			opportunity assessment, the Company effectively controls hazards and reduces risks to enhance occupational safety and health performance. The Company has also established relevant safety and health operational controls to ensure compliance with applicable laws and management system requirements. The Company continues to implement five major programs (ergonomics, abnormal workload, workplace violence prevention, employee health services, and maternity protection programs), and conducts monitoring, performance measurement, and analysis, as well as regular safety committee meetings to ensure effective occupational safety and health operations, provide physical and mental protection to employees, and strive toward a zero-incident safe and healthy workplace.In 2025, the Company continued its participation in the "Healthy Workplace" program of the Health Promotion Administration, the "National Occupational Safety and Health Week" organized by the Occupational Safety and Health Administration, and continued to accumulate "disaster-free working hours" (no major occupational accidents). 3.Occupational Exposure Monitoring The Company conducts semi-annual workplace environmental monitoring in accordance with regulations to protect employees from physical and chemical hazards and to ensure that exposure levels comply with regulatory standards. The concentration of chemical exposure in the Company remains far below one-half of the permissible exposure limits for hazardous substances in the air under applicable regulations. 4.Health Management and Promotion The Company has established a health management room and employs full-time nursing staff in accordance with health protection regulations to provide on-site occupational health services. In addition, a contracted occupational physician provides monthly on-site services. All new employees are required to undergo a pre-employment health examination, with costs fully borne by the Company. In 2025, the Company continued to provide employee health examinations exceeding regulatory requirements, and employees' family members are also eligible for discounted health check-up programs to enhance overall health	

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			benefits. After examinations, professional nurses categorize health reports for health management and provide follow-up care for abnormal findings to help employees better understand their health conditions. Each year, occupational health nurses design health promotion activities and targets based on employee health examination results, evaluate effectiveness, and provide recommendations to improve potential and existing health issues, reduce disease occurrence, and enhance employee health. The Company will continue to implement such programs with appropriate incentive measures to promote work-life balance. 5.Occupational Safety and Health Education and Training The Company conducts regular occupational safety and health training each year to enhance employees' knowledge. In 2025, a total of six internal training courses were conducted with 1,179 participants. 6.Certification Status All Taiwan facilities of the Company have obtained dual certification under ISO 45001 and CNS 45001 (TOSHMS). 7.Occupational Injury Prevention and Improvement In 2025, there were 2 occupational injury cases involving 2 employees (accounting for 0.21% of total employees at year-end 2025), and the goal of zero occupational injuries was not achieved. The Company conducted thorough incident investigations and implemented corrective measures to prevent recurrence, including revising relevant procedures, strengthening safety awareness, optimizing work environments and processes, and enhancing machine safety protections to ensure employee safety and health. 8.Fire Prevention and Improvement No fire incidents occurred in 2025, and the Company continues to promote fire safety system management. Please refer to the Company's website for detailed information: https://tw.transcend-info.com/about/healthy_safety	
(4) Does the company provide its employees with career development and training sessions?	v		The Company establishes annual education and training plan to provide knowledge necessary for employees to perform works. Supervisors of all units also provide training planning necessary for the career	None

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			and competence development of their department staff. In 2025, training sessions were held 125 times, and a total of 3,080 people participated in these sessions.	
(5) Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer or customer rights protection and grievance procedure policies implemented?	v		Regarding customer health and safety, customer privacy, marketing, and labeling of products and services, the Company complies with all applicable laws and international standards. Safety regulations are based on the requirements of international legal standards, voluntary guidelines, and eco-label certifications, such as CE/UKCA/FCC/BSMI/NCC/ MIC/KC/EAC. Relevant information and labeling are disclosed on products, user manuals, and the official website. Additionally, the Company has established policies and procedures including the "Warranty Policy," "Terms of Use," "Privacy Policy," and "Customer Service Satisfaction Survey Procedures" to safeguard consumer rights and provide proper complaint mechanisms.	None
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	v		1. The Company has established the "Supplier Selection and Management Work Guideline." A standard supplier selection process is implemented prior to the addition of new suppliers. As part of the document review process, suppliers are required to sign the "Environmental Protection Regulations Compliance Guarantee," "Supplier Ethics Undertaking," "Supplier Social Responsibility Undertaking," "Transcend New Supplier Evaluation Form," and "Supply Chain Security Review for Authorized Economic Operator (AEO)," or provide relevant declarations, in order to ensure compliance with environmental protection, occupational safety and health, labor rights, supply chain security, and information security requirements. 2. The Company has established the GMP system to inform suppliers of the latest hazardous substance standard and relevant environmental protection regulations of the Company in real time. 3. Supplier evaluation is performed annually. For the 2025 supplier evaluation result, all of the suppliers qualified the evaluation standard and complied with the supplier code of practice. Please refer to the Company's website for detailed information: https://tw.transcend-info.com/about/vendor_management	None

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as ESG reports? Do the reports above obtain assurance from a third party verification unit?	v		1. The Company prepared its Sustainability Report with reference to Taiwan's IFRS Sustainability Disclosure Standards Blueprint and the Core option of the GRI Sustainability Reporting Standards. The report was compiled in accordance with the content and quality principles of the GRI Sustainability Reporting Standards, with reference to the Sustainability Accounting Standards Board (SASB) Standards and the four principles of materiality, inclusiveness, responsiveness, and impact under the AA1000 Accountability Standard. The report aims to cover material topics of concern to stakeholders as comprehensively as possible and demonstrate the Company's sustainable operational practices. 2. Although the report has not been verified by an external third-party organization, the Company ensures the accuracy of all financial, environmental, and social information disclosed herein through rigorous internal control and audit mechanisms.	None.

6. Describe the difference, if any, between actual practice and the sustainable development principles, if the company has implemented such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies:

   The Company has established the "Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies", having no major difference from the laws and regulations, and there have been no major abnormalities in the actual operation.

7. Other useful information for explaining the status of sustainable development practices:
   (1) Environmental protection: Please refer to "4.4. Environmental Protection Expenditures".
   (2) Consumers' rights and interests: The Company has established the dedicated Customer Service Center to handle customer complaint issues. The direct-sale stores of the Company also provide the service of product return and exchange to consumers.
   (3) Employee Rights: The Company has established an annual performance appraisal system to evaluate employee performance, motivate potential, and build consensus on work objectives. To maintain two-way communication, regular employee interviews are conducted to allow employees to fully express their opinions and ideas, while enabling supervisors to adjust work content and job allocation accordingly.

   In March 2026, the Human Resources Department conducted the annual performance appraisal covering individual performance from March 2025 to February 2026. The appraisal included job responsibilities, task allocation, work performance, and work capabilities. A total of 905 employees participated, with a coverage rate of 94.96%. After the appraisal, supervisors conducted individual interviews with employees to further understand past performance and current needs, and assisted employees in setting future work objectives. The Company also comprehensively considers appraisal results and employee performance as a basis for promotion, salary adjustments, performance bonuses, outstanding employee awards, and other HR decisions, thereby promoting employee development and enhancing organizational competitiveness.

   Considering the critical role of supervisors in teams, the Company conducted an employee satisfaction survey in April 2026 to understand employee feedback regarding leadership, personnel management, professional capability, and policy implementation. The survey coverage rate in 2026 reached 70.7%, and

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	

the overall satisfaction score was 4.42 out of 5, indicating general recognition of the Company's management system and leadership performance.

For more details on employee rights and benefits, please refer to"4.5.1 Implementation of various employee welfare measures, continuing education, training, and retirement systems, and maintenance of the collective bargaining agreement and various employee rights" of this Annual Report.

(4) Safety and health: The Company has obtained the ISO 14001 environmental management system, the ISO 45001 occupational safety and health management system certification for the workplace, and has also qualified the TOSHMS certification standard (CNS 45001).The Company has also received the"Healthy Workplace Certification – Health Promotion Badge" from the Ministry of Health and Welfare.

(5) Products: In terms of the quality management, the Company has obtained the ISO 9001 quality management system certification. With outstanding product design and research and development strength, the Company has received the honor of Taiwan Excellence Award for consecutive years, thereby establishing a quality brand image.

(6) Specific promotion plan and implementation outcome for corporate social responsibility:
Transcend upholds sustainable development as a core value and promotes ESG initiatives across Environmental, Social, and Governance dimensions, integrating CSR into its operational strategies to achieve mutual prosperity for the Company and society.

A. Environmental – Green Manufacturing and Carbon Reduction

I. Eco-friendly Products & Energy-saving Design: Transcend actively develops high-performance, low-power consumption storage solutions to improve energy efficiency, extend product life cycles, and strictly implements hazardous substance testing to ensure compliance with international environmental standards and reduce electronic waste.

II. Eco Packaging Transformation: The Company continues to expand the adoption of eco-friendly and plastic-free packaging designs, streamlining packaging structures and increasing recyclability to reduce environmental burden at the source.

III. Low-carbon Operations Policy: The Company continuously optimizes production processes and equipment efficiency, promotes resource recycling, and is committed to reducing carbon emissions generated from operations, fulfilling its green supply chain commitment.

B. Social – Sports Sponsorship and Employee Care

I. Sports Development Support: Transcend actively supports youth sports development in Taiwan, sponsoring competitions from elementary to high school levels. In addition to long-term support for interscholastic sports leagues, the Company also sponsored the U-12 Baseball World Cup for the third time in 2025, extending its influence from domestic events to the international stage, and has received the Ministry of Education's "Sports Promoter Award" for 12 consecutive years.

II. Rural Baseball Seed Program: Since 2015, the Company has implemented this program by providing equipment and training resources to baseball players in rural areas of Taiwan, helping students pursue their athletic dreams and cultivating future sports talent.

III. Employee Care and Workplace Health: The Company provides a safe working environment and ensures employee well-being and work-life balance.

C. Governance – Stable Operations and Transparent Management

I. Information Transparency and Corporate Governance: Transcend upholds corporate ethics, implements high-quality information disclosure, ensures investors receive timely and accurate information, and has been consistently selected as a constituent of the FTSE4Good Taiwan Index.

II. Brand Influence Enhancement: In 2025, the Company was again ranked among the Top 25 "Best Taiwan International Brands," demonstrating strong brand value and stable profitability in a volatile market.

III. Compliance Operations and Risk Management: The Company complies with international regulations

Assessment Item	Implementation Status			Deviations from "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
and industry standards, and has established a comprehensive internal control and risk management system to ensure operational stability and sustainable development. IV. Secure and Efficient Supply Chain: As the first memory module manufacturer in Taiwan to obtain AEO (Authorized Economic Operator) certification, the Company has established a robust cargo security management system to ensure compliance with international security standards and significantly improve logistics efficiency through priority customs clearance, thereby meeting global customer needs effectively. Transcend will continue to deepen its commitment to environmental protection, social responsibility, and corporate governance, striving to achieve sustainability goals and generate greater social value through corporate action.				

2.3.7. Climate-related information for TWSE/TPEx listed companies

2.3.7.1. Implementation of climate-related information

Disclosure of **governance, strategy, risk management, indicators and targets** related to climate-related risks and opportunities in accordance with the TCFD framework is as follows.

Item	Implementation Status
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	**Governance:** To implement the Company's ESG vision and mission, the Board of Directors resolved on August 7 of Year 114 to establish a Sustainability Development Committee and appoint its members, with one director participating in oversight. The Company is committed to integrating sustainability into operations and daily management. The Committee is responsible for planning and promoting sustainability policies, reviewing performance, ensuring information transparency, and supervising the implementation of sustainability initiatives. The Vice President of Administration serves as the head of sustainability, and the Office of the Vice President of Administration acts as the primary executing unit. Each department is organized into four cross-functional groups based on business nature: Corporate Governance, Environmental Sustainability, Social Responsibility, and Sustainability Information Disclosure. These groups collaborate across functions and report implementation progress regularly. The Sustainability Development Committee reports to the Board of Directors at least once a year, and the Board reviews management direction, execution effectiveness, and future plans.
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short-, medium-, and long-term).	**Strategy:** (1) Short term (within 3 years): A. Market risk: Increasing customer demand for low-carbon and environmentally friendly products. Failure to timely adjust product strategy and portfolio may affect order acquisition and market competitiveness. B. Cost risk: Rising energy prices may increase production and operating costs, thereby affecting profitability. C. Physical risk: Extreme weather events such as typhoons, floods, and droughts may cause equipment damage, production interruptions, logistics delays, inventory losses, or impact water usage and raw material supply in the supply chain. D. Climate opportunity: Promoting recycling and reuse of resources helps reduce raw material procurement costs and enhances the Company's sustainability image. (2) Medium term (3 to 7 years): A. Technology risk: Low-carbon products may gradually replace existing products and services. Failure to respond to market trends may affect demand and competitiveness. B. Market risk: Uncertainty in climate policy and market development increases strategic planning and investment decision risks. C. Supply chain risk: Rising raw material costs may increase supply chain expenses and compress profit margins. D. Climate opportunity: Developing and expanding low-carbon products and entering new markets helps enhance brand image, increase revenue sources, and expand market opportunities. (3) Long term (7+ years): A. Regulatory risk: Stricter greenhouse gas and environmental

Item	Implementation Status
	regulations may increase investment in carbon reduction equipment, carbon management costs, and other compliance-related expenses, affecting profitability. B. Product and service risk: Existing products and services may need to meet stricter carbon emission or environmental requirements, requiring additional resources for process adjustment, product design, and management. C. Climate opportunity: Continuous investment in low-carbon products, new products, and service R&D and innovation helps enhance market competitiveness and strengthen corporate resilience and future growth momentum in response to climate change.
3. Describe the financial impact of extreme climate events and transformation actions.	Based on the identification of climate-related risks and opportunities, the Company evaluates the potential financial impacts of extreme weather events and transition risks and continues to review relevant mitigation measures and implementation status. The potential financial impacts are as follows: (1) Due to stricter greenhouse gas and environmental regulations, the Company may need to continuously invest in carbon reduction equipment, energy efficiency improvements, and environmental management, increasing operating and compliance costs and affecting profitability. (2) As environmental and carbon emission requirements for products and services increase, additional resources may be required for product design, process adjustment, technology development, and verification, increasing R&D and management costs and affecting financial performance. (3) As market demand for low-carbon and environmentally friendly products increases, failure to adjust product strategy in time may affect order acquisition and competitiveness; however, developing low-carbon products and expanding markets is expected to increase green product revenue growth. (4) Rising energy and raw material costs may increase production and supply chain costs and compress profit margins. (5) Extreme weather events such as typhoons, floods, and droughts may damage facilities, interrupt production, delay logistics, cause inventory losses, or affect water and raw material supply, increasing repair costs and operational losses. The Company purchased property insurance in 2025 with related expenses of approximately NTD 5.45 million. (6) Rising average temperatures and climate pattern changes may increase demand for air conditioning, cooling, and energy consumption, thereby increasing operating costs. More severe climate change may also increase risks to operational stability and supply chains. (7) In terms of climate opportunities, recycling and reuse help reduce raw material costs; continuous investment in low-carbon products, R&D, and innovation in new products and services helps enhance brand image, expand market opportunities, and strengthen long-term competitiveness.

Item	Implementation Status
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	**Risk Management:** The Company identifies climate-related risks and opportunities based on the TCFD framework, categorizing them into transition risks, physical risks, and climate-related opportunities, and evaluates them across government and regulatory, technology, market, acute physical risks, chronic physical risks, resource efficiency, products and services, and markets as a basis for subsequent management and decision-making. (1) The Company conducts joint identification of climate-related risks and opportunities across relevant departments, categorizing potential impacts into short-, medium-, and long-term based on impact level and timeframe, and assesses their possible impacts on operations, strategy, and finance. (2) For transition risks, the Company focuses on greenhouse gas regulation, stricter environmental laws, low-carbon product substitution, changes in market demand, energy price volatility, and rising raw material costs, and continuously reviews their impact on operating costs, product competitiveness, and profitability. (3) For physical risks, the Company evaluates typhoons, floods, droughts, climate pattern changes, rising average temperatures, and sea level rise, and manages risks related to facilities, production equipment, logistics, water usage, and supply chain stability. (4) For climate-related opportunities, the Company evaluates resource recycling, low-carbon product development, R&D innovation, and new market expansion, using the results as a basis for product development, resource allocation, and sustainability initiatives. (5) The Company incorporates climate risk and opportunity assessment results into its overall risk management system and continuously strengthens its resilience to climate change through periodic review and rolling adjustments.
5. If a scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.	The Company currently does not use scenario analysis to assess climate resilience.
6. If there is a transformation plan in place to manage climate-related risks, specify the content of the plan, as well as the indicators and targets used to identify and manage physical and transformation risks.	Risk Categories: (1) Transition risks: A. Policy and regulatory risk: The Company continuously monitors domestic and international climate regulations and evaluates their impact on operating costs, compliance, and profitability, and implements energy-saving, carbon reduction, equipment optimization, and management enhancement measures as needed. B. Product and technology risk: In response to low-carbon product substitution and stricter environmental requirements, the Company invests in low-carbon product development, technological upgrades, and product design optimization to maintain competitiveness and reduce transition impacts. C. Market risk: The Company continuously reviews product strategy, cost structure, and supply chain management in response to increasing demand for low-carbon products, market uncertainty, and fluctuations in energy and raw material costs.

Item	Implementation Status
	(2) Physical risks: A. Extreme weather risk: The Company has established emergency response procedures and continues to strengthen disaster prevention and business continuity management, including protection of facilities, water usage, and logistics systems to reduce operational disruption and asset loss risks. B. Long-term climate change risk: The Company monitors the impacts of climate pattern changes, rising temperatures, and sea level rise on operations, energy demand, and supply chain stability, and adjusts management measures when necessary to enhance resilience. Opportunity Categories: (1) Resource efficiency: Promoting recycling and reuse to improve resource efficiency, reduce raw material costs, and respond to environmental trends. (2) Products and services: Continuing investment in low-carbon products and innovation in new products and services to expand green markets, enhance brand image, and strengthen competitiveness. (3) Market opportunities: Exploring new markets and customer segments in response to climate change and sustainability trends to increase revenue and growth momentum.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	The Company currently does not use internal carbon pricing as a planning tool.
8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, and the planning period shall be explained. annual progress; if using carbon offsets or renewable energy certificates (RECs) to achieve Explain the source and volume of carbon reduction credits or the number of RECs.	**Indicators and Targets:** (1) Electricity reduction target: Based on 2020 as the baseline year, target a 5% reduction in electricity consumption by 2026. (2) Carbon reduction target: Based on 2020 as the baseline year, target a 7% reduction by 2026, evaluate 2027 reduction targets, strategies, and action plans, and achieve a 24% reduction by 2030, with rolling adjustments based on energy transition progress. (3) Green target: 30% packaging reduction rate by 2028. (4) Product target: 10% energy efficiency improvement in products by 2030.

2.3.7.2. Greenhouse gas inventory and assurance, and reduction goals, strategies, and concrete action plans

Item	Implementation Status
1. State greenhouse gas emissions for the most recent two years (metric tons CO2e), intensity (metric tons CO2e / million NTD), and coverage scope.	Greenhouse gas emissions: the coverage scope is limited to Taiwan headquarters only. Unit: tCO_2e Year | Scope 1 | Scope 2 | Emission per unit revenue 2025 | 473.12 | 4,316.81 | 0.2897 2024 | 31.99 | 3,898.65 | 0.4141 Note: In 2025, Scope 1 greenhouse gas inventory was expanded to include fugitive and process emissions, resulting in structural changes in the data; therefore, it is not directly comparable with previous years. The year 2025 is designated as the baseline year for future emission reduction performance. The 2025 statistics are based on the Taiwan headquarters only and are calculated using stand-alone financial statements; the 2024 figures are also prepared on a stand-alone basis for

	consistency.
2. State the assurance status of greenhouse gas emissions for the most recent two years as of the annual report publication date, including assurance scope, assurance provider, assurance standards, and assurance opinion.	Not yet subject to external assurance.
3. State the greenhouse gas reduction baseline year and its data, reduction targets, strategies, and action plans, as well as progress toward targets.	The Company follows the "Sustainability Development Roadmap for TWSE/TPEx Listed Companies" and the GHG Protocol to establish its greenhouse gas inventory and assurance schedule. The Company plans to complete external assurance for the parent company in 2028 and for consolidated subsidiaries in 2029. In addition, the Company has set a carbon reduction target of 24% by 2030, using 2020 as the base year, and is promoting corresponding strategies and action plans as follows: (1) GHG Protocol implementation and strengthening of carbon management mechanisms: Establish a systematic greenhouse gas inventory and management system to ensure that emissions reduction progress complies with international standards. (2) Equipment optimization and energy efficiency improvement: Replace high-energy-consuming equipment and optimize production and operational efficiency to reduce carbon emissions. (3) Attention to carbon regulations and compliance management: Continuously monitor domestic and international carbon emission-related regulations to ensure that business operations comply with the latest environmental regulatory requirements, and proactively respond to the development of carbon fees and carbon trading mechanisms. (4) Internal green education and training: Promote internal carbon management and enhance carbon reduction awareness, and train employees to understand and implement energy-saving and carbon reduction actions, jointly advancing the Company's sustainability development.

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

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs				
(1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?	v		The "Ethical Corporate Management Best-Practice Principles" of the Company has been approved in the board of directors' meeting in 2014, and the regulations of the "Codes of Ethical Conduct for Directors and Managerial Officers" and "Codes of Ethical Conduct for Employees" , etc. have also been approved in the board of directors' meeting in 2013. The Company requests directors and all employees to comply with such provisions accordingly. Please refer to the Company's website: https://tw.transcend-info.com/about/policies	None
(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	v		The Company has established the "Ethical Corporate Management Best-Practice Principles", "Codes of Ethical Conduct for Directors and Managerial Officers" and "Codes of Ethical Conduct for Employees", and all of these provisions have covered the operating activities of relatively higher risk of unethical conduct described in the content of all subparagraphs of Paragraph 2 of Article 7 of the "Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies" and other operating scope. Ethical corporate management and ethical code of conduct are the core guidelines for the Company. The contents of these provisions are published on the Company's website for relevant personnel's review at any time. The Company provides internal and external reporting channels. In case where a violation is found to be true, different level of disciplinary action is imposed depending upon the severity of the violation.	None

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	v		The Company has established the "Ethical Corporate Management Best-Practice Principles", "Codes of Ethical Conduct for Directors and Managerial Officers" and "Codes of Ethical Conduct for Employees" . All of these provisions are published on the Company's website for relevant personnel's review. The Company also requests all employees and directors to comply with these provisions accordingly.	None
2. Fulfill operations integrity policy (1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	v		Prior to engaging in business dealings with suppliers, the Company conducts evaluation and review process on all aspects of the suppliers, and requests the suppliers to provide the "Supplier Ethics Undertaking." Prior to engaging in business dealings with customers, the Company evaluates the financial and credit status according to the credit investigation policy of the Company. In case where transaction counterparty involves in unethical conducts, the Company may terminate or rescind contracts at any time.	None
(2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	v		The Company assigns the Financial and Accounting Department and the Administration Department to be the concurrent units responsible for the establishment of ethical corporate management policies and execution of supervision, and according to the job duties and scope of each unit, including the establishment and revision of the "Ethical Corporate Management Best-Practice Principles," organizing ethical corporate management related propaganda and educational training, etc., in order to ensure the thorough implementation of ethical corporate management principles. Important items and relevant affairs promotion status are reported to the board of directors once annually.	None
(3) Does the company establish policies to prevent conflicts of interest and provide	v		The Company has established the "Codes of Ethical Conduct for Directors and Managerial Officers", "Codes of Ethical Conduct for Employees", "Employee Code of Conduct and Reward and	None

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
appropriate communication channels, and implement it?			Discipline Management Regulations", "Regulations Governing Procedure for Board of Directors Meetings" and "Audit Committee Charter." All of these provisions have clearly specified matters requiring recusal in case of encountering the situation of conflict of interest. The Company provides complaint channel, such that in case where any director, managerial officer or employee is verified to have violated the code of ethical conduct, then such violator shall be punished in accordance with the disciplinary measures specified in the code of ethical conduct.	
(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	v		The Company prepares the financial statements in accordance with the International Financial Reporting Standards (IFRSs), International Accounting Standards (IAS) and interpretations. For the 2025 consolidated financial statements, the PwC Taiwan has issued the audit report with unqualified opinion. The Company establishes an internal control system for all operating activities. The internal audit unit performs audit work according to the audit plan and also reports to the Audit Committee and board of directors periodically.	None
(5) Does the company regularly hold internal and external educational trainings on operational integrity?	v		To establish the corporate culture of ethical management and sound development, the Company has constructed a proper business operation structure and has established the "Ethical Corporate Management Best-Practice Principles," and these principles are implemented in the daily operation. The new employees' orientation training includes ethical management related education courses, and the content mainly covers the courses employee ethical conduct, employee code of conduct, ethics and fair trade and duty of confidentiality, etc. In 2025, three orientation training sessions were held, and a total of 60 people participated in these sessions. The period of each training session is 0.5 hours. The course materials will be updated to Company's website for employees's reference after the orientation training. The Company also places the course contents handling operation and insider trading related courses in the Company's system and	None

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			website as references for directors, managerial officers and employees.	
3. Operation of the integrity channel (1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	v		The Company has established the "Regulations for Company's Whistleblowing Reports on Illegal and Unethical Conducts" and has also set up specific whistleblowing mailbox and employee suggestion box in order to allow internal and external personnel to file complaint or whistleblowing reports to the Company. After the receiving unit clarifies relevant facts and evidence, it is reported to the management level for handling.	None
(2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant ost-investigation confidentiality measures?	v		The content of the "Regulations for Company's Whistleblowing Reports on Illegal and Unethical Conducts" established by the Company specifies the handling procedures related to the filing of complaints, investigation and post-investigation measures, and the whistleblower's identity is kept strictly confidential.	None
(3) Does the company provide proper whistleblower protection?	v		The "Regulations for Company's Whistleblowing Reports on Illegal and Unethical Conducts" of the Company also specifies that the whistleblower shall not be subject to unfavorable disposal due to the whistleblowing report, and the Company shall provide sufficient protection to all whistleblowers.	None
4. Strengthening information disclosure Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?	v		The Company has disclosed relevant ethical management principles on the Company's website and MOPS. The Company has also set up the Ethical Management section on the Company's website and has disclosed ethical management related information in the annual report. https://tw.transcend-info.com/about/integrity	None
5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies, please describe any discrepancy between the policies and their implementation: The Company has established the "Ethical Corporate Management Best-Practice Principles" in 2014, having no major difference from the ""Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies," and there have been no major abnormalities in the actual operation.				

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
6. Other important information to facilitate a better understanding of the company's ethical corporate management policies (e.g., review and amend its policies) (1) The Company periodically reviews the update status of the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and timely reviews and conducts evaluation to determine necessary amendments. (2) In the provisions of the "Codes of Ethical Conduct for Directors and Managerial Officers", "Codes of Ethical Conduct for Employees" and the "Employee Code of Conduct and Reward and Discipline Management Regulations," the Company has specified that unethical conducts are prohibited, conflict of interests shall be avoided and obtaining of improper personal benefits and interests shall be prevented. (3) In the "Audit Committee Charter" and "Regulations Governing Procedure for Board of Directors Meetings," the Company has specified the directors' recusal system for conflict of interest. (4) To implement the education on ethical management, the Company includes the ethical management in the course content of new employees' orientation training, thereby allowing new employees to understand the Company's policy and direction on ethical management. (5) The Company has established the "Patent Management Regulations", "Intellectual Property Right Management Control Operation" and "Intellectual Property Right Management Audit Operation"to obtain, protect and manage the intangible assets. In order to make the knowledge of IPR more accessiable, Company has introduced the basic concepts to all employees by topic on a quarterly basis, and conducted related training programs specifically for the R&D team once per month. (6) Implementation status of the 2025 Intellectual Property Management Plan: The Company conducts regular maintenance and review of four major areas: patents, trademarks, copyrights, and trade secrets. Starting in 2025, a "Registered Trademark List" page has been established on the Company intranet, enabling sales and marketing units to promptly understand the Company's trademark portfolio. At the same time, a case-by-case search approach is adopted for patent issues during the product development stage. If R&D personnel have concerns regarding potential infringement in product designs under development, they may proactively request a search. The most recent submission date was November 6, 2025. For the Intellectual Property Management Plan and detailed implementation status, please refer to the official website: https://tw.transcend-info.com/about/intellectual_property				

2.3.9. Other Important Information Regarding Corporate Governance

The Company has established the "Procedures for Handling Material Inside Information". The Company informs all employees via e-mail when newly establishment of the procedures and subsequent amendments, and also makes public announcement through the intranet of the Company for employees' review and use. All departments and employees handling possible material information and disclosure of such information are required to comply with these procedures as well as laws and regulations. "Procedures for Handling Material Inside Information" has been disclosed on the Company's website.

Please refer to: http://tw.transcend-info.com/about/policies

2.3.10. Implementation of Internal Control Systems

2.3.10.1. Statement of Internal Control Systems

The Company has announced its 2025 Statement on Internal Control System on the MOPS on March 4, 2026. For more details, please refer to MOPS > Individual Company >

Corporate Governance > Company Rules/Internal Control > Statement of Internal Control Announcement:
https://mops.twse.com.tw/mops/#/web/t06sg20

2.3.10.2. If CPA was Engaged to Conduct a Special Audit of Internal Control System, Provide Its Audit Report: None.

2.3.11. Major resolutions of Shareholders' Meeting, Board of Directors Meetings, Audit Committee meetings and Remuneration Committee meetings in the most recent year and up to the publication date of this Annual Report:

2.3.11.1. Major resolutions of Shareholders' Meeting

Date	Material Decisions	Resolutions and Implementation Status
2025.06.20	(1) Adoption of 2024 Business Report and Financial Statements	Approved after voting.
	(2) Adoption of the proposal for distribution of 2024 earnings	Approved after voting. To appropriate legal reserve NT$242,048,766 and reversal of special reserve NT$230,363,484 from 2024 distributable earnings in accordance with regulations.
	(3) To approve the amendments to "Procedures for Lending Funds to other Parties"	Approved after voting.
	(4) To approve the amendments to "Articles of Incorporation"	Approved after voting.
	(5) Issuance of Restricted Stock Awards	Approved after voting.

2.3.11.2. Material resolutions of Board of Directors Meetings

Date	Material Decisions	Resolutions and Implementation Status
2025.03.06 (The First Time in 2025)	(1) 2024 Business Report and Financial Statements.	Approved by all presented directors and proposed to Shareholders' meeting for ratification.
	(2) Proposal for distribution of 2024 earnings.	Approved by all presented directors and proposed to Shareholders' meeting for ratification.
	(3) Cash distribution from 2024 retained earnings.	Approved by all presented directors. To appropriate cash dividend NT$2,411,484,727 (NT$5.61 per share) from 2024 earnings and submit a report to Shareholders' meeting.
	(4) Cash distribution from capital surplus.	Approved by all presented directors. The capital surplus derived from the issuance of new shares at a premium totaling NT$210,628,791 will be distributed in cash of NT$0.49 per share, and submit a report to Shareholders' meeting.
	(5) Amend the Company's "Articles of Incorporation".	Approved by all presented directors and proposed to Shareholders' meeting for discussion.
	(6) Issue New Restricted Stock Awards for Employees.	Approved by all presented directors and proposed to Shareholders' meeting for discussion.
2025.05.08 (The Second Time in 2025)	(1) Second Issuance of Restricted Stock Awards for Employees Reported in 2023.	Stakeholders recused themselves from the discussion due to conflicts of interest. Approved by all presented directors.
2025.08.07 (The Third Time in 2025)	(1) Establishment of the Sustainability Development Committee and adoption of the "Sustainability Development Committee Charter".	Approved by all presented directors and proposed to Shareholders' meeting for discussion.
	(2) Appointment of Members of the Sustainability Development Committee.	Approved by all presented directors.

	(3) Amend the Company's "Corporate Governance Best Practice Principles".	Approved by all presented directors.
2025.11.06 (The Fourth Time in 2025)	(1) 2026 Annual Audit Plan Proposal.	Approved by all presented directors. The Audit Office is requested to execute such matter according to the regulations.
	(2) Directors' Liability Insurance.	Approved by all presented directors. The handling department has executed such matter according to the regulations.
	(3) Evaluate the Independence and Competency of the CPA for FY2026.	Approved by all presented directors.
	(4) Ratify the Change of General Manager.	Approved by all presented directors.
	(5) To release the prohibition on managerial officers from participation in competing business.	Approved by all presented directors.
2026.03.04 (The First Time in 2026)	(1) 2025 Business Report and Financial Statements.	Approved by all presented directors and proposed to Shareholders' meeting for ratification.
	(2) Proposal for distribution of 2025 earnings.	Approved by all presented directors and proposed to Shareholders' meeting for ratification.
	(3) Cash distribution from 2025 retained earnings.	Approved by all presented directors. To appropriate cash dividend NT$5,082,279,765 (NT$11.80 per share) from 2025 earnings and submit a report to Shareholders' meeting.
2026.05.07 (The Second Time in 2026)	(1) Establishment of the capital increase record date for the first issuance of Restricted Stock Awards for Employees reported in 2025.	Stakeholders recused themselves from the discussion due to conflicts of interest. Approved by all presented directors.
	(2) Issuance of the Company's Second Domestic Unsecured Convertible Bonds.	Approved by all presented directors.

2.3.11.3.Material resolutions of Audit Committee Meetings

Date	Material Decisions	Resolutions and Implementation Status
2025.03.06 (The First Time in 2025)	(1) 2024 Business Report and Financial Statements.	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(2) Proposal for distribution of 2024 earnings.	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(3) Cash distribution from 2024 retained earnings.	Approved by all presented committee members and proposed to the Board of Directors for discussion. To appropriate cash dividend NT$2,411,484,727 (NT$5.61 per share) from 2024 earnings.
	(4) Cash distribution from capital surplus.	Approved by all presented committee members and proposed to the Board of Directors for discussion. The capital surplus derived from the issuance of new shares at a premium totaling NT$210,628,791 will be distributed in cash of NT$0.49 per share.
	(5) Issue New Restricted Stock Awards for Employees.	Approved by all presented committee members and proposed to the Board of Directors for discussion.
2025.05.08 (The Second Time in 2025)	(1) Second Issuance of Restricted Stock Awards for Employees Reported in 2023.	Approved by all presented committee members and proposed to the Board of Directors for discussion.
2025.08.07 (The Third Time in 2025)	(1) Amendments to the Company's Internal Control System.	Approved by all presented committee members and proposed to the Board of Directors for discussion.
2025.11.06	(1) 2026 Annual Audit Plan Proposal.	Approved by all presented committee members and

Date	Material Decisions	Resolutions and Implementation Status
(The Fourth Time in 2025)		proposed to the Board of Directors for discussion.
	(2) Evaluation of the Independence and Competency of the CPA for FY2026.	Approved by all presented committee members and proposed to the Board of Directors for discussion.
2026.03.04 (The First Time in 2026)	(1) 2025 Business Report and Financial Statements.	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(2) Proposal for distribution of 2025 earnings.	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(3) Cash distribution from 2025 retained earnings.	Approved by all presented committee members and proposed to the Board of Directors for discussion. To appropriate cash dividend NT$5,082,279,765 (NT$11.80 per share) from 2025 earnings.
2026.05.07 (The Second Time in 2026)	(1) Establishment of the capital increase record date for the first issuance of Restricted Stock Awards for Employees reported in 2025.	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(2) Issuance of the Company's Second Domestic Unsecured Convertible Bonds.	Approved by all presented committee members and proposed to the Board of Directors for discussion.

2.3.11.4.Material resolutions of Remuneration Committee Meetings

Date	Material Decisions	Resolutions and Implementation Status
2025.03.06 (First Meeting)	(1) Distribution of 2024 employees' profit sharing bonus and directors' compensation	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(2) Remuneration of managerial officers for 2025	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(3) Remuneration of directors for 2025	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(4) Amend the Company's "Articles of Incorporation".	Approved by all presented committee members and proposed to the Board of Directors for discussion.
2025.05.08 (Second Meeting)	(1) Second issuance of restricted employee stock awards under the 2024 filing	Approved by all presented committee members and proposed to the Board of Directors for discussion.
2026.03.04 (First Meeting)	(1) Distribution of 2025 employees' profit sharing bonus and directors' compensation	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(2) Remuneration of managerial officers for 2026	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(3) Remuneration of directors for 2026	Approved by all presented committee members and proposed to the Board of Directors for discussion.
2026.05.07 (Second Meeting)	(1) Establishment of the capital increase record date for the first issuance of Restricted Stock Awards for Employees reported in 2025.	Approved by all presented committee members and proposed to the Board of Directors for discussion.
	(2) Report on directors' remuneration for 2025	Approved by all presented committee members and proposed to the Board of Directors for discussion.

2.3.12. Major Issues of Record or Written Statements Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors in the Most Recent Year up to the Publication Date of this Annual Report:
None.

2.4. Information on CPA fees

Unit: NT$ thousands

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee (Note)	Total	Remark
Pricewaterhouse Coopers	Chen, Chin-Chang Lin, Yi-Fen	2025.01.01~2025.12.31	3,500	4,917	8,417	-

Note: Non-audit service fees include transfer pricing services, assurance services for restricted stock awards for employees, group organizational structure adjustment service fees, tax consulting service fees, and tax compliance audit service fees.

2.4.1. When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed.
Not applicable.

2.4.2. When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed.
None.

2.5. Replacement of CPA
Not applicable.

2.6. Where the company's chairman, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed.
None.

2.7. Any transfer of equity interests and/or pledge of or change in equity interests by a director, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year and during the current fiscal year up to the date of publication of this Annual Report.
None.

2.7.1. For information on changes in equity transfers, please refer to MOPS > Individual Company > Shareholding Changes/Securities Issuance > Equity Transfer Information > Post-reporting Forms of Insider Shareholding Changes:
https://mops.twse.com.tw/mops/#/web/query6_1

2.7.2. For information on changes in equity pledges, please refer to MOPS > Individual Company > Shareholding Changes/Securities Issuance > Insider Pledge/Release of Pledge > Insider Pledge/Release Announcements:
https://mopsov.twse.com.tw/mops/web/STAMAK03_1

2.7.3. Equity Transfer with Related Parties
Not applicable.

2.7.4. Equity Pledge with Related Parties
Not applicable.

2.8. Relationship information, if among the company's Top 10 shareholders any one is a related party, spouse or a relative within the second degree of kinship of another

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	
	Shares	%	Shares	%	Shares	%	Name	Relationship
Won Chin Investment Inc. Representative: Shu, Chung-Yu	74,783,600	17.36%	-	-	-	-	Wan An Technology Inc.	Same person as the Chairman
							Wan Min Investment Inc.	Same person as the Chairman
							Wan Chuan Investment Inc.	Same person as the Chairman
							Cheng Chuan Technology Development Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Won Chin
							Ho Cheng Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Won Chin
							Shin Chuang Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Won Chin
							Shu, Chung-Won	A relative within two degrees of kinship of the Chairman of Won Chin
							Shumin Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Won Chin
Wan An Technology Inc. Representative: Shu, Chung-Yu	34,346,854	7.97%	-	-	-	-	Won Chin Investment Inc.	Same person as the Chairman
							Wan Min Investment Inc.	Same person as the Chairman; Investment of Wan An on Wan Min is evaluated under equity method
							Wan Chuan Investment Inc.	Same person as the Chairman; Investment of Wan An on Wan Chuan is evaluated under equity method
							Cheng Chuan Technology Development Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan An
							Ho Cheng Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan An; Investment of Wan An on He Cheng is evaluated under equity method
							Shin Chuang Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan An
							Shu, Chung-Won	A relative within two degrees of kinship of the Chairman of Wan An

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	
	Shares	%	Shares	%	Shares	%	Name	Relationship
							Shumin Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan An
Cheng Chuan Technology Development Inc. Representative: Shu, Chung-Cheng	32,971,701	7.66%	-	-	-	-	Won Chin Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Cheng Chuan
							Wan An Technology Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Cheng Chuan
							Wan Min Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Cheng Chuan
							Wan Chuan Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Cheng Chuan
							Ho Cheng Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Cheng Chuan
							Shin Chuang Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Cheng Chuan
							Shu, Chung-Won	A relative within two degrees of kinship of the Chairman of Cheng Chuan
							Shumin Investment Inc.	Same person as the Chairman; Investment of Cheng Chuan on Shumin is evaluated under equity method
Wan Chuan Investment Inc. Representative: Shu, Chung-Yu	29,685,896	6.89%	-	-	-	-	Won Chin Investment Inc.	Same person as the Chairman
							Wan An Technology Inc.	Same person as the Chairman; Wan Chuan is an investee of Wan An under equity method
							Wan Min Investment Inc.	Same person as the Chairman
							Ho Cheng Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan Chuan
							Shin Chuang Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan Chuan
							Cheng Chuan Technology Development Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan Chuan
							Shu, Chung-Won	A relative within two degrees of kinship of the Chairman of Wan

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	
	Shares	%	Shares	%	Shares	%	Name	Relationship
								Chuan
							Shumin Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan Chuan
Wan Min Investment Inc. Representative: Shu, Chung-Yu	29,141,397	6.77%	-	-	-	-	Won Chin Investment Inc.	Same person as the Chairman
							Wan An Technology Inc.	Same person as the Chairman; Wan Min is an investee of Wan An under equity method
							Wan Chuan Investment Inc.	Same person as the Chairman
							Cheng Chuan Technology Development Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan Min
							Ho Cheng Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan Min
							Shin Chuang Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan Min
							Shu, Chung-Won	A relative within two degrees of kinship of the Chairman of Wan Min
							Shumin Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Wan Min
Capital Tip Customized Taiwan Select High Dividend Exchange Traded Fund	24,739,000	5.74%	-	-	-	-	None	None
Ho Cheng Investment Inc. Representative: Shu, Chung-Mei	14,434,462	3.35%	-	-	-	-	Shin Chuang Investment Inc.	Same person as the Chairman
							Won Chin Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Ho Cheng
							Wan An Technology Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Ho Cheng; Ho Cheng is an investee of Wan An under equity method
							Wan Min Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Ho Cheng
							Wan Chuan Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the

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	
	Shares	%	Shares	%	Shares	%	Name	Relationship
								Chairman of Ho Cheng
							Cheng Chuan Technology Development Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Ho Cheng
							Shu, Chung-Won	A relative within two degrees of kinship of the Chairman of Ho Cheng
							Shumin Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Ho Cheng
Shin Chuang Investment Inc. Representative: Shu, Chung-Mei	13,947,294	3.24%	-	-	-	-	Ho Cheng Investment Inc.	Same person as the Chairman
							Won Chin Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shin Chuang
							Cheng Chuan Technology Development Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shin Chuang
							Wan An Technology Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shin Chuang
							Wan Min Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shin Chuang
							Wan Chuan Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shin Chuang
							Shu, Chung-Won	A relative within two degrees of kinship of the Chairman of Shin Chuang
							Shumin Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shin Chuang
Shu, Chung-Won (Note)	10,709,453	2.49%	-	-	-	-	Won Chin Investment Inc.	A relative within two degrees of kinship of the Chairman of the company
							Wan An Technology Inc.	A relative within two degrees of kinship of the Chairman of the company
							Cheng Chuan Technology Development Inc.	A relative within two degrees of kinship of the Chairman of the company
							Wan Min Investment Inc.	A relative within two degrees of kinship of the Chairman of the company
							Wan Chuan Investment Inc.	A relative within two degrees of kinship of the Chairman of the company

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	
	Shares	%	Shares	%	Shares	%	Name	Relationship
							Ho Cheng Investment Inc.	A relative within two degrees of kinship of the Chairman of the company
							Shin Chuang Investment Inc.	A relative within two degrees of kinship of the Chairman of the company
							Shumin Investment Inc.	A relative within two degrees of kinship of the Chairman of the company
Shumin Investment Inc. Representative: Shu, Chung-Cheng	6,437,842	1.49%	-	-	-	-	Won Chin Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shumin
							Wan An Technology Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shumin
							Cheng Chuan Technology Development Inc.	Same person as the Chairman; Shumin is an investee of Cheng Chuan under equity method
							Wan Min Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shumin
							Wan Chuan Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shumin
							Ho Cheng Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shumin
							Shin Chuang Investment Inc.	The Chairman of the company listed here is a relative within two degrees of kinship of the Chairman of Shumin
							Shu, Chung-Won	A relative within two degrees of kinship of the Chairman of Shumin

Note:The personal shareholding of Director Shu, Chung-Won was 2,709,453 shares, and he retained the right to decide the exercise of the 8,000,000 shares. The total amount was 10,709,453 shares.

2.9. The total number of shares and total equity stake held in any single enterprise by the company, its directors, managerial officers, and any companies controlled either directly or indirectly by the company.

December 31, 2025; Unit: Shares

Affiliated Enterprises (Note)	Ownership by the Company		Direct or Indirect Ownership by Directors/ Managerial officers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Taiwan IC Packaging Corporation	21,928,036	12.51%	6,471,641	3.69%	28,399,677	16.20%
Saffire Investment Ltd.	6,600,000	100%	-	-	6,600,000	100%
Transcend Information Inc. (USA)	625,000	100%	-	-	625,000	100%
Transcend Japan Inc.	6,400	100%	-	-	6,400	100%
Transcend Korea Inc.	40,000	100%	-	-	40,000	100%

Note: Invested by the company using the equity method.

3. Capital Overview

3.1. Capital and Shares

3.1.1. Source of Capital

Year and Month	Issue Price Per Share (NT$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NT$ thousands)	Shares	Amount (NT$ thousands)	Source of Capital	Property other than cash as payment for share payment	Other
-	10	500,000,000	5,000,000	429,061,675	4,290,617	Cash establishment	-	-
2024/05	10	500,000,000	5,000,000	429,867,675	4,298,677	Issuance of 806,000 shares of New Restricted Employee Shares	-	Approved on June 12, 2024, under Letter No. 11330088410 issued by the Ministry of Economic Affairs.
2024/11	10	500,000,000	5,000,000	429,854,675	4,298,547	Cancellation and retirement of 13,000 shares of New Restricted Employee Shares		
2025/03	10	500,000,000	5,000,000	429,843,675	4,298,437	Cancellation and retirement of 11,000 shares of New Restricted Employee Shares		
2025/05	10	500,000,000	5,000,000	430,712,675	4,307,127	Issuance of 880,000 shares of New Restricted Employee Shares Cancellation and retirement of 11,000 shares of New Restricted Employee Shares		Approved on June 3, 2025, under Letter No. 11430074680 issued by the Ministry of Economic Affairs.
2025/08	10	500,000,000	5,000,000	430,701,675	4,307,017	Cancellation and retirement of 11,000 shares of New Restricted Employee Shares		
2026/03	10	500,000,000	5,000,000	430,692,675	4,306,927	Cancellation and retirement of 9,000 shares of New Restricted Employee Shares		
2026/05	10	500,000,000	5,000,000	431,345,675	4,313,457	Issuance of 677,000 shares of New Restricted Employee Shares Cancellation and retirement of 24,000 shares of New Restricted Employee Shares		Note 1

Note 1：The capital increase base date is May 7, 2026 and capital reduction base date is May 8, 2026. The change of registration is pending approval by the Ministry of Economic Affairs.

Note 2：The source is in the last year up to the publication date of this annual report.

Type of Stock	Authorized Capital			Remark
	Shares Outstanding (Note)	Un-issued Shares	Total Shares	
Common Stock	431,345,675	68,654,325	500,000,000	25,000,000 shares are reserved for employee stock options.

Note: Listed Shares.

Information for Shelf Registration: None.

3.1.2. List of Major Shareholders

Shares / Name of major shareholders	Shareholding (Shares)	Percentage (%)
Won Chin Investment Inc.	74,783,600	17.36%
Wan An Technology Inc.	34,346,854	7.97%
Cheng Chuan Technology Development Inc.	32,971,701	7.66%
Wan Chuan Investment Inc.	29,685,896	6.89%
Wan Min Investment Inc.	29,141,397	6.77%
Capital Tip Customized Taiwan Select High Dividend Exchange Traded Fund	24,739,000	5.74%
Ho Cheng Investment Inc.	14,434,462	3.35%
Shin Chuang Investment Inc.	13,947,294	3.24%
Shu, Chung-Won (Note)	10,709,453	2.49%
Shumin Investment Inc	6,437,842	1.49%
Total	271,197,499	62.96%

Note:The personal shareholding of Director Shu, Chung-Won was 2,709,453 shares, and he retained the right to decide the exercise of the 8,000,000 shares. The total amount was 10,709,453 shares.

3.1.3. Dividend Policy and Implementation Status

1. Dividend Policy

According to Article 22-1 of the Company's Articles of Incorporation, if the Company has earnings after the annual final accounting, it shall be allocated in the following order:

(1) To pay taxes.
(2) To cover accumulated losses, if any.
(3) To appropriate 10% legal reserve unless the total legal reserve accumulated has already reached the amount of the Company's authorized capital.
(4) To appropriate or reverse special reserve in accordance with the regulations.
(5) To reserve certain amount, on the premise that there is no effect on the Company's normal operations and no violation of regulations, for maintaining stability of dividends.
(6) For any remainder, adding on accumulated unappropriated retained earnings, the board of directors shall propose the earnings distribution proposal and shall handle in accordance with the following provision: the board of directors is authorized to distribute dividends and bonuses or legal reserve and capital reserve in whole or in part which be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting in accordance with Section 5 of Article 240 and Section 1 of Article 241 of the Company Act. In case of the dividends and bonuses or legal reserve and capital reserve in whole or in part be distributed in the form of new shares to be issued by the company, shall be proposed to the shareholders' meeting for review and

approval by a resolution in accordance with Article 240 of the Company Act.

The Company distributes dividends taking into consideration the Company's economic environment and growth phases, future demands of funds, long-term financial planning, and the cash flows that the stockholders desire. Under the circumstances of no material investment plans and other special situation, cash dividends shall not be less than 5% of the total dividend distribution. The Company currently distributes dividend all in cash, and there is no consideration for the distribution of stock dividends.

2. Proposed Distribution of Dividend:
   The appropriation for cash dividends from 2025 earnings and cash payment from capital surplus have been approved by the Board of Directors during its meeting on March 4, 2026.

Unit: NT$

year / Dividends per Share		2025
Cash Dividend	Retained Earnings	11.80
	Capital surplus	0.00
Free Share Assignment	Retained Earnings	0.00
	Capital surplus	0.00
Total		11.80

3. Major Change Expected in the Dividend Policy:
   None.

3.1.4. Impacts of free share assignment intended through the current shareholders meeting on the Company's operational performance and earnings per share:
Not applicable.

3.1.5. Compensation for Employees and Directors

1. The percentage or range of compensation for employees and directors based on the Article of Incorporation:
   Based on Article 22 of the Company’s Articles of Incorporation, if the Company has earnings after the annual final accounting, it shall appropriate not less than 2% of such earnings as remuneration to employees, of which not less than 50% shall be allocated to grassroots employees, and not more than 0.5% as remuneration to directors. However, the Company’s accumulated losses shall have been covered in advance.
   Employees’ remuneration could be paid by cash or stock. Employees shall mean the employees of parent or subsidiaries of the company meeting certain specific requirements. Such specific requirements shall be prescribed by the board of directors.

2. Basis for estimating the amount of compensation for employees and directors, basis for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated amount, for the current period:
   If the actual amounts approved by board of directors differ from the estimated amount, the difference will be recorded in the year when board of directors makes the resolution as a change in accounting estimate.

3. Distribution of Compensation of Employees and Directors Approved in the Board of Directors Meeting:
   The compensation of employees and directors for the 2025 has been approved by the Board

of Directors during its meeting on March 4, 2026.

Unit: NT$

Compensation of Employees and Directors for 2025	Approved in the Board of Directors Meeting	Estimated Amount
Employee Compensation – in Cash	140,033,959	143,150,407
Directors' Compensation – in Cash	15,600,000	-

Note 1: The difference between the actual amounts approved by board of directors and the estimated amount will be taken as a change in accounting estimate and adjusted in profit or loss for 2026.

Note 2: The Company did not distribute the compensation of employees and directors in stocks.

4. The actual distribution of employee and director compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee and director compensation, additionally the discrepancy, cause, and how it is treated:

Unit: NT$

Compensation of Employees and Directors for 2024	Approved in the Board of Directors Meeting (Actual distribution Amount)	Estimated Amount
Employee Compensation – in Cash	28,289,111	28,914,553
Directors' Compensation – in Cash	5,600,000	-

Note: The above-mentioned actual distribution of compensation of employees and directors was in line with the resolution of the Board of Directors. The difference between the actual distribution amounts and the estimated amount was taken as a change in accounting estimate and adjusted in profit or loss for 2025.

3.1.6. Buy-back of Treasury Stock

None.

3.2. Status of Corporate Bonds

None.

3.3. Status of Preferred Shares

None.

3.4. Stauts of Overseas Depositary Receipts

None.

3.5. Status of Employee Stock Option

None.

3.6. Status of New Restricted Employee Shares

(1)Status of New Restricted Employee Shares

As of May 14 2026

Type of restricted stock awards	First issuance of restricted stock awards in 2023		First issuance of restricted stock awards in 2025
Effective date and total shares	September 8, 2023 and total shares: 3,000,000 shares		September 18, 2025 and total shares: 3,000,000 shares
Date of issue	First issue date on May 9, 2024	The second issue date on May 8, 2025	First issue date on May 7, 2026
Number of new shares from restricted stock	806,000 shares	880,000 shares	677,000 shares

awards issued			
Number of new shares from restricted stock award that can be issued	1,314,000 shares		2,323,000 shares
Issue price	None		None
Shares issued through restricted stock awards as a percentage of current outstanding shares (Note 1)	0.19%	0.20%	0.16%
Vesting conditions of restricted stock awards	Employees who, after subscribing for restricted stocks, are still employed as of each grant date and did not have any violation against the Company's employment agreement, employees' code of conduct, the depository agreement, corporate governance best practice principles, ethical corporate management best practice principles, work rules, non-competition and non-disclosure undertaking or other contractual agreements with the Company during the following period as recognized by the Company, shall be vested 100% if having been employed for two years since the grant date of each year, while the vesting unit is one share.		
Restricted rights of restricted stock awards	1. Except for succession, employees who subscribed for restricted stocks and have not met vesting conditions shall not sell, pledge, transfer, gift to others, create an encumbrance on or otherwise dispose of the same. 2. Attending, submitting proposals, giving speeches, and exercising voting rights and rights of election at a shareholders' meeting are conducted in accordance with the trust and depository agreement. After an employee meets vesting conditions, stock dividends and cash dividends will be transferred from the trust account to the employee's personal account at the TDCC pursuant to the trust and depository agreement (cash dividends are to be transferred to the employee's personal bank account). The unvested stocks of an employee who does not meet vesting conditions will be taken back for free and cancel registration; the stock dividends or cash dividends accrued therefrom, however, are not required to be refunded or repaid by the employee. 3. Except for the trust requirement in the preceding paragraph, employees who subscribed for restricted stocks pursuant to the Rules and have not met vesting conditions shall have the same rights in, among others, receiving stock dividends, cash dividends and additional paid-in capital and subscribing for new shares upon capital increase by cash as the Company's outstanding common stocks.		
Custody of restricted stock awards	Restricted stock awards that are issued will be placed in a trust until vesting conditions are met.		
Handling restricted	Restricted stocks that are taken back by the Company for free		

stock award allocated or subscribed to by employees who fail to meet vesting conditions	will be cancelled registration by the Company.		
Number of restricted shares taken back or bought back	46,000 shares	33,000 shares	-
Number of shares with restrictions lifted	760,000 shares	-	-
Number of shares with restrictions not yet lifted	-	847,000 shares	677,000 shares
Number of shares with restrictions not yet lifted as a percentage of current outstanding shares (%)(Note 1)	0.00%	0.20%	0.16%
Impact on shareholders equity	No material impact on shareholder equity	No material impact on shareholder equity	No material impact on shareholder equity

Note 1：The calculation is based on the most recent change registration of 430,692,675 shares approved by the Ministry of Economic Affairs on March 20, 2026.

(2) Names of managers who have received restricted share awards cumulatively and Top 10 employees in terms of the number of shares they acquired and the status of acquisition

First issuance of restricted stock awards in 2023 and in 2025		Title	Name	Shares obtained through restricted stock awards	Shares obtained through restricted stock awards as a percentage of current outstanding shares (Note 1)	Restrictions that were lifted				Restrictions not yet lifted			
						Number of unrestricted shares	Issue price	Issuance amount	Number of unrestricted shares as a percentage of current outstanding shares (Note 1)	Number of unrestricted shares	Issue price	Issuance amount	Number of restricted shares as a percentage of current outstanding shares (Note 1)
First issuance under the 2023 RSA plan on May 9, 2024	Manager	Vice President	Li, Tseng-Ho	89,000	0.02%	89,000	0	0	0.02%	0	0	0	0.00%
		Vice President	Fang, Wen-Jeng										
		Vice President	Chen, Po-Shou										
		CFO & Corporate Governance Officer	Chi, Wen-Hui										
	Employees	General Manager of U.S. Branch	Teri Chang	191,000	0.04%	191,000	0	0	0.04%	0	0	0	0.00%
		Factory Director	Wu, Kuan-De										
		Director	Michael Lee										
		Director	Sean Chen										
		Director	Fenny Lin										
		Director	Blue Lan										
		Director	Eric Wang										
		Director	Tedd Lin										
		Director	Shinji Hsu										
		Director	Cloud Hu										
Second issuance under the 2023 RSA plan on May 8, 2025	Manager	Vice President	Li, Tseng-Ho	87,000	0.02%	0	0	0	0.00%	87,000	0	0	0.02%
		Vice President	Fang, Wen-Jeng										
		Vice President	Chen, Po-Shou										
		CFO & Corporate Governance Officer	Chi, Wen-Hui										
	Employees	General Manager of U.S. Branch	Teri Chang	241,000	0.06%	0	0	0	0.00%	241,000	0	0	0.06%
		Factory Director	Wu, Kuan-De										
		Director	Fenny Lin										
		Director	Eric Wang										
		Director	Sean Chen										
		Director	Michael Lee										
		Director	Oliver Lin										
		Director	Daniel Cheng										
		Director	Cloud Hu										
		Director	Shinji Hsu										
		Manager	Kylie Cheng										

First issuance of restricted stock awards in 2023 and in 2025		Title	Name	Shares obtained through restricted stock awards	Shares obtained through restricted stock awards as a percentage of current outstanding shares (Note 1)	Restrictions that were lifted				Restrictions not yet lifted			
						Number of unrestricted shares	Issue price	Issuance amount	Number of unrestricted shares as a percentage of current outstanding shares (Note 1)	Number of unrestricted shares	Issue price	Issuance amount	Number of restricted shares as a percentage of current outstanding shares (Note 1)
First issuance under the 2025 RSA plan on May 7, 2026	Manager	General Manager	Chang, Tsung-Kai	109,000	0.03%	0	0	0	0.00%	109,000	0	0	0.03%
		Vice President	Li, Tseng-Ho										
		Vice President	Fang, Wen-Jeng										
		Vice President	Chen, Po-Shou										
		CFO & Corporate Governance Officer	Chi, Wen-Hui										
	Employees	Factory Director	Wu, Kuan-De	182,000	0.04%	0	0	0	0.00%	182,000	0	0	0.04%
		Director	Fenny Lin										
		Director	Eric Wang										
		Director	Sean Chen										
		Director	Daniel Cheng										
		Director	Michael Lee										
		Director	Shinji Hsu										
		Director	Cloud Hu										
		Director	Kevin Hsieh										
		Director	Oliver Lin										
		Director	Blue Lan										
		Director	Renee Yang										
		Manager	Slava Lin										
		Manager	Kylie Cheng										

Note 1：The calculation is based on the most recent change registration of 430,692,675 shares approved by the Ministry of Economic Affairs on March 20, 2026.

3.7. Status of New Shares Issuance in Connection with Mergers or Acquisitions
None.

3.8. Implementation of the Capital Allocation Plans
Any uncompleted public issue or private placement of securities, or issues and placements that were completed but have not yet fully yielded the planned benefits: None.

4. Operational Highlights

4.1. Business Activities

4.1.1. Business Scope

1. Main areas of business operations

The main areas of business operations of the Company registered on the registration alternation form issued by the Ministry of Economic Affairs are as follows:

(1) Computers and Peripheral Equipment Manufacturing.
(2) Data Storage Media Manufacturing and Duplicating.
(3) Wholesale of Computers and Clerical Machinery Equipment.
(4) Wholesale of Computer Software.
(5) Wholesale of Electronic Materials.
(6) International Trade.
(7) Information Software Services.
(8) Electronics Components Manufacturing.
(9) Restrained Telecom Radio Frequency Equipment and Materials Import.
(10) Restrained Telecom Radio Frequency Equipment and Materials Manufacturing.
(11) All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Revenue distribution in the Most Recent Two Fiscal Years

Unit: NT$ thousands

Item	2025		2024	
	Amount	%	Amount	%
FLASH+DRAM products	14,123,896	82.47	8,632,682	85.61
Others	3,001,557	17.53	1,450,843	14.39
Total	17,125,453	100.00	10,083,525	100.00

(1) Main Products

A. DRAM Modules

UDIMM, SODIMM, ECC UDIMM, ECC SODIMM, RDIMM, and the application scope includes memory modules for desktop/notebook computers, memory modules for servers/workstations, memory modules for routers, and memory modules for commercial and industrial applications, etc.

B. Flash Products

SSD with the interface of PATA/SATA/PCIe, form factor including 2.5", M.2, mSATA, mSATA mini, half-slim, and external SSD. Type of memory cards includes CF Card, CFast Card, SD Card and microSD Card, flash memory modules with the interface of PATA/SATA/USB for special industrial application platform, and portable disks complying with the standards of USB 2.0, USB3.1 and USB3.2 specifications.

C. Multimedia Products

Dashcam and body camera, etc.

D. Hard Disk Products

Various types of portable hard disk storage devices, etc.

E. Card Readers and Accessories

Various types of card readers, hubs, adapter cards and external DVD writers, etc.

(2) New products development

A. DRAM Modules

DRAM modules of higher frequency, DRAM modules of higher capacity, DRAM modules for gaming sports, wide temperature DRAM modules for industrial purposes, and memory modules for servers / workstations / desktop computers / notebook, etc.

B. Flash Products

i. SSD: Capacity expansion, higher transmission speed, various form factors, high speed portable SSD, high-endurance SSD for embedded products, wide temperature SSD, SSD with power loss protection, SSD with AES function, and Enterprise-class SSD.

ii. Memory cards: Memory cards for surveillance cameras, high speed memory cards, memory cards with high Read/Write numbers, wide temperature memory cards for embedded products.

iii. USB portable disks: Type-C series of portable disks, flash memory portable disks built-in with multiple functions, flash memory portable disks with high speed, flash memory portable disks with ultra-high capacity, and flash portable disks equipped with encryption specification, etc.

C. Multimedia Products

Motorcycle Dashcams, various body cameras, and personal portable recording devices and accessories, etc.

D. Hard Disk Products

2.5," various types of high capacity SSD (Solid State Disk), various 2.5"/3.5" large capacity portable hard disks of stylish appearance and different functions, and external DVD writers, etc.

E. Card Readers and Accessories

Type-C interface related peripheral products, such as Hub, card reader, and Docking Station, etc. Card readers equipped with stylish appearance and support the latest memory card specification, and card readers equipped with encryption function. Card readers which are applicable to OTG portable disks, etc.

4.1.2. Industry Overview

1. The Current Status and Development of the Industry

(1) DRAM Memory Industry Overview

Still widely used in industrial applications, and the demand for commercial applications continues to increase. With the broad applications of Internet of Things (IoT) and the increasing need of industrial computers, cloud computers and servers, in conjunction with increase of the applications in the fields of the edge computing, media streaming and auto electronics, etc. The adoption of AI services in various terminal applications has also led to an increase in the capacity of memory modules. Market demand is gradually shifting from DDR4 to DDR5. The industrial-grade market is expected to experience more significant growth this year. Transcend will continue to develop higher-frequency and higher-capacity memory modules and further strengthen its presence in industrial applications.

(2) Flash Memory Industry Overview

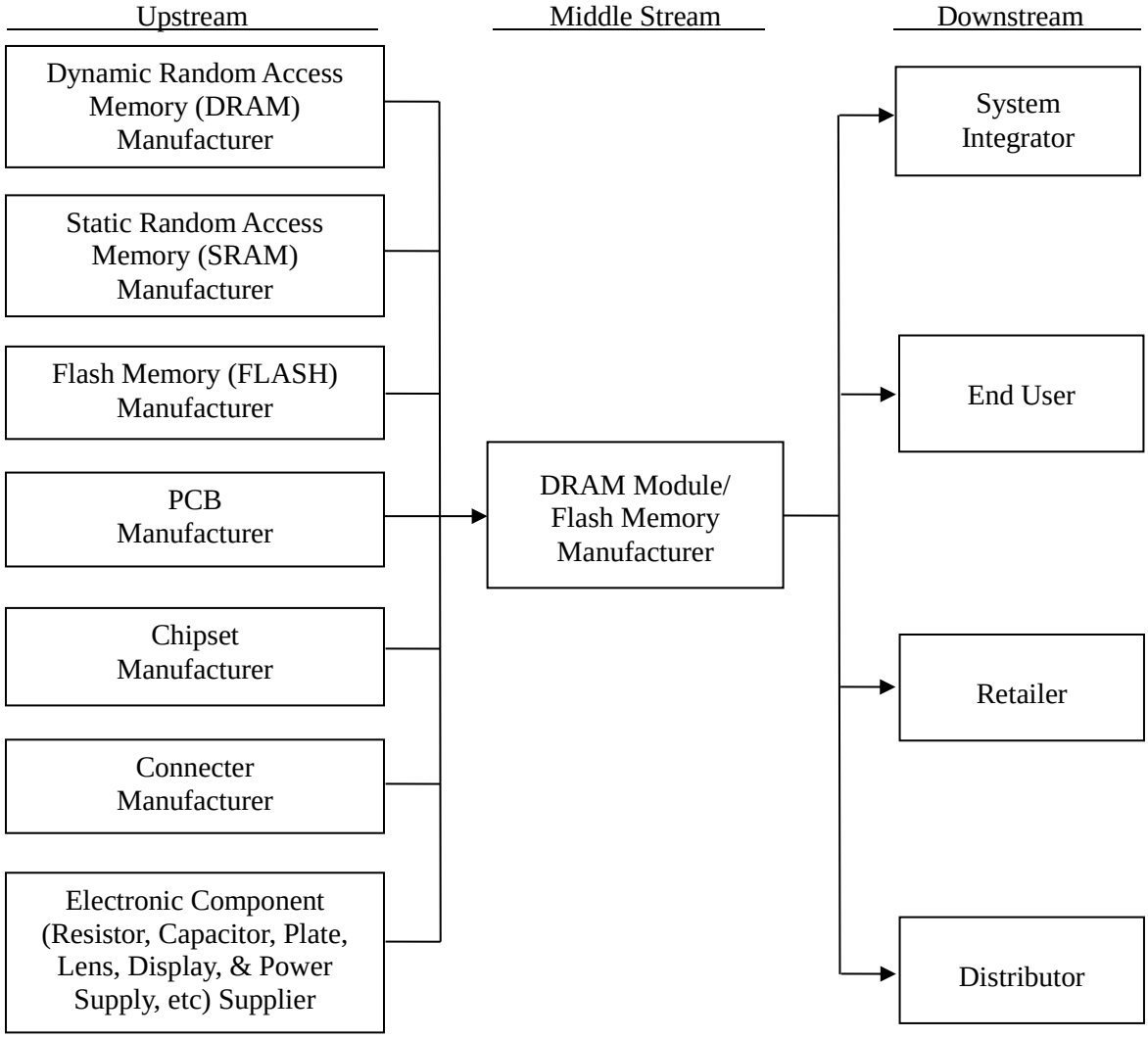
Memory cards are small in size and have a variety of applications. In addition to smart phones, digital cameras and gaming devices used by consumers, the demand of surveillance cameras, network cameras and cloud cameras for commercial use

continues to grow such that memory cards are maintained with a certain sales volume; however, the demand for USB portable disks, except for developing countries, has slowed down due to the development of cloud storage.

SSDs offer higher speeds compared to traditional hard drives. In addition, they are thinner and lighter in hardware design, and also provide benefits such as lower power consumption and better shock resistance. As a result, consumer acceptance has significantly increased. Furthermore, the introduction of USB Type-C as the benchmark device in the market last year further increased the market acceptance of portable SSDs and enabled the rapid growth of this product line. Diverse machine requirements include different form factors and customization demands will also drive the demand for SSDs.

Under the rapid development and the transformation of manufacturing process of 3D Nand in recent years, the production costs of suppliers have decreased, which is beneficial to the transformation of need and the continuous growth of the demand for Nand flash. Various AI products have been introduced one after another, which has greatly increased the demand for data processing and drove the demand for Flash to grow significantly. Accordingly, for flash products, Transcend will still focus on the development of fields of SSD and industrial applications as the main targets.

2. The Links Between Upstream, Midstream and Downstream of the Industry Supply Chain



3. Development Trends and Competition status of Products

With the rapid development of AI technology, the massive data generated by AI applications will further increase demand for real-time computing and high-performance storage markets, thereby driving DRAM and Flash sales. The most advanced AI technologies have also led upstream manufacturers to significantly shift their CAPEX toward DRAM, particularly investing in HBM. This shift challenges downstream manufacturers' ability to respond effectively in inventory management and cost control.

Overall, the consumer market remains weak, and the entry of Chinese manufacturers into the competition has further amplified the uncertainty in supply and demand. Industrial applications are equipped with the characteristics of higer quality, stable and long-term focus on research and development, capability for high customization and flexibility in operation as well as stable supply, etc., the entry barrier is high.

Transcend has deep-rooted in the management of the industrial application market and continue to invest in research and development. Under the ever-changing market environment, the Company has been able to achieve continuous growth. The Company has not only been ranked 62nd by the U.S. Bloomberg Businessweek among Top 100 Technology Company Worldwide but also been ranked by Ministry of Economic Affairs as Top 25 International Brand in Taiwan for the 19th consecutive year, indicating that under such increasingly severe international market, the Company has been able to demonstrate its stable brand development and management strength.

The competitive advantages of the Company are well demonstrated in the following four aspects:

(1) Supply and Logistics
   A. Rigorous supply chain management
   B. Global timely logistics: virtual warehouse
   C. Excellent inventory management

(2) Innovation and Production
   A. Professional internal research, development and design teams
   B. Own factory manufacturing and rigorous quality control

(3) Product and Inventory
   A. Diverse product lines offering a wide range of products
   B. Professional pre-sale service
   C. Complete after-sale service
   D. Global inventory real-time management

(4) Comprehensive Backend Support
   A. Rigorous financial and accounting management
   B. Brand reputation and global marketing support
   C. Product return and exchange management and repair technical service

As a leading manufacturing well-known for its professional storage media, all employees of the Company continue to pursuit greater achievements. To development of channel service, we also establish a broader vision: with our technology advantages in the products of memory cards, flash memory products, storage equipment products, multimedia products and industrial products, along with the global logistics and marketing network providing quality and professional pre-sale and after-sale services, we have been able to successfully establish a sound brand image and has become the leading manufacturer in global consumer electronics and embedded products.

4.1.3. Technologies, Research and Development Overview

1. A Listing of Research and Development Expenditures as well as Technologies and/or Products Successfully Developed in 2025 and as of the date of this Annual Report

Unit: NT$ thousands

Year	R&D Expenses	R&D Achievements
2025	213,187	[Enterprise SSD] ETD210T is designed for enterprise server applications and built with high-quality enterprise-grade TLC NAND flash memory (eTLC). Equipped with a SATA III 6Gb/s interface and a large DRAM cache, it delivers excellent random access performance to handle massive data workloads. ETD210T provides outstanding Quality of Service (QoS), ultra-low latency, high durability, and built-in Power Loss Protection (PLP) to ensure system stability and data integrity.
		[Enterprise SSD] ETD410T U.2 enterprise SSD is an ideal solution for data centers and high-performance servers. Equipped with enterprise-grade eTLC NAND flash memory, PCIe Gen4 x4 interface, and large-capacity DRAM cache, it delivers outstanding transfer performance for massive data workloads.
		[Portable SSD] ESD420 portable SSD combines high-speed transmission with durable design. Supporting USB 3.2 Gen 2x2 and military-grade shock resistance, it is suitable for mobile professionals and outdoor applications, providing stable and reliable data storage solutions.
		[SSD] MTE260S PCIe Gen5x4 M.2 SSD is designed for high-performance computing and content creation, delivering high-speed read/write performance and excellent system responsiveness to enhance multitasking efficiency and overall computing experience.
		[Memory Card] USD710S microSD Express memory card adopts next-generation interface technology with high bandwidth and high-speed access performance, targeting mobile devices, gaming, and emerging applications to satisfy high-speed data transfer and expansion requirements.
		[Card Reader] RDE3 memory card reader supports high-speed data transfer specifications and provides convenient image and data access solutions for professional photography, video production, and mobile workflows, improving data exchange efficiency.
2026 Q1	130,388	[SSD] MTE770 M.2 2280 SSD adopts an advanced controller process to fully leverage PCIe Gen4x4 performance, targeting high-speed data storage and system upgrade applications.
		[SSD] MTE740 delivers ultra-high-speed read/write performance through the PCIe Gen5x4 interface, providing excellent stability and performance to meet the demands of AI edge computing and on-premises applications.
		[Camera Module] ECM100U2C features a compact design for the camera module market and focuses on plug-and-play industrial applications, enabling equipment to obtain stable and high-quality image input efficiently.
		[Camera Module] ECM100G2F is designed for robotics applications and adopts GMSL transmission technology to provide mid-range, low-latency image connectivity solutions, enhancing robotics integration efficiency and deployment flexibility.
The above information for the year 2025 has been summarized for the period from January 1 to December 31, 2025. The information for year 2026 has been summarized for the period from January 1 to March 31, 2026.		

2. Ongoing R&D Projects

Product Line	Ongoing Projects	Current Progress	Expected Mass Production Time	Key Success Factors
DRAM Products	DRAM modules of higher frequency, DRAM modules of higher capacity, and wide-temperature DRAM modules for industrial and embedded applications, etc.	Development in progress	Some products have entered the mass production stage, and others under development progress are expected to enter the mass production stage starting from 2026.	(1) Specialized specification for different fields (2) Increase of data transmission speed (3) Increase of product reliability and compatibility, increase of operating temperature
Flash Products	Capacity expansion, higher transmission speed, various form factors, high speed USB portable disks, SSD with high R/W numbers, wide temperature SSD for embedded products, SSD for special purposes such as power failure protector and encryption function.	Development in progress	Some products have entered the mass production stage, and others under development progress are expected to enter the mass production stage starting from 2026.	(1) Increase of access capacity and R/W speed (2) Increase of data security and encryption level (3) Compact and light with great portability (4) Implementation of new memory manufacturing process
Strategy Products	Storage devices with various new specifications/interfaces, dual lens Dash Cam, body camera equipment and accessories, and other peripheral application products.	Development in progress	Some products have entered the mass production stage, and others under development progress are expected to enter the mass production stage starting from 2026.	(1) Product specifications and functions with unique characteristics in comparison to other products in the market (2) Proper control of product mass production and market launch schedule (3) Completeness of accessories (4) Exclusive functions for regional market and special groups (5) Increase of data security and encryption level (6) Simplify product complexity
The R&D budget for the ongoing projects accounts for approximately 80% of the total R&D budget in 2026. And the R&D budget is estimated to account for 1.0%–1.5% of the whole-year revenue in 2026.				

4.1.4. Long-term and Short-term Business Development Plans

1. Short-term Business Development Plan

(1)Embedded Business Management

The Company has focused on embedded market and invested a great amount of resources in the development of embedded products for a long period of time, and the Company has always adopted the business philosophy of excellent quality and customer-oriented approach; consequently, the Company has been able to successfully gain customers' trust and support and became the leading brand in the embedded field. Transcend further actively invests in the embedded products business and copes with the development trend of industrial computer and automation, etc., thereby expanding the business performance in the embedded field.

(2)Adjustment of R&D Department

The Company is equipped with a complete R&D team, and in the future, the Company will continue to actively recruit outstanding R&D talents in order to continuously develop and launch comprehensive and multi-function product series based on the attitude of pursuit for excellence and perfection, in order to provide quality products to consumers and to establish brand loyalty, to satisfy the market trend and to meet consumer demands, as well as to effectively reduce cost and improve production efficiency at the same time.

2. Long-term Business Development Plan

(1)Brand Management and Channel Planning

A. Global Comprehensive Planning

The Company establishes its headquarters in Taipei, and subsidiaries or service centers are also established in Germany, the Netherlands, United Kingdom, United States, Japan, Hong Kong, Beijing, Shanghai, Shenzhen and South Korea. The Company's products are sold in more than 130 countries, and more than 80% of the Company's customers are from markets outside Taiwan. To continue to enhance the planning and establishment of sales channel, collaborate with online and offline global channel distributors/retailers closely, and deep-rooted in 3 channel systems (traditional IT channel, camera channel and Telecommunication Channel), the Company will continue to establish sales points at all major areas worldwide, thereby raising the brand image and visibility of the Company.

B. Investment in Marketing Activities

The Company promotes the market with the own brand of "Transcend." ,and has always been active in the development of marketing activities. Through collaboration with local channel distributors/retailers in different regions, the Company provides the marketing budget and organizes various marketing activities, such as online and offline advertisement, new product launch, product media testing, distributor training and contest and show, etc., while matching with the local customs and culture, thereby achieving local market development and expand the brand of Transcend. Consequently, maximum marketing effect through limited resources can be achieved.

C. Deep-rooted in Local Market

The Company recruits outstanding talents at overseas subsidiaries and implements the strategy of recruiting local sales specialists and management personnel in order to develop the market in depth and to enhance management performance through the local talent's language advantages and cultural understanding. The Company also engage in close collaboration with local channel distributors/retailers to develop marketing channels.

(2) Continue to Optimize Operational System

A. Completeness and Diversity of Product Lines

The greatest advantage of the Company lies in the diversity of products capable of satisfying the one-stop shopping demand of customers. The product lines of the Company include standard and special memories, various types of flash memory cards, portable disks, SSDs, portable hard disks, Dashcam, body cameras, and personal cloud storage devices, with the number of product types reaching more than 2,000.

B. Product Customization Service and Comprehensive Embedded Solution

The Company provides complete product customization service to satisfy demands of different customer groups. Plentiful embedded product lines demonstrating diverse solutions for embedded purposes. In addition, the Company upholds the principle of excellence and perfection to continuously optimize the quality control system. The Company will continue to collaborate with outsourcing wafer packaging vendors equipped with ISO/IATF16949 certification, in order to ensure the best protection for customers and to push the Company's products to the global market.

For diverse and comprehensive product functions, the Company aims to satisfy the purchase characteristics of different consumer groups through various sales channels in order to further expand the depth and breadth of the sales level, thereby achieving the benefit of economics of scale and increasing the global market share.

(3) Complete Pre-Sale and After-Sale service

Since customers emphasize the after-sale service and product quality, rather than mere price difference, brand value becomes apparent when products are of excellent quality. The function and performance differences among memory products are reducing; therefore, the Company aims to demonstrate the strength and to differentiate from the competitors through kind product consultation and complete after-sale service while continuously improving the product quality, thereby establishing the brand recognition and trust of Transcend among distributors and users.

In the industrial application market, which differs from traditional retail markets, there is a need for long-term stable supply. Amidst the rapid evolution of DRAM/Flash production processes, Transcend provides a professional pre-sales service team to assist customers in selecting suitable products to meet the requirements of quality, product performance, and long-term stable supply.

4.2. Markets and Overview of Production and Sales

4.2.1. Market Analysis

1. Main Products and Sales Region

The Company has diverse and comprehensive products. The product lines of the Company cover channel products and embedded products, including special and standard memories, various types of small flash memory cards, portable disks, portable hard disks, Dashcam, body camera and personal cloud storage devices, etc. Under the complete global planning, the Company has 12 business locations worldwide and Taiwan as the main production base, and the region of sales further includes all global markets. Through comprehensive sales strategy and excellent quality, the brand of Transcend is promoted worldwide.

Sales region in the last two years：

Unit: NT$ thousands

Area	2025		2024	
	Amount	%	Amount	%
Taiwan	4,862,302	28.39	2,258,670	22.40
Asia	6,269,621	36.61	3,237,620	32.11
Americas	2,530,376	14.78	1,571,713	15.59
Europe	2,814,461	16.43	2,325,093	23.06
Others	648,693	3.79	690,429	6.84
Total	17,125,453	100.00	10,083,525	100.00

2. Market Share

Regarding the DRAM memory industry and the flash memory industry, due to the fine product categories (SDRAM, DDR, DDR2, DDR3, DDR4, DDR5, flash memory card, portable disk, Dashcam, body camera, personal cloud storage device, and SSD, etc.), and due to the difference between the contract market and spot market, the market share cannot be estimated precisely. According to the results of various market survey institutions, the global market share of Transcend continues to increase. Looking into the future, the Company will continue to increase the market share and achieve the goal of reasonable profit through continuous effort.

3. Future Market Demand/Supply Conditions and Growth Potential

(1) DRAM Module

The carrying rate of DRAM modules continues to rise, with the shipment proportion of mainstream 16GB and 32GB modules expected to keep increasing. Meanwhile, the growing number of cloud computers, servers, and data centers, along with the gradual popularization of next-generation DDR5, is expected to drive a new wave of demand and contribute to business growth.

(2) Flash Products

As the application of SSD becomes more popular, including broad applications in portable hard disks and built-in storage devices of handheld video recorders, the consumption volume of SSD will continue to increase. Regarding the field of embedded products, applications related to AI and data center in 2025 have grown, and the demand for workstation and server have increased. All of these applications require massive data storage; therefore, the data storage demand will continue to increase, which will further drive the shipping volume of SSD.

For memory cards, the applications will continue to be widely used as storage medium for channel products, such as 3C consumer electronics of smart phones, digital video recorders, tablet computers, Notebook, Ultrabook, multimedia players, gaming devices, surveillance cameras, home care cameras and automobile navigators, etc. In addition, with the continuous shipping of new applications, it is expected that there will still be a stable demand for memory cards.

4. The Company’s Competitive Niche

(1) Internationalization of sales network, distribution of market channels

Since the establishment, the Company has been committed to the own brand management and channel planning and continuously exerts efforts in differentiating the Company from traditional domestic professional OEM manufacturer. In terms of

the sales and marketing strategies, the Company aims to establish the brand image of high quality for the brand of "Transcend," and in the professional storage field, the Company targets the "End Customers," supply distributors, system operators and retail market, thereby reducing the channel gap and allowing both the Company and customers to obtain greater profits. In addition, with the continuous improvement of the Company's position in the industry and through providing comprehensive product lines and complete after-sale service system, the Company is able to increase customer sales continuously, including strategic collaboration with international front line channel operators. Presently, the Company has over 5,000 loyal customers worldwide and has established a solid and stable sales network with cooperation of subsidiaries in various countries.

(2) Establish brand image, deep-rooted in local market

"Transcend" is one of the few successful domestic brands that have received high praise internationally. For both domestic and international memory product markets, Transcend is the brand representing stability and high quality, and such brand image has been deep-rooted in the mind of consumers. Through advertising on social media, internet, magazines, newspapers, and large outdoor signage, as well as new release, sports event sponsorship, and public welfare activity engagement, Transcend's brand image can be nurtured, which is beneficial to the improvement of the brand awareness; nevertheless, the Company still values excellent product and quality service as the most essential factors to achieve high brand value. Furthermore, through the Transcend online shopping website, the Company is able to obtain the comments and feedback from the end consumers directly, thereby using such comments and feedback as the reference for product and service improvement.

(3) Utilize purchase advantage effectively, expand product competitiveness

The Company has been established for more than thirty years, and the type and quantity of purchase items are enormous and continue to increase. Through excellent partnership with upstream vendors of DRAM and NAND Flash established for a long period of time over the past years, the Company is able to achieve the best cost structure, thereby increasing the product price competitiveness. In addition, through the in-depth collaboration with the upstream vendors, the Company is able to introduce new products in the market faster than competitors, in order to seize the business opportunities in the market effectively and to become the leading brand in the market.

(4) Continue to develop strategy products, strengthen brand value

The Company started the business based on the niche memory modules, following which the Company then entered the standard memory module and flash memory market. As the Company's planning in the global traditional sales channel becomes more complete, the Company actively engages in the development of strategic products of Dash Cam, body camera, external portable hard disks, card readers, personal cloud storage device and SSDs, etc., such that through diverse product series along with the addition of other sales channels, the Company is able to satisfy the purchase characteristics of different consumer groups and to further expand the depth and breadth of sales level.

5. Favorable and Unfavorable Factors for Future Development and Response to Such Factors

Favorable Factors

(1) Complete product lines, diverse product types

With more than thirty years of development, the Company invests great research and

development budget and human resource for the establishment of complete product lines, and the main products include various memories, digital memory cards, USB portable disks, external hard disks, card readers, personal cloud storage devices, Dashcam, body camera and SSDs, etc. There are more than 1000 types of products available for all kinds of electronic product applications, thereby satisfying the customers' demand of "one-stop shopping."

With more than thirty years of experience and qualified technical personnel, the R&D team of the Company also synchronizes with the market trend, and will continue to develop and launch innovative products satisfying the market demands.

(2) Establish brand image, deep-rooted in local market

Over the past years, the Company has invested important resources in both product appearance design and product packaging continuously, in order to design and provide products meeting the global trend. In addition, the Company has received great recognition with numerous international industrial design awards, and also provides multi-language instruction manuals and product catalogues for various countries in order to be deep-rooted in the local market. Accordingly, the Company has successfully obtained great support from consumers on the Company's products.

(3) Internationalization of sales network, distribution of market channels

The Company is devoted to the own brand management and marketing, and customers around the globe are considered to be the market for the Company. Through the establishment of international market channels and after extensive years of market development and deep-rooted in new emerging markets and countries, the Company has accumulated more than 5,000 loyal customers worldwide, and through the cooperation of branch offices in various countries, the Company has established a solid and stable sales network. The overseas customers of the Company accounts for nearly 80%, demonstrating the solid international sales network of the Company.

(4) Equipped with comprehensive global logistics management capability

The Company has established subsidiaries or sales offices at Germany, the Netherlands, the United Kingdom, the United States, Japan, Hong Kong, Beijing, Shanghai, Shenzhen and South Korea. Due to the great number of product types, customers are widely distributed worldwide. To effectively control inventory and to manage the sales targets, the Company and all overseas sales offices are established with computer information system with complete functions. Accordingly, the headquarters is able to sufficiently and promptly understand the order receipt and inventory status of all overseas sales offices through network, in order to reduce the cost associated with overstock and to successful delivery, thereby improving product image and competitiveness.

(5) Increase product value with outstanding industrial design

Transcend has already realized the importance of industrial design, and the Company is staffed with a professional industrial design team in pursuit of outstanding industrial design in order to improve product value. The Company has received numerous important industrial grant awards of Germany iF design award, reddot design award, Japan Good Design award, etc., and also received the honor of "Taiwan Excellence Award" for the twentieth consecutive year, a remarkable record achieved by the Company.

(6) Professional and dedicated R&D team

The Company has established a professional and dedicated R&D team for each product, whether standard products in large quantities or highly customized products,

the Company's own R&D team is able to promptly satisfy all aspects of demands of customers in terms of the product compatibility, reliability and yield rate, etc., thereby establishing an irreplaceable team and strength that cannot be overcome or surpassed by operators in the same industry.

Unfavorable Factors and Actions

(1) Violent price fluctuation of critical raw materials of DRAM chips, affecting operational stability

The prices of the critical raw materials of DRAM, NAND Flash chips of the Company fluctuate violently, and if a downstream operator cannot effectively manage the chip supply sources and control the inventory, then under the situation where the demand for chips is higher than supply and the market price surges, such operator would not be able to handle customers' strong demand and to provide sufficient products. Furthermore, when the chips are under the condition of supply over demand and the market price plunges, then the production cost and overstock cost would become overly high due to the high purchase price of the original raw materials. Consequently, market price fluctuation often results in the control difficulty of the sales price and cost, such that the stability of the operation is affected in certain extend.

→Action

The Company has constructed a complete information system, and the inventory level can be reasonably controlled and enhanced through the assistance of such system. Furthermore, the Company focuses on the operation and long-term collaboration relationship with the suppliers and customers, and the Company also appropriately controls risks and adjusts strategies according to the market condition periodically, thereby ensuring reasonable price and maintaining a health inventory level.

(2) Low entrance barrier for standard memory card products and flash memory card products, leading to price war

Most of the operators in the same industry expand production capacity to seek high revenue; however, the market demand is not as optimistic as expected. To fill up the production capacity gap newly created, a lot of the operators are lowering their prices for competition, or even selling products for minimum profit or no profit, leading to the situation of chaotic market prices that is unfavorable to the product development and promotion. Unless a company is able to manage niche products and channels, or is equipped with brand value, it would be difficult to achieve stable development. Transcend is equipped with both of these characteristics and values them as the long-term goal.

→ Action

In addition to standard products, for DRAM and NAND Flash related products, the Company also offers special products at a certain ratio. The Company also develops numerous industrial control products and strategic products in order to increase the difference from the competitors and to improve profitability while providing the one-stop shop service to customers.

4.2.2. Main Usage and Manufacturing Processes of Main Products

1. Main Products and Their Main Usage

(1) Digital memory card/USB portable disk products

For flash memory card/USB portable disk, the main application is to increase the data

storage memory capacity of various digital equipment, such as multimedia mobile phones, digital cameras, tablets, PC/NB, surveillance cameras, gaming devices and smart phones.

(2) Solid State Drive (SSD)

The company's main products are SSDs. SSD is equipped with the characteristics that are absent in traditional hard disks, and such characteristics include shock resistant, high Read/Write speed, quiet and low power consumption, etc. Presently, for both notebook computers and desktop computers, the ratio of SSD has increased significantly, and the individual upgrades with SSD made by end users in the after-market also indicate great popularity. As the price of SSD becomes widely accepted by consumers, flash memories are expected to have the greatest popularity and application in the future.

(3) Memory products

The memory modules are another main products, its function is to expand the computer data processing capacity and to increase the processing speed, and the main applications include personal computer system, network system, industrial computers, as well as equipment, such as desktop computers, notebook computers, laser printers, servers, workstations, routers and fax machines.

(4) Dashcam

As the global automotive market continues to grow, consumers focus more on the personal driving safety. Transcend continued to launch a variety of Dashcam and kept develop in the Dashcam market.

(5) Body Camera

In addition to the automotive market, Transcend has launched Body Camera, which is the best partner for military and police security. The Company continuously launched new models and achieves further growth in the security and surveillance market.

(6) Storage equipment

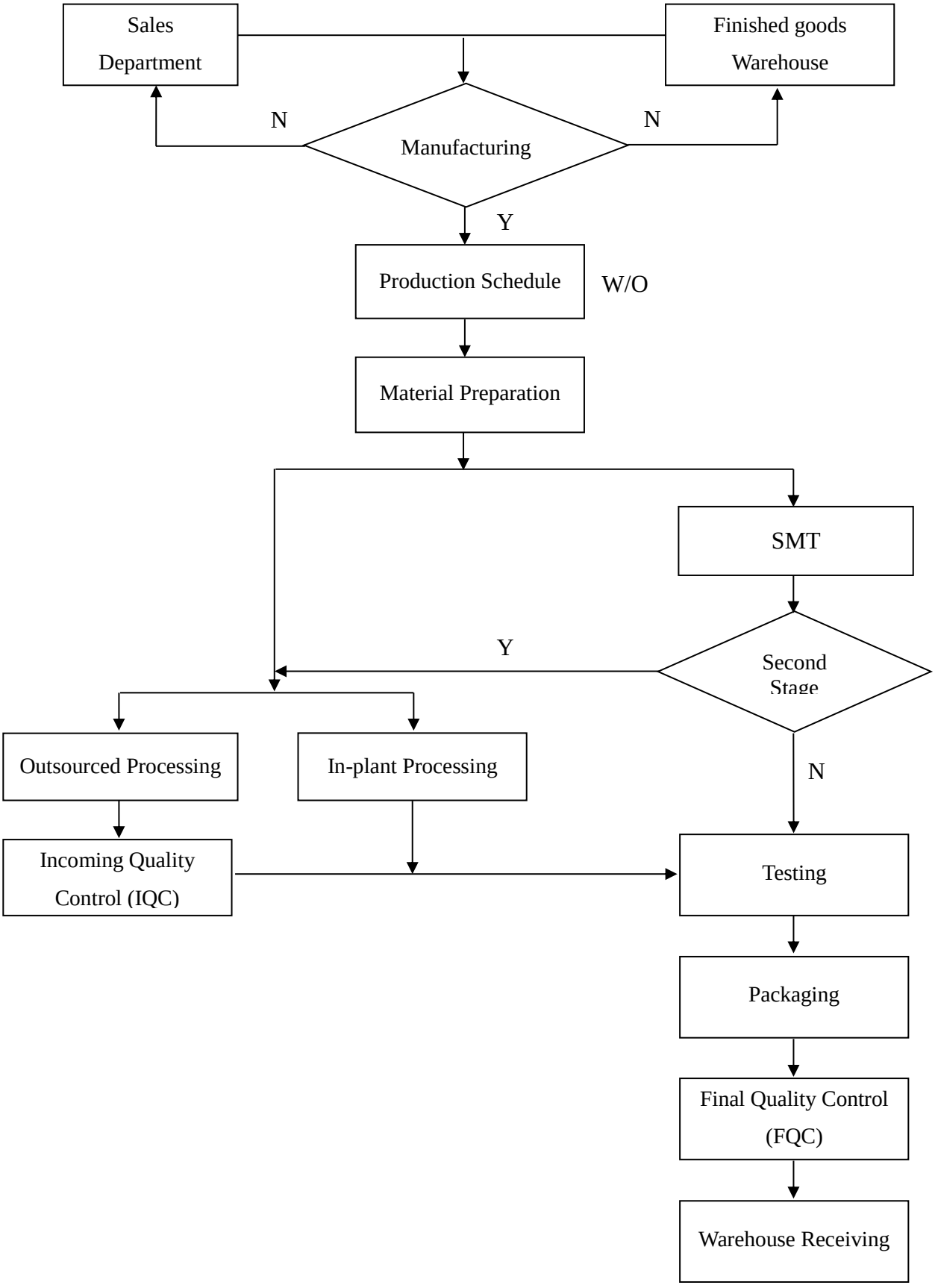
To satisfy the demand for information and personnel mobility, portable hard disks are equipped with the characteristics of compact size, high capacity and portability. The personal data portability and the design of confidentiality and security are increased in order to provide a comprehensive portable data solution for professionals in various sectors. As the industrial control application demand increases, Transcend launches numerous storage products satisfying different industrial applications, such as Portable SSD, flash memory modules and industrial grade CF/SD memory cards.

(7) Accessories and card readers

As the popularity of digital camera, smartphones and multimedia devices increase, the demand for transmitting and exchanging videos, music and various multimedia data effectively and swiftly among personal computers and other portable devices are increasing. Transcend launches various types of portable card readers and adapters, providing direct and convenient access interfaces, such that they offer the best choices to users having the preference of using high speed memory cards for transmission of digital data, music and photos. In addition, in view of the great popularity of smartphones and tablets nowadays, Transcend further launches high speed products and OTG/Type-C flash drives products, allowing users to enjoy faster transmission speed and achieving greater convenience in cross-platform data transmission, also making the overall storage product series more complete.

2. Main Products and Their Manufacturing Processes

Flow Chart of Manufacturing Processes



4.2.3. Supply Status of Major Raw Materials

Major Raw Materials	Purchasing Strategy and Supply Situation
DRAM	The Company maintains long-standing and strong cooperative relationships with major industry suppliers and has signed memorandums of cooperation. Even when original manufacturers concentrate resources on AI-related applications, the Company is still able to secure stable supply, ensuring uninterrupted delivery to downstream customers.
Nand Flash	The Company maintains stable and strong relationships with leading industry suppliers. In addition to securing stable supply and cost advantages through procurement strategies, the Company's long-term technical partnerships with suppliers also help sustain strong competitiveness in NAND Flash-related products.
Hard Drive	Driven by AI applications, demand for enterprise hard drives remains strong. Given limited supply output, the Company maintains close cooperation with key suppliers, securing clear advantages in supply, quality, and cost.
Controller	The Company selects cooperating partners carefully, and all of the cooperating partners are well-known operators with excellent company structure, thereby ensuring the product quality and cost advantages.
PCB	All of the cooperating partners of the Company are global top hundred PCB suppliers, and the Company also places orders according to the capacity and competitive advantage of suppliers, such that the effects of quality and cost can be achieved at the same time while maintaining stable product supply.
Optical Disk Device	The overall market for optical drive indicates slow decline. The Company and suppliers are long-term partners, and adopts the strategic collaboration method to ensure the quality, stable supply and price competitiveness.
Mechanical Part	Most of the designs of mechanical parts are customized. The Company is able to select stable long-term cooperating partners through detailed cost structure analysis and comparison in order to maintain stable quality and to continue to contact new suppliers for cost comparison, thereby ensuring price competitiveness.

4.2.4. Company Names, Amount and Percentage of Major Suppliers and Customers which were commanding 10%-plus Share of annual order volume in the Last Two Years

1. Major Suppliers

Unit: NT$ thousands

Item	2024				2025				2026(as of March 31, 2025) (Note 3)			
	Company Name	Amount	Ratio to Annual Net Supplies (%)	Relation with Transcend	Company Name	Amount	Ratio to Annual Net Supplies (%)	Relation with Transcend	Company Name	Amount	Ratio to Quarterly Net Supplies (%)	Relation with Transcend
1	A	2,049,854	30.28	None	A	2,987,368	37.12	None	A	3,905,067	48.68	None
2	B	1,516,200	22.40	None	B	1,264,321	15.71	None	C	1,881,999	23.46	None
3	C	1,074,483	15.87	None	C	895,367	11.12	None	B	1,301,973	16.23	None
	Others	2,129,418	31.45		Others	2,901,767	36.05		Others	933,467	11.63	
	Net Total Supplies	6,769,955	100.00		Net Total Supplies	8,048,823	100.00		Net Total Supplies	8,022,506	100.00	

Note 1: Due to the restrictions of commercial confidentiality and non-disclosure of contracts, the names of suppliers are shown by codes.

Note 2: Changes of increase/decrease were due to the business needs.

Note 3: The financial statements of 2026 Q1 have already been reviewed by the CPAs.

2. Major Customers

The sales income of one customer from the company between 2024 and 2025 did not show 10% of the consolidated net operating income.

4.3. The Number of Employees, Average Service Year, Average Age and Educational Level Distribution Ratio in Last Two Years and up to the Publication Date of this Annual Report

Year		2024	2025	As of April 19, 2026
Number of Employee	Direct	588	573	570
	Indirect	571	556	560
	Total	1,159	1,129	1,130
Average Age		40.7	41.4	41.7
Average Years of Service		11.4	12.1	12.2
Education	Ph.D.	0.0%	0.0%	0.0%
	Masters	14.8%	15.1%	14.9%
	Bachelor's Degree	59.6%	59.8%	60.3%
	Senior High	22.4%	21.8%	21.7%
	Below Senior	3.2%	3.3%	3.1%

4.4. Environmental Protection Expenditures

For all selected raw materials, auxiliary materials and packaging materials, internal professional personnel has performed product compliance inspection in order to ensure that the products comply with the international environmental protection laws and regulations.

The main manufacturing processes of the Company's products include component mounting, board cutting, assembly, testing, packaging and sales to the customer end. During the manufacturing process, no waste gas or wastewater is discharged, and only industrial wastes are generated from the process. The industrial wastes are collected and classified according to their properties, and qualified supplier approved by the Environmental Protection Administration is entrusted to handle the cleaning and disposal of the wastes. The qualification certificate of the supplier entrusted is reviewed rigorously, and testing and reporting are performed in accordance with the laws and regulations in order to ensure that the industrial wastes are properly handled.

1. Any losses and disposition suffered by the company in the most recent fiscal year and up to this Annual Report publication date due to environmental pollution incidents: None.
2. Material Environmental Protection Expenditures: None.

4.5. Labor Relations

4.5.1. Implementation of various employee welfare measures, continuing education, training, and retirement systems, and maintenance of the collective bargaining agreement and various employee rights:

1. Employee benefit plans:

(1) Insurance: To provide greater living protection to employees, in addition to the enrollment of labor and health insurances for employees according to the laws, the Company plans the group insurance for employees, and it covers term life insurance, accidental injury insurance, hospitalization and medical insurance, and cancer health insurance, etc. For employees traveling on business trips, additional business travel safety insurance is applied in order to provide greater protection to employees.

(2) Entertainment activities: The Company has established the Employees' Welfare Committee according to the laws, and the activities of year-end party, family day and sports contest, etc., are organized annually in order to achieve physical and

mental relaxation and to achieve coherence. Furthermore, the activity center is also installed with various fitness and recreation facilities, such as, table football, table tennis, snooker, fitness room and other equipment for employees' use during their free time. Employees are also encouraged to participate in club activities and to establish friendship and communication through club activities.

(3) Other benefits: Employees' health is considered a fundamental aspect for the Company's development. In addition to providing annual health examination to employees, the Company also sets up basketball courts,fitness room, ping pong table, billiards table and foosball table to provide diverse sports and recreation facilities. Employees are offered with the employee discount prices for the purchase of the Company's products for own use. The employee cafeteria and café also offer meals at discount prices to employees. The Company irregularly provides gifts and issues marriage and maternity cash gift and funeral consolation money. Furthermore, through cross-industry alliance with other vendors, the Company provides more preferential information to the living of employees.

2. Emoloyee continuing education and training:
As the Company is in the highly competitive technology industry, talents are the key factors determining the success of a corporate. Transcend has also valued talents as the most powerful and significant backup to the company. Through various learning methods of professional competence improvement courses, work transfer, overseas business trips and trade shows, etc., arranged by the Company, Transcend is able to cultivate employees equipped with functions of greater diversity and depth, thereby achieving the goals of the organization.

In terms of the training courses, each year, the Company organizes orientation training for new employees and also organizes competence improvement courses for professional abilities of personnel in each departments, as well as organizes or assigns personnel to participate in relevant external trainings according to laws and regulations.

3. Retirement systems:
To meet the requirements specified by the laws and regulations, the Company contributes 6% of the insured monthly salary and deposits into the pension personal account at the Bureau of Labor Insurance monthly for new employees on-board since July 1, 2005 and existing employees who chose the new retirement pension system. For existing employees who chose the old retirement pension system and maintained their service years under the old system, the Company appropriates an appropriate pension reserve and deposits in the dedicated account at Bank of Taiwan, and the Supervisory Committee members are responsible for the supervision of the reserve fund.

4. Other labor agreements:
The agreements between the labor and management of the Company are handled in accordance with the Labor Standards Act, and are explained in conjunction with the personnel management regulations upon the time when employees joining the Company for service. Relevant regulations are added or revised depending upon the operational needs of the Company.

4.5.2. Any Losses due to Labor Disputes and Any Estimated Losses and Countermeasures

1. Any losses and disposition suffered by the company in the most recent fiscal year and up to this Annual Report publication date due to labor disputes:None.
2. Any estimanted losses and countermeasures: There are currently no labor disputes expected to result in any losses.

4.6. Information Security Management

4.6.1. Information Security Management Strategy and Structure

1. Information Security Risk Management Structure

The Company established the "Information Security Execution Team" in May 2019 to be responsible for the establishment of policies, execution, recording and review of information security events and information security accidents, and to also accept the annual information cycle supervision of the Auditing Office. The Administrative Vice President concurrently acts as the information officer to take the role of convener in order to convene meetings annually, and to also report information security governance status to the board of directors.

2. Information Security Policy

To improve the information security management system, and to ensure the confidentiality, legality, reliability and integrity of the Company's information, personnel, assets, software and hardware, the Company establishes the information security policy according to the ISMS information security management system, and the objective is to reduce information risk to the acceptable level through control methods, in order to improve the information security risk management of the Company.

Information security control measures:

(1) Establish information asset list, and perform classification control according to the information risk assessment.

(2) All new employees are required to participate in the information security education and training, in order to improve employees' understanding and concept on the information security. In addition, educational promotion on information security precautions are also executed periodically.

(3) The internal and external networks of the Company are installed with firewall, and employees are prohibited to use private network equipment to connect to the external network or intranet of the Company.

(4) Mainframes of confidentiality are installed in an isolated network environment. For database and file access, use authorities are established and remote backup is performed periodically.

(5) Perform information asset inspection operation and system abnormality drill periodically, in order to maintain the system reliability.

(6) Establish information security event management standard and information security event reporting procedure.

(7) All employees using information provided by the Company to perform relevant information job duties and suppliers with business dealings or visitors shall bear the responsibility and obligation to protect the information assets obtained or used, and it is prohibited to perform access, modification or illegal disclosure without authorization.

(8) Personal computers shall be installed with anti-virus software and updated with the latest virus codes. In addition, software management policy shall be established, and any unauthorized software shall be prohibited from use.

(9) Employees possessing accounts, passwords and authorizations provided by the Company shall bear the custody responsibility properly and shall also update passwords periodically according to the request.

(10) All employees of the Company shall comply with the laws and regulations as well as the requirements of the information security policy of the Company. The supervising unit shall bear the supervision responsibility, implement the system and improve employees' understanding on the information security and legal concepts.

3. Specific Management Plan
   (1) It is necessary to identify the information security event root cause and adopt an effective strategy, as well as establishing the method and procedure to improve future incident handling according to the information security incident classification.
   (2) The information security execution team proposes the information security incident statistical information according to the internal audit information cycle requirements of the Auditing Office, in order to facilitate the continuous improvement of the information security management system.
   (3) Important information security event handling result shall be periodically summarized, and under condition where no personal privacy and trade secret is involved, announcement can be published on the monthly report or intranet to describe the incident occurrence cause, process, handling method, improvement and precaution recommendations, etc., in order to use it as reference information for information security education and information security event prevention.
   (4) Based on the consideration that information security risk is a new emerging type of risk, the Company is currently under the evaluation stage. In the future, the Company will continue to improve the information security system management and will also conduct information security evaluation periodically. Through repetitive drills and continuous review and improvement, the information security hazard awareness of employees and response capability of information security handling personnel of the Company can be enhanced, thereby preventing occurrence of information security events.

4. Information Security Management Resources
   The Administrative Vice President concurrently acts as the information officer to take the role of convener in order to convene meetings in regularly every year, to review report records and to review information security policy and future development direction. In addition, the information security governance status has been reported to the board of directors on November 6, 2025.

Please refer to the Company's website for details:
https://tw.transcend-info.com/about/information_security_management

4.6.2. Losses, possible impacts and countermeasures as a result of major information security incidents in the last year up to the publication date of this annual report, state the reasons if losses cannot be reasonably estimated:
On February 7, 2025, the Company's subsidiary, Transcend Information, Inc., experienced a cyberattack that affected part of its information systems. The impact was limited to the corruption of certain non-core business files on local servers. The systems resumed normal operations on the same day, and the incident is assessed to have no material impact on the Company's operations.
Countermeasures: Enhanced connection security and stricter access controls have been implemented for remote employees.

4.7. Important Contracts

Agreement	Counterparty	Contract Period	Major Contents	Restrictions
Lease	Won Chin Investment Inc.	2022.6.12-2027.6.11	Land Lease Contract	None
Lease	Cheng Chuan Technology Development Inc.	2022.6.12-2027.6.11	Land Lease Contract	None
License	Intel Corporation	2014.4.18-	Thunderbolt Technology License Agreement	None

5. Review and Analysis of Financial Position, Financial Performance, and Risk Management

5.1. Analysis of Financial Position

Unit: NT$ thousands

Year	2025	2024	Difference		
			Amount	%	Analysis
Current Assets	19,684,473	14,448,945	5,235,528	36.23	(1)
Funds and Investments (Note 1)	2,279,241	2,568,031	(288,790)	(11.25)	
Property, Plant and Equipment	1,505,002	1,558,755	(53,753)	(3.45)	
Intangible Assets	-	-			
Other Assets (Note 2)	2,757,512	2,824,534	(67,022)	(2.37)	
Total Assets	26,226,228	21,400,265	4,825,963	22.55	(1)
Current Liabilities	2,972,836	1,300,387	1,672,449	128.61	(2)
Non-current Liabilities	232,432	276,864	(44,432)	(16.05)	
Total Liabilities	3,205,268	1,577,251	1,628,017	103.22	(2)
Capital Stock	4,307,017	4,298,547	8,470	0.20	
Capital surplus	2,757,673	2,897,800	(140,127)	(4.84)	
Retained Earnings	15,975,162	12,653,547	3,321,615	26.25	(3)
Other Adjustments	(18,892)	(26,880)	7,988	(29.72)	(4)
Total Stockholders' Equity	23,020,960	19,823,014	3,197,946	16.13	

Analysis of Deviation over 20%:

(1) Mainly due to investment in money market funds in 2025, resulting in an increase in current assets at year-end.

(2) Mainly due to an increase in procurement amounts and profit before tax in 2025, resulting in corresponding increases in accounts payable and income tax liabilities at year-end.

(3) Mainly due to higher operating profitability in 2025, leading to an increase in retained earnings.

(4) Mainly due to the depreciation of the NTD against the EUR, resulting in a decrease in unrealized exchange losses arising from translation of financial statements of foreign operations.

Note 1: Including investments accounted for using the equity method, non-current financial assets at fair value through profit or loss, non-current financial assets at fair value through other comprehensive income, and non-current financial assets at amortized cost.

Note 2: Including deferred tax assets, investment property, right-of-use assets, and other non-current assets.

5.2. Analysis of Financial Performance

5.2.1. Main reasons for any material change in operating revenue, operating income and income before tax in the most recent two years

Unit: NT$ thousands

Item \ Year	2025	2024	Difference Amounts	%	Analysis
Operating Revenue	17,125,453	10,083,525	7,041,928	69.84	(1)
Operating Costs	(9,106,547)	(6,991,338)	(2,115,209)	30.25	(1)
Gross profit	8,018,906	3,092,187	4,926,719	159.33	(1)
Operating Expenses	(1,464,294)	(1,186,633)	(277,661)	23.40	(2)
Operating Profit	6,554,612	1,905,554	4,649,058	243.97	(1)
Non-operating income (expenses)					
Other income	216,983	387,622	(170,639)	(44.02)	(3)
Other gains and losses	139,991	562,815	(422,824)	(75.13)	(4)
Financial cost	(1,930)	(3,055)	1,125	(36.82)	
Share of loss of associates and joint ventures accounted for using the equity method	(26,726)	(23,185)	(3,541)	15.27	
Total non-operating income (expenses)	328,318	924,197	(595,879)	(64.48)	(3)、(4)
Profit before income tax	6,882,930	2,829,751	4,053,179	143.23	(1)
Income tax expense	(1,315,115)	(515,319)	(799,796)	155.20	(1)
Profit for the year	5,567,815	2,314,432	3,253,383	140.57	(1)

Analysis of Deviation over 20% and Differnce amounts over NT$ 20,000,000:

(1) Mainly due to increased memory demand in 2025, improved overall operating performance, and recovery in inventory market prices, resulting in corresponding increases in revenue, cost of goods sold, gross profit, operating profit, profit before tax, income tax expense, and net profit for the period.

(2) Mainly due to an increase in personnel expenses in 2025.

(3) Mainly due to a decrease in time deposits in 2025, resulting in a corresponding decrease in interest income.

(4) Mainly due to the depreciation of the US dollar in 2025, resulting in net foreign exchange losses.

5.2.2. Sales Volume Forecast and Basis for 2026

Item	Sales Volume Forecast in 2026/Unit: thousands
FLASH+DRAM products	15,000
Others	1,500

The Company established the forecast for the possible sales volume of each type of product based on the industry economic condition in 2026, market research and future orders.

In 2025, the topic of AI continues to heat up, various terminal applications are blooming, and the demand for storage devices is also booming. In response to market demands, Transcend will promptly adjust purchasing and inventory policies in order to flexibly adapt inventory levels. Based on estimations from different market research institutions, end customers have gradually completed their inventory adjustments, and the supply and demand of markets will return to normal. In addition, the rapid growth of applications of AI and datacenters will keep the industrial application realm as a whole at a high growth speed, where relevant applications require big data storage so the demands for SSD products are estimated to continue to grow. In 2026, we will continue to enhance development and

market expansion for SSDs, industrial flash products, external storage devices, dashcams, and wearable multimedia devices.

5.3. Analysis of Cash Flow

5.3.1. Cash Flow Analysis for the Current Year

Unit:NT$ thousands

	2025	2024	Increase (Decrease)
Net cash flows from operating activities	(2,226,317)	(987,823)	(1,238,494)
Net cash flows from investing activities	4,727,922	3,294,216	1,433,706
Net cash flows from financing activities	(2,677,886)	(2,204,572)	(473,314)
	(176,281)	101,821	(278,102)

Regarding the change in cash flows from operating activities, the amount in 2025 decreased by approximately NT$1.2 billion compared to 2024. This was mainly due to the overall improvement in operating performance in 2025, which led to an increase in accounts receivable, as well as an increase in money market fund positions.

Regarding the change in cash flows from investing activities, the amount in 2025 increased by approximately NT$1.4 billion compared to 2024, mainly due to higher cash inflows from the disposal of financial assets measured at amortized cost in 2025.

5.3.2. Liquidity Analysis for the Coming Year and Remedy for Cash Deficit

1. Operating activities: The overall gross profit is expected to grow continuously and the operating activities will generate net cash inflow.
2. Investing activities: The Company will continue to perform appropriate investment with idle funds in order to gain stable investment profit, and it is expected to generate net cash inflow.
3. Financing activities: Net cash outflow primarily from cash dividend payment.

Remedy for Liquidity Shortfall: Not applicable.

5.4. The Effect Upon Financial Operations of Any Major Capital Expenditures During the Most Recent Fiscal Year

In 2025, the Company had no major capital expenditure. Up to the end of March 2026, the consolidated cash and short-term investment position were approximately NT$ 11.8 billion. After the deduction of relevant cash outflow items, the capital was still sufficient; therefore, there was no risk of capital shortage.

5.5. Reinvestment Policy for the Most Recent Fiscal Year, the Main Reasons for Profits or Losses Generated Thereby, Improvement Plans, and Investment Plans for the Coming Year

None.

5.6. Analysis of Risk Management

5.6.1. The Organization Structure of Risk Management

The organizational structure of risk management of the Company is as follows:

Organization name	Scope of responsibility
Board of Directors	1. Establish risk management policy, structure and culture 2. Ensure the effectiveness of risk management mechanism
Audit Committee	1. Composed of independent directors, it supervises the implementation and improvement progress of risk management.
Senior management level	1. Execute risk management decision making 2. Cross-department risk management interaction and communication 3. Material risk early warning, assess potential loss, handle follow-up strategy or report of risk mitigation and summarize material risk event handling result
Audit Office	1. Monitor and periodically assess whether the risk control of all departments is performed properly 2. Issue an audit report according to the audit result, and propose improvement suggestions and follow up improvement progress
All departments of headquarters (Note)	1. Execute daily risk management activities 2. Execution of corporate management and risk decision making 3. Perform risk control activity assessment

Note: The authorities and responsibilities of all departments of headquarters are as follows:

(1) FAD: Responsible for the Company's financial analysis, accounting affairs, statements preparation, difference analysis, fund management, planning of the Company's taxes, finance, stock affairs and investments as well as monitoring of the cash flow of all subsidiaries, in order to reduce financial risks.

(2) PUR: Responsible for understanding the quality condition and price trend of raw materials, component parts, machine equipments and office supplies necessary for the products and operation of the Company in order to perform price negotiation and purchase. It is also responsible for maintaining the safety stock of the purchase items and assisting the handling of slow-moving materials, in order to reduce risks of purchase management and slow-moving inventory.

(3) PM & Marketing: Responsible for the Company's reasonable pricing and fair distribution of products, summarizing and analyzing the product information and pros/cons of each product line, and assisting the management of demands for customization, in order to reduce the risk of product planning management; responsible for matters related to the brand marketing activities, strengthening of brand image, product and market information collection, establishment and execution of marketing plans, contact and application of broadcast media, planning of the Company's website and assistance to sales activity arrangement and design, etc., in order to reduce risks related to brand marketing.

(4) Sales: Responsible for the establishment of market sales plan, development and maintenance of customers, business management and promotion, collection and response to new business opportunities, in order to reduce the market risks of new customer development, etc.

(5) R&D / Tech Support: Responsible for the research, development and design related matters for

various products, research and development target estimation and management, new product research and development, handling and tracking of abnormalities, in order to reduce risks related to research, development and design.

(6) Production: Responsible for relevant works of production schedule control, product packaging, repair and shipping operation, etc., in order to reduce risk of production capacity and shipping, etc.; responsible for the manufacturing, testing, repair of products and production technologies, improvement of manufacturing quality etc., in order to reduce risks related to production and manufacturing.

(7) ADM: Responsible for the management of corporate legal affairs, contracts, patents and intellectual property rights, human resource management and organization development, etc., in order to reduce risks of legal, administration and human resource management.

(8) Information System: Responsible for planning of information system, network establishment and maintenance and various computer software and hardware installation and configuration management related matters, in order to reduce risks of information security.

(9) Quality Assurance: Responsible for the establishment of the Company's quality assurance system, promotion of ISO system and QA management system, direct internal and external audit and certifications, in order to reduce quality management related risks.

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

1. Interest rate

Unit: NT$ thousands

Item	2025		2024	
	Amount	%	Amount	Amount
Interest income	155,267	2.37%	315,368	16.55%
Profit from operations	6,554,612	100.00%	1,905,554	100.00%

The Company has a sound financial system. If there is any bank borrowing, the Company enhances the close contact with the bank with respect to the loan interest rate in order to understand the interest rate trend, thereby obtaining the most preferable loan and reference for asset allocation. Regarding the short-term idle capital utilization, the Company mostly uses the USD and NTD time deposits, money market fund and financial instruments with low risk as the investment targets.

2. Foreign exchange rates

Unit: NT$ thousands

Item	2025		2024	
	Amount	%	Amount	%
Exchange Gains (loss)	(214,924)	(3.28%)	271,600	14.25%
Profit from operations	6,554,612	100.00%	1,905,554	100.00%

The exchange loss in 2025 was mainly due to the appreciation of the NTD against the USD.

Due to the impact on the Company's profit of changes in exchange rate, the Company establishes the following countermeasures:

(1) The export ratio of the Company is approximately 72%, and the main currencies are

USD and EUR. On the other hand, the main currency for purchase is USD. Through appropriate proportion among these two types of currencies and through the offsets between accounts receivable and accounts payable, the exchange rate fluctuation among different currencies could be canceled out, such that the exchange rate change would then achieve a certain level of natural hedging effect for the Company.

(2) The Company will adjust the foreign exchange position depending on the exchange rate trend, and use appropriate financial tools to perform reasonable hedging operation.

(3) The Company also considers the exchange rate factor during the sales order quotation in order to ensure the reasonable profit of the Company.

(4) The Company maintains close contact with the foreign exchange department of the financial institution, understands the exchange rate trend and promptly adjusts the foreign exchange position in order to hedge the foreign exchange risk.

(5) The Company complies with the provisions of the "Procedures for Acquisition and Disposal of Assets" and determines the reasonable hedge ratio and hedging tool according to the foreign exchange market trend.

3. Inflation

The main businesses of the Company refer to the manufacturing and sales of computer peripherals and storage application products, and there have been no material impacts due to inflation. The Company periodically adjusts the pricing strategy and pays attention to the market price change in order to prevent possible risks associated with inflation.

5.6.3. 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 did not engage in any high-risk or high-leveraged investments in 2025.

2. The Company did not engage in any financial derivatives transactions in 2025. In the future, the Company will perform periodic assessment depending upon the operation status of the Company and the change of the market trend in order to flexibly adjust relevant hedging strategies.

3. Status of the Company's loaning of funds to others in 2025: None.

4. Status of the Company's endorsements and guarantees in 2025: The Company provided an endorsement and guarantee for Transcend Japan Inc. in the amount of JPY 2,000,000 thousand. The guarantee period was from May 1, 2024 to April 30, 2025. Upon expiration, the Company did not apply for an extension.

5.6.4. Future Research & Development Projects and Corresponding Budget

1. R&D projects and current status of pending R&D projects in the most recent year
Please refer to "4.1.3. Research and Development Overview."

2. R&D budget for further investment
Please refer to "4.1.3. Research and Development Overview."

3. Main factors affecting success of R&D
Since the entrance barrier for consumer products is relatively low, for new product development, product launch must be made at the right time in order to seize the business opportunity. Accordingly, for R&D, it is necessary to shorten the schedule, and the product function must be able to satisfy the fast and diverse demands from end-users at

the same time. The Company will cultivate more senior and specialized R&D talents. In addition, the embedded products require stable quality, and customization must be performed according to the customer demands. The Company has established a dedicated unit for such product lines in order to enhance the R&D strength.

5.6.5. Effects of and Response to Changes on Important Domestic and Foreign Policies and Laws Relating to Corporate Finance and Business

During 2025 and as of the date of publication of this annual report, changes in related laws have not had a significant impact on our finance and operations. The Company consistently pays close attention to any changes in local and foreign policies and makes appropriate amendments to our systems when necessary.

5.6.6. Effects of and Response to Changes in Technology (including information security risks) and the Industry Relating to Corporate Finance and Business

In the post-pandemic era, consumer demands will shift from individuals to corporations as a result of the diminished pandemic dividend from life normalization, while demand for memory is expected to continue to grow due to the development of 5G, AIoT, corporate servers, and industrial computer applications. Transcend will continue to adopt the product strategy for both channel and project sales, to strengthen research and development energy, to improve product integrity and performance, in order to implement reasonable pricing strategy and outstanding customer service, thereby continuously creating stable profits for the Company.

To cope with the advancement of digital technology, the Company plans to focus on the information security risk and the following measures have been implemented in the current year:

(1)The global VPN connection has basically been established and enhance the authentication mechanism, and regularly check for irregularities of the use of VPN accounts to prevent unauthorized users from accessing our sensitive data; and (2) renew the contract for the network system service for this year, simultaneously upgrade the information security version, and purchase 1 sets of hardware firewall to improve the protection level. The Company will continue to improve the information security measures, to strengthen employees' information security awareness and to periodically review relevant policies and future development direction, in order to achieve the goal of establishing a sound information security environment.

5.6.7. The Impact of Changes on Corporate Image on Corporate Crisis Management, and the Company's Response Measures

Under impact of the post-pandemic era and the overall economic change, corporate development uncertainty is increased. Nevertheless, Transcend continues to strengthen the completeness of embedded products, launch new products without comprising product quality, and make product applications more diverse in order to meet the memory requirements of different industries. Transcend is equipped with complete infrastructure, production line and sound financial structure. In addition, the Company also emphasizes the customer value and customer-oriented approach. The future development goal of the Company includes: (1) The growth momentum infused from the deep involvement of the channel market and the expansion of industrial application projects; (2) win-win scenarios created from cooperation on our group's industrial projects; and (3) the professional competencies of our sales representatives and the logistical support strengthened to create added value by improving service quality. In the future, the Company will continue to exert

effort on the increase of product and service quality and will also convert customer satisfaction and loyalty into stable profit of the Company.

In addition, to cooperate with the Corporate Governance 3.0 – Sustainable Development Blueprint promoted by the government, Transcend will also actively engage in the corporate governance, prepare ESG report and is committed to protecting the interests of shareholders and treating all shareholders equally, to enhance the functions of board of directors, to increase information transparency, and to promote sustainable development, etc., in order to improve international competitiveness of the Company and to fulfill the obligations for all shareholders.

For 2025 and up to the printing date of the annual report, there have been no material risk matters affecting the corporate image

5.6.8. Expected Benefits from, Possible Risks Relating to and Response to Merger and Acquisition Plans
None.

5.6.9. Expected Benefits from, Possible Risks Relating to and Response to Factory Expansion Plans
None.

5.6.10. Risks Relating to and Response to Excessive Concentration of Purchasing or Sales Operations
None.

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

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

5.6.13. Litigation or Non-litigation Matters
None.

5.6.14. Other Major Risks and Response Measures
None.

5.7. Other Material Matters

The valuation accounts on the Company's assets and liabilities include Allowance for loss on accounts receivable, Allowance for loss on decline in market value of inventory, and Financial assets impairment, etc. And the accounting policies adopted are as follows:

1. Allowance for loss on accounts receivable

   The Company classifies customers' accounts receivable in accordance with the credit rating of the customer. The Group applies the simplified approach to estimate expected credit loss under the provision matrix basis. The Company used historical and timely information to assess the loss rate of accounts receivable.

2. Allowance for loss on decline in market value of inventory
   (1) Inventories are stated at the lower of cost and net realizable value. The item by item

approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses. When the net realizable value is lower than cost, the difference is recognized as loss on decline in market value of inventory.

(2) When the ending inventory has not changed for more than two years, it is deemed as slow-moving inventory and is listed in the slow-moving inventory report. And loss for slow-moving inventory will be 100% recognized.

(3) When the ending inventory refers to products that the Company no longer manufactured and sold, those products are deemed as slow-moving inventory and are listed in the slow-moving inventory report. And loss for slow-moving inventory will be 100% recognized.

3. Financial assets impairment

For financial assets at amortised cost including accounts receivable that have a significant financing component, at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

6. Special Disclosure

6.1. Information of Affiliated Companies

6.1.1. Consolidated Business Report of Affiliated Enterprises

Please refer to MOPS > Individual Company > Electronic Document Download > Related Party Transaction Disclosure Section: https://mopsov.twse.com.tw/mops/web/t57sb01_q10

6.1.2. Consolidated Financial Statement of Affiliated Enterprises

Pursuant to the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises,” the entities required to be included in the preparation of consolidated financial statements of affiliated enterprises are identical to those required under IFRS 10 for the preparation of consolidated financial statements of a parent and its subsidiaries.Since all required disclosures for consolidated financial statements of affiliated enterprises have already been included in the consolidated financial statements of the parent and its subsidiaries, the Company is therefore exempt from separately preparing consolidated financial statements of affiliated enterprises. The statement of consolidated financial statements of affiliated enterprise please refer to MOPS > Individual Company > Electronic Document Download > Related Party Transaction Disclosure Section: https://mopsov.twse.com.tw/mops/web/t57sb01_q10

6.1.3. Affiliation Reports

Not applicable.

6.2. Private Placement of Securities in the Most Recent Fiscal Year and as of the date of this Annual Report

None.

6.3. Other Necessary Supplement

None.

7. Latest Matters with Material Impacts on Shareholders' Interests or Security Prices Indicated in Paragraph 3 Subparagraph 2 of Article 36 of the Securities and Exchange Act in the Most Recent Fiscal Year and as of the date of this Annual Report
None.

8. Sustainability-related financial information
The Company is a listed company with paid-in capital of less than NT$5 billion; therefore, disclosure of sustainability-related financial information is not required for the current year.

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