



Stock Code: 6603

**Fu Chun Shin
Machinery Manufacture Co., Ltd.**

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD.

2025

Annual Report

To search for the annual report:

I. Market Observation Post System Website:

<http://mops.twse.com.tw/mops/web/index>

II. Company website:<http://www.fcs.com.tw/>

Printed on April 30, 2026

- I. Name, title, telephone, and email of the Company's spokesperson or acting spokesperson:**
- 1. Spokesperson: Nichole Chang**
Title: Special Assistant to the Chairman
Telephone:(06)5950688
Email: ying@fcs.com.tw
 - 2. Deputy Spokesperson: Chung-Ching Liu**
Title: Manager of Finance Department
Tel: (06)5950688
Email: fcs1933@fcs.com.tw
- II. Address and telephone number of Headquarters, branches, and factories**
- 1. Headquarters**
Address: No. 269, Baodong Road, Guanmiao District, Tainan City
Tel:(06) 5950688
 - 2. Branch Offices: None**
 - 3. Plant**
Address: No. 269, Baodong Road, Guanmiao District, Tainan City
Tel:(06) 5950688
- III. Name, address, website and telephone number of share registrar:**
Name: Stock Transfer Agency Department, CTBC Bank
Address: 5F., No. 83, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei
Website: <https://www.ctbcbank.com>
Tel:(02)6636-5566
- IV. Names, firm name, address, website, and telephone number of certifying CPAs for the most recent annual financial report**
CPAs: Mink Hu and Fang-Wen Lee
Firm: EY Taiwan
Address: 11F, No. 189, Section 1, Yongfu Road, Tainan
Telephone:(06)2925888
Website: <http://www.ey.com/>
- V. Name of Trading Site for Securities Listed Overseas and How to Search for the Said Overseas Securities: None.**
- VI. Corporate website: <http://www.fcs.com.tw>**

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One. Letter to Shareholders

Ladies and Gentlemen:

Hello everyone! First of all, we represent the Company to welcome all of you to visit us and give us any advice. Meanwhile, we would like to extend our appreciation for your long-term support of the Company!

Looking back on 2025, the global economic environment was affected by factors including rising tariff levels, weakening global trade momentum, and increasing geopolitical uncertainties. The overall manufacturing industry recovery showed a state of divergence. However, under the trend of transformation of the global manufacturing industry towards "high-value, low-carbon and intelligent," the demand for equipment renewal continues to advance. Fu Chun Shin, with its profound technological foundation and cross-industry layout, steadily grasped the opportunity for the change of the market structure. Benefiting from the lightweight of automobiles, the upgrading of semiconductors and ICT applications, and the increasing demand from the sports industry for new materials and low-carbon processes, the Company's high-end equipment shipments increased significantly, including those for core products such as "high-end multi-color molding equipment", "composite molding system", and "supercritical physical foaming equipment". The demand for these products continued to grow, driving the overall order structure towards high-value development. Particularly, driven by the trends of low-carbon processes and material circulation, the Company's "GENTREX supercritical physical foaming technology" continued to ship in large quantities. This technology replaces traditional chemical foaming with nitrogen gas introduction, which significantly reduces carbon emissions and realizes 100% material recycling. It has successfully entered the international brand field promoting the T2T (Textile to Textile) circular manufacturing system, and has become an important equipment solution in the sports shoe materials and high-performance application fields. Meanwhile, physical foaming technology has also gradually expanded to a variety of application markets such as automotive buffer components, bicycles, and high-end sports accessories, creating a 2025 annual revenue of more than NT\$5 billion, with an annual increase of over 10%, setting a new high for the year, quarter, and month, demonstrating the results of the Company's continuous optimization of its operations.

In addition, the Company is actively promoting smart manufacturing initiatives, and the "iMF4.0 smart manufacturing system" and digital transformation plan continue to incorporate AI and machine networking technology to provide customers with integrated solutions ranging from single-machine upgrades to complete smart production lines, driving an increase in the proportion of orders for equipment with intelligent features and further strengthening the Company's competitive advantage in the global smart

manufacturing market. The current order visibility extends to the third quarter of 2026.

To continue strengthening its long-term competitiveness, Fu Chun Shin will continue to pursue the following operating strategies: 1. Deepen the development of high-value products: focus on high-end multi-color molding, composite material technology, and physical foaming applications to enhance product added value and gross profit margins. 2. Expand the territory of cross-industry applications: Deepen our presence in the three core markets of automotive, semiconductors/ICT, and high-end sports goods, and expand into new materials and high-performance application fields. 3. Promote low-carbon processes and material recycling: Continue to optimize energy-saving equipment and recycled material application technologies to help customers achieve carbon reduction and circular economy goals. 4. Strengthen smart manufacturing and digital transformation: Leverage AI, big data, and cloud technology to enhance equipment added value and customer production efficiency. 5. Optimize global production capacity and supply chain management: Improve delivery flexibility and operational efficiency through strategic positioning in Taiwan, China, Southeast Asia, and India. 6. Deepen global market development: Continue to expand our presence in Europe, America, Japan and emerging markets to enhance brand influence and local service capabilities.

Looking ahead to 2026, despite ongoing uncertainties in global economy, the market demand for high-end plastic injection equipment and smart manufacturing solutions will continue to grow thanks to the increasing penetration of new energy vehicles, the expanding applications of semiconductors, and the explicit requirements from international brands for low-carbon processes and material recycling. Fu Chun Shin has established three major technological pillars: "high-end forming technology x applying new materials x low-carbon processes", and through cross-disciplinary integration, we continue to optimize order quality and operational structure, and the future operational growth momentum can be expected. Meanwhile, as the capacity of the new Ningbo factory gradually goes online, coupled with the global manufacturing presence of the Taiwan and India facilities, the Company will further enhance the overall supply capacity and market response speed, thus strengthening its global competitive advantage. We will also continue to invest in R&D resources to promote the development of lightweight materials, recycled plastics and energy-saving process technologies, and deepen smart manufacturing applications to help customers improve production efficiency and reduce their carbon footprints.

Fu Chun Shin has consistently upheld the business philosophy of "professionalism, innovation, and sustainability", continuously enhancing its technological strength and operational capabilities, and steadily drives corporate growth through high value-added

and differentiated strategies. We have also integrated ESG principles into all facets of its operations, and continued to develop low-carbon processes equipment and circular material application technologies from the product side to help customers reduce carbon emissions and improve resource efficiency, in order to cultivate a more resilient operational physique to respond to the challenges of future changes. We look forward to achieve greater investment returns for all shareholders and to head toward the Company's goal of becoming a centennial enterprise.

We hereby present the business report on the Company's 2025 operational accomplishments and the outline of the Company's 2026 business plan as follows:

I. 2025 Operational Accomplishments

(I) Business plan implementation result

The 2025 consolidated operational accomplishments are as follows:

Unit: NT\$ thousand

Consolidated income items	2025	2024	Amount of increase (decrease)	Growth rate(%)
Operating revenue	5,082,840	4,529,411	553,429	12.22
Operating cost	3,795,423	3,369,271	426,152	12.65
Gross profit	1,287,417	1,160,140	127,277	10.97
Operating expenses	1,082,496	1,039,567	42,929	4.13
Operating profit (loss)	204,921	120,573	84,348	69.96
Non-operating revenue and expense, net	(29,197)	11,611	(40,808)	-351.46
Net income before tax	175,724	132,184	43,540	32.94
Profit after tax	109,860	72,105	37,755	52.36
Net profit attributed to the parent company	100,474	78,765	21,709	27.56

(II) Budget execution status: The Company did not release its 2025 financial forecast, and hence there is no budget execution involved.

(III) Financial revenue and profitability analysis: 2025

1. Financial revenue and expense:

(1) Income: The operating revenue was NT\$5,082,840 thousand.

(2) Expenditure: The operating cost was NT\$3,795,423 thousand.

The operating expenditure was NT\$1,082,496 thousand.

The non-operating income and expenditure were NT\$(29,197) thousand.

(3) Earnings: The net profit before tax was NT\$175,724 thousand the income tax

expenses were NT\$65,864 thousand, and the net profit after tax was NT\$109,860 thousand.

2. Profitability analysis:

- (1) Return on assets (ROA): 1.90%
- (2) Return on equity (ROE): 4.09%
- (3) Net profit margin: 2.16%
- (4) Earnings per share: NT\$0.61

(IV) Research and development:

The Company's 2025 R&D expenses were NT\$132,517 thousand, indicating an increase of NT\$12,867 thousand from NT\$119,650 thousand in 2024, a growth of 10.75%.

Products developed successfully and receiving awards in the most recent year:

Item No.	Year	Content
1	2024.03	FCS GW-2200R two-platen X-type four-shot multi-component injection machine won the 2024 Plastic Industry Ringier Technology Innovation Award
2	2024.03	FCS participated in the 1st TAINANPLAS 2024
3	2024.05	Fu Chun Shin (Ningbo) received four awards of "Top 10 Strong Enterprise in 2023", "Top 10 Enterprise for Tax Payments in 2023", "2023 Development Contribution Advanced Unit", and "2023 Golden Bull Award".
4	2024.09	The Company received the honor of "Golden Quality Award" and "Aesthetics Award" of the First Term of TAIPEIPLAS AWARD
5	2024.11	FCS Group was honored as the "2024 Injection Machine Brand with Outstanding Influence"
6	2024.12	FCS Group honorably received four awards of Ningbo City Plastic Industry National Outstanding New Mini Giants Key Cultivation Enterprise, Ningbo City Plastic Industry National Single Champion Key Cultivation Enterprise, Ningbo Plastic Industry and Manufacturing Industry Top 50 Enterprises, and Ningbo City Government Plastic Industry Outstanding Enterprise.
7	2025.03	Fu Chun Shin Ningbo's FB-R 5th-generation machine: Green Future was awarded the 2025 Ringier Technology Innovation Award.
8	2025.06	Fu Chun Shin Ningbo was named a "2025 Zhejiang Province Plastic Injection Molding Equipment Advantage Enterprise".
9	2025.08	Ningbo FCS Group won two awards at the 2025 (4th) Plastic Industry Conference and Brand Ceremony: "Injection Machine Brand with Outstanding Influence" and "Plastic Industry Innovation Product Award".
10	2025.08	Ningbo FCS Group was awarded multiple awards from the China Plastics Machinery Industry in 2025.

11	2025.11	The SA-160 intelligent elbow injection machine from FCS Group received this year's award, and Guan-Chi Chiu, Manager of the Company's R&D Center accepted the prize on behalf of the Group.
12	2025.11	FCS Group announced that its SA-160 intelligent elbow injection molding machine won the 34th Taiwan Excellence Award.
13	2025.12	At the 35th anniversary of the Guangdong Plastic Industry Association, FCS Group and Mr. Chun-Chieh Wang were awarded the "Leading Enterprise of Double-Colored Material Injection Molding Equipment in Guangdong Plastic Industry" and "Outstanding Contributor to Guangdong Plastic Industry" respectively.

Under the R&D operating model, the parent company of FU CHUN SHIN in Taiwan is identified as the R&D center of the Group, which works with the R&D units of various subsidiaries to continue promoting the following R&D strategies:

1. Continue to develop niche products.
2. Optimize the existing product series;
3. Research and develop integrated products and solutions for market segments;
4. Develop iMF smart injection molding arts and crafts platform;
5. Develop servo-driven spontaneous key technologies and talent.

II. Overview of 2026 Business Plan

(I) Business policy

In order to seize the market development opportunities and cope with the changes in economic and industrial environments, the Company's main business policies are stated as follows. The effective promotion and execution of various policies will help the Company improve its mid-term and long-term business performance.

1. Promote KPI performance target management activities, and shape the organizational culture of "high-ranking officers leading by example and engagement of all team members" to fulfilling our missions.
2. Launch a foreign talent recruitment reserve program, gradually implement localized management systems for overseas branches, and increase business development personnel to boost revenue and profits.
3. Seek local joint venture partners in India to reduce operational burdens. The headquarters reserves the management talents of overseas subsidiaries, and strengthens the performance of reinvestment and overseas investments.
4. Optimize the benefits of overseas exhibitions, establish new channels in Europe, the Middle East, and Africa, and expand into new export markets.
5. Technicians from the manufacturing plants provide regular on-site services. Foreign technicians are also recruited and trained to enhance service capabilities.
6. Strengthen the foreign trade department of the China plant and reduce the weighting of triangular trade.
7. Plan the Group's medium and long-term capital channels and strengthen the financial structure.

8. Develop niche products and supporting peripherals: Develop large electric injection structures (injection volume of more than 30 kg), optimize automotive bumpers, large PVC pipes, pallet-specific machines, specialized machines for multi-mode cavity PET, SA packaging-specific machines, mucell, and long fiber.
9. Continuously optimize the new plant in the Hangzhou Bay New Area's competitiveness regarding the delivery time and cost of large-scale machines (LM, FB, HB, and SW).
10. Complete the SA series and continue to optimize delivery lead times and costs.
11. Implement the Group's quality conference system and introduce the PSC test system to improve the quality of machines and achieve zero customer complaints.
12. Promote the T309 project and seek orders from large system clients and for large machinery.
13. Promote a lean production model, and implement the advance confirmation of material and supporting material supply and store management to eliminate waste and improve efficiency.
14. Implement the KPI system across all business divisions of the Group to standardize management practices.
15. Integrate the internal knowledge base to create a proprietary FCS AI platform.
16. Implement the digital skill enhancement program to use AI tools to improve work efficiency.

(II) Sales volume forecast and basis thereof

With reference to the operating results over the years, global economic forecast and relevant market information, the Company estimates that the sales volume of injection molding machines in 2026 will increase compared to that for 2025.

(III) Important production & marketing policy:

1. Production policy:

- (1) Solve the bottleneck of the supply chain, and optimize the delivery period and cost.
- (2) Rebuild the production facility and adopt lean production procedures.
- (3) Implement the SPC system to improve the stability of machine.
- (4) Practice the quality meeting system to pursue zero complaint from customers against the products.

2. Sales policy:

- (1) Develop new channels and locations in Europe.
- (2) Improve the business performance of overseas self-operated sites.
- (3) Continue to strengthen the online marketing force.
- (4) Create the customer base for market segments.
- (5) Reserve sales personnel and strengthen application technology and abilities.

III. The Company's future development strategies:

The Company's future development is oriented toward "SHAPE A BETTER WORLD" as its corporate mission, in order to fulfill the corporate social responsibility and corporate governance, and strengthen the business sustainability. Based on this corporate mission, the Company is committed to continuously creating high value-added products, guided by a philosophy of innovation. Leveraging global and diversified business strategies, the Company remains focused on the R&D, production, and sales of injection molding machines while intensifying efforts in high-value industries such as smart injection production line planning, precision injection molding machines for automotive components, specialized injection machines for semiconductor equipment, and the development, manufacturing, and sales of sustainable polymer material molding. By advancing into higher precision and high-tech fields, the Company aims to enhance its corporate value and international competitiveness. This aligns with the gradual realization of its corporate vision: "Top Ten Globally, Customer First, Happy Growth, and Profit Sharing," and the ultimate goal of achieving sustainable business development.

IV. Impact of the external competition, legal, and overall business environments

1. As far as the external competition is concerned, industrial competition is inevitable and also drives the continuing growth. The Company insists on continuing to research and develop new products, orient its development toward high customization and differentiated service strategy, and also layout the marketing channels to improve its strengths, raise its competitiveness and satisfy customers' needs.
2. No significant impact has been posed by the changes in domestic/foreign major policies and laws to the Company's business and finance in recent years. Notwithstanding, the Company will keep noting related information and research necessary responsive measures to satisfy the Company's business needs.
3. As the overall business environment is becoming more and more complex, the Company will take the global overall economy and the Company's status into account when evaluating its future business orientation and making major decisions, in order to deliberate the best strategies more thoroughly.

Lastly, I wish you

Health and happiness!

Chairman: Po-Hsun Wang

CEO: Alan Wang

June 18, 2026

Two. Corporate Governance Report

I. Information About Directors, General Manager, Deputy General Managers, Assistant Vice Presidents, and Heads of Departments and Branches

(I) Information about Directors

April 20, 2026

Title	Nationality or registered domicile	Name	Gender Age	Date (Inaugurated)	Term in office	Initial date of inauguration	Shares held upon inauguration		Shares held now		Shares held currently by the spouse or any underage child		Shares held in someone else's name		Major education and work experience	Concurrent positions in the Company and in other companies	Other department heads, directors, or supervisors who are the spouse or a relative within the second degree of kinship			Remarks
							Number of shares	Shareholding	Number of shares	Shareholding	Number of shares	Shareholding	Number of shares	Shareholding			Title	Name	Relation	
Chairman and Group President	R.O.C.	Po-Hsun Wang	Male 80	2025.06.20	3 years	1991.08.28	11,718,766	7.01%	11,452,766	6.84%	7,021,570	4.19%	—	—	Doctorate in Industrial Engineering and Administration of National Kaohsiung University of Science and Technology Chairman of FCS and President of the FCS Group	(Note 1)	Representative	Po-Feng Wang	Brothers	(Note 11)
																	Corporate Director	Suzhen Zhang		
Vice Chairman and Chairman and President of Ningbo Branch	R.O.C.	Chun-Chieh Wang	Male 55	2025.06.20	3 years	2007.06.21	6,721,055	4.02%	6,793,055	4.06%	1,828,017	1.09%	—	—	Master's Degree in Business Administration, National Chung Hsing University Chairman of FCS Ningbo	(Note 2)	Deputy General Manager	Jane Wang	Brother and sister	(Note 11)
																	Vice Chairman	Chun-Chieh Wang		
Director and CEO	R.O.C.	Alan Wang	Male 53	2025.06.20	3 years	2010.06.17	6,365,105	3.81%	6,365,105	3.80%	1,310,282	0.78%	—	—	M.Sc., Department of Mechanical and Electro-Mechanical Engineering, National Sun Yat-sen University National Cheng Kung University CEO of Fu Chun Shin	(Note 3)	Chairman	Po-Hsun Wang	Father and son	(Note 12)
																	Vice Chairman	Chun-Chieh Wang		
																	Assistant Vice President	Sally Gao	Uncle and sisters-in-law	
																	Assistant Vice President	Shu-Chuan Cheng		Husband and wife

Title	Nationality or registered domicile	Name	Gender	Age	Date (Inaugurated)	Term in office	Initial date of inauguration	Shares held upon inauguration		Shares held now		Shares held currently by the spouse or any underage child		Shares held in someone else's name		Major education and work experience	Concurrent positions in the Company and in other companies	Other department heads, directors, or supervisors who are the spouse or a relative within the second degree of kinship			Remarks
								Number of shares	Shareholding	Number of shares	Shareholding	Number of shares	Shareholding	Number of shares	Shareholding			Title	Name	Relation	
Director (corporate shareholder)	R.O.C.	Feng Wei Investment Co., Ltd.	29		2025.06.20	3 years	2007.06.21	3,306,503	1.98%	3,306,503	1.97%			—	—	—	—	None	None	None	None
Director (Corporate representative)	R.O.C.	Representative of Feng Wei Investment Co., Ltd.: Po-Feng Wang	Male	71	2025.06.20	3 years	2007.06.21	20,000	0.01%	20,000	0.01%	3,318,084	1.98%	—	—	National Tainan Industrial High School Vice Chairman of FCS	(Note 4)	Chairman Director Deputy General Manager	Po-Hsun Wang Suzhen Zhang Jane Wang	Brothers Husband and wife Brother and sister	None
Director	R.O.C.	Hans Wang	Male	47	2025.06.20	3 years	2013.06.20	786,243	0.47%	796,243	0.48%			—	—	Graduate Institute of Physics, National Sun Yat-sen University Associate Manager of R&D, Innolux Corporation	(Note 5)	None	None	None	None
Director	R.O.C.	Suzhen Zhang	Female	68	2025.06.20	3 years	2013.06.20	3,318,084	1.98%	3,318,084	1.98%	20,000	0.01%	—	—	National Tainan Commercial Vocational Senior High School	(Note 6)	Representative Corporate Director Chairman Deputy General Manager	Po-Feng Wang Po-Hsun Wang Jane Wang	Husband and wife Uncle and daughter-in-law Aunt and daughter-in-law	None
Director	R.O.C.	Fei-Ju Chen	Female	64	2025.06.20	3 years	2010.06.17	41,250	0.02%	41,250	0.02%	4,514	0.00%	—	—	Nan Ying Vocational High School Finance Department, Fu Chun Shin	None	None	None	None	None
Independent director	R.O.C.	Chung-Hui Huang	Male	70	2025.06.20	3 years	2022.05.31	—	—	—	—	—	—	—	—	EMBA, National Cheng Kung University Director, Diwan & Company Taiwan Office	(Note 7)	None	None	None	None
Independent director	R.O.C.	Chih-Mao Lin	Male	61	2025.06.20	3 years	2016.05.31	—	—	—	—	—	—	—	—	M.S. in Materials Science and Engineering, National Tsing Hua University CEO of Netronix	(Note 8)	None	None	None	None

Title	Nationality or registered domicile	Name	Gender	Age	Date (Inaugurated)	Term in office	Initial date of inauguration	Shares held upon inauguration		Shares held now		Shares held currently by the spouse or any underage child		Shares held in someone else's name		Major education and work experience	Concurrent positions in the Company and in other companies	Other department heads, directors, or supervisors who are the spouse or a relative within the second degree of kinship			Remarks
								Number of shares	Shareholding	Number of shares	Shareholding	Number of shares	Shareholding	Number of shares	Shareholding			Title	Name	Relation	
Independent director	R.O.C.	Ya-Fen Hsu	Female	56	2025.06.20	3 years	2025.06.20	—	—	—	—	—	—	—	—	Bachelor of Laws, Soochow University Lawyer	(Note 9)	None	None	None	None
Independent director	R.O.C.	Ling-Sung Su	Female	59	2025.06.20	3 years	2025.06.20	—	—	—	—	—	—	—	—	Bachelor of Applied Commerce, National Taichung University of Science and Technology Director of Pin-Ho Registered Tax Agent	(Note 10)	None	None	None	None

- Note 1: President of FCS Group; Chairman of FCS CO., LIMITED (British Virgin Islands); Vice Chairman of Dongguan Fu Chun Shin Plastic Machinery Manufacture Co., Ltd.; Director of FCS (Ningbo) Machinery Manufacture Co., Ltd.; Chairman of Shing Fu Tai Technology Co., Ltd.; Director of JUST NANOTECH CO., LTD.; Chairman of PT. Shin Preform Plastic (Indonesia); Chairman of PT. FCS RGP Plastic; Chairman of FCS RG Plastic Pte. Ltd.; Director of FCS Machinery (Thailand) Co., Ltd.; Director of FCS (Ningbo) Precision Technology Co., Ltd.; Director of FCS Machinery (India) Private Ltd.; and Director of FCS Manufacturing (India) Private Ltd.
- Note 2: Vice Chairman of FCS Group; Chairman and President of Fu Chun Shin (Ningbo) Machinery Manufacture Co., Ltd.; Director of FCS RG PLASTIC PTE., LTD; Director of PT. FCS RGP Plastic ; Chairman of Fu Chun Shin (Ningbo) Precision Technology Co., Ltd.; President of Dongguan Fu Chun Shin Plastic Machinery Manufacture Co., Ltd.
- Note 3: General Manager of FCS (Taiwan) and Group CEO; Chairman of PT. FCS Technology (Indonesia); Director of JUST NANOTECH CO., LTD.; Director of PT. FCS RGP Plastic; Director of FCS RG Plastic Pte. Ltd.; Director of PT. Shin Preform Plastic (Indonesia); Director of FCS Machinery (Thailand) Co., Ltd.; Director of FCS Plastic Machinery (Thailand) Co., Ltd.; Director of FCS (Ningbo) Precision Technology Co., Ltd.
- Note 4: Vice Chairman of Dongguan Fu Chun Shin Plastic Machinery Manufacture Co., Ltd.
- Note 5: Director of Ji Xiang Investment Co., Ltd.
- Note 6: Chairman of Fengwei Investment Company
- Note 7: Independent director of O-TA Precision Industry Co., Ltd. and Nam Liong Global Corporation
- Note 8: Independent director of EMpower Technology Corporation, GIGASTORAGE CORPORATION, and Dunlee Electronic Co., Ltd.
- Note 9: Lawyer, Un-An Law Office
- Note 10: Director of Pin Ho Management Consulting Co., Ltd.; Supervisor of Chun Ho Investment Co., Ltd.
- Note 11: The Chairman of the Company and that of FCS Ningbo are of first-degree kinship. Due to the valuable educational background of the latter, who holds a Master's degree in Business Administration from National Chung Hsing University, his expertise and knowledge can be effectively utilized for the benefit of the Company. Therefore, it is deemed necessary to increase the number of independent directors in accordance with the Company's regulations.
- Note 12: The Chairman and CEO of the Company and that of FCS Ningbo are of first-degree kinship. Due to the valuable educational background of the latter, who holds a M.Sc. from the Department of Mechanical and Electro-Mechanical Engineering, National Sun Yat-sen University and EMBA from National Cheng Kung University, his expertise and knowledge can be effectively utilized for the benefit of the Company. Therefore, it is deemed necessary to increase the number of independent directors in accordance with the Company's regulations.

Major shareholders of corporate shareholders

April 20, 2026

Name of corporate shareholder (Note 1)	Major shareholders of corporate shareholder and their holding ratios (Note 2)
Feng Wei Investment Co., Ltd.	Po-Hsiang Wang (6.67%), Su-Chen Chang (14%), Chun-Wei Wang (28.41%), Su-Fen Su Chou (13.33%), Wang, Ching-Wen (13.33%), Wang, Ching-I (11%), Chang, Su-Shih (4.13%), Hsu, Hui-Ru (6.67%), Hsiu-Chueh Lin (2.46%).

Note 1: When the director/supervisor is a corporate shareholder, the name of the said corporate shareholder shall be provided.

Note 2: The names of major shareholders (those with a holding ratio among Top 10) and their holding ratios shall be provided. If their major shareholders are also corporations, please complete the following Table 2.

Note 3: When a corporate shareholder is not a corporation/an organization, the names and holding ratios of the shareholders indicated in the foregoing whose information shall be disclosed will be the name and the funding ratio or donation ratio of the funder. If the donors are deceased, please indicate "deed".

Information About Directors (II)

I. Disclosure of Directors' Professional Qualifications and Independence of Independent

Directors:

Name \ Criterion	Professional qualifications and experience (Note 1)	Independence (Note 2)	Number of other public offering companies serving as independent directors
Chairman Po-Hsun Wang	Doctorate, National Kaohsiung University of Applied Sciences With the work experience required for commercial and corporate operations.	None	None
Feng Wei Investment Co., Ltd. Representative Po-Feng Wang	National Tainan Industrial High School With the work experience required for commercial and corporate operations.	None	None
Vice Chairman Chun-Chieh Wang	Master's Degree in Business Administration, National Chung Hsing University With the work experience required for commercial and corporate operations.	None	None
Director Alan Wang	M.Sc., Department of Mechanical and Electro-Mechanical Engineering, National Sun Yat-sen University and EMBA, National Cheng Kung University With the work experience required for commercial and corporate operations.	None	None
Director Hans Wang	Graduate Institute of Physics, National Sun Yat-sen University With the work experience required for commercial and corporate operations.	None	None
Director Suzhen Zhang	National Tainan Commercial Vocational Senior High School With the work experience required for commercial and corporate operations.	None	None
Director Fei-Ju Chen	Nan Ying Vocational High School With the work experience required for commercial and corporate operations.	None	None

<p style="text-align: center;">Criterion</p> <p>Name</p>	<p>Professional qualifications and experience (Note 1)</p>	<p>Independence (Note 2)</p>	<p>Number of other public offering companies serving as independent directors</p>
<p>Independent director Chung-Hui Huang</p>	<p>EMBA in Accounting, National Cheng Kung University and Director of Diwan & Company (the predecessor of EY Taiwan) Tainan Office With financial expertise, more than 20 years of work experience required for corporate operations, and is a retired CPA from related departments required by the Company. Also a member of the Audit Committee, and without any of the conditions under Article 30 of the Company Act.</p>	<p>1. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of the Company or any of its affiliates. 2. The person, the spouse, or a relative within the second degree of kinship (or anyone else whose name is used) does not hold shares of the Company, nor do we have any percentage ownership. 3. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of a company affiliated to the Company to a certain extent (meeting the requirements in Article 3 Paragraph 1 Sub-paragraphs 5 through 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies). 4. The amount of rewards received for commercial, legal, financial, or accounting services provided to the Company or its affiliates over the past 2 years.</p>	<p>2</p>
<p>Independent director Chih-Mao Lin</p>	<p>Graduated from the Institute of Materials Science at National Tsing Hua University and has held positions as Director and Group CEO of Netronix, Inc., Chairman and CEO of Analog Integrations Corporation, and Chairman of ZUNIDATA Inc. He possesses over 20 years of experience relevant to the</p>	<p>1. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of the Company or any of its affiliates. 2. The person, the spouse, or a relative within the second degree of kinship (or anyone</p>	<p>3</p>

<p>Criterion Name</p>	<p>Professional qualifications and experience (Note 1)</p>	<p>Independence (Note 2)</p>	<p>Number of other public offering companies serving as independent directors</p>
	<p>company's operations, with expertise in corporate management and corporate governance. He is a member of the Company's Audit Committee and does not have any conditions under Article 30 of the Company Act.</p>	<p>else whose name is used) does not hold shares of the Company, nor do we have any percentage ownership. 3. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of a company affiliated to the Company to a certain extent (meeting the requirements in Article 3 Paragraph 1 Sub-paragraphs 5 through 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies). 4. The amount of rewards received for commercial, legal, financial, or accounting services provided to the Company or its affiliates over the past 2 years.</p>	
<p>Independent director Ya-Fen Hsu</p>	<p>Bachelor of Laws, Soochow University and principal lawyer of Un-An Law Office; with more than 20 years of work experience required for commercial and corporate operations, a retired professor from related departments required by the Company, a member of the Audit Committee of the first intake of the Company, and without any of the conditions under Article 30 of the Company Act.</p>	<p>1. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of the Company or any of its affiliates. 2. The person, the spouse, or a relative within the second degree of kinship (or anyone else whose name is used) does not hold shares of the Company, nor do we have any percentage ownership. 3. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of a company affiliated to the</p>	<p>None</p>

<p style="text-align: center;">Criterion</p> <p>Name</p>	<p>Professional qualifications and experience (Note 1)</p>	<p>Independence (Note 2)</p>	<p>Number of other public offering companies serving as independent directors</p>
		<p>Company to a certain extent (meeting the requirements in Article 3 Paragraph 1 Sub-paragraphs 5 through 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies).</p> <p>4. The amount of rewards received for commercial, legal, financial, or accounting services provided to the Company or its affiliates over the past 2 years.</p>	
<p>Independent director Ling-Sung Su</p>	<p>Bachelor of Applied Commerce, National Taichung University of Science and Technology and Director of Pin-Ho Registered Tax Agent; with financial expertise, more than 15 years of work experience required for corporate operations, and is a retired CPA from related departments required by the Company. Also a member of the Audit Committee, and without any of the conditions under Article 30 of the Company Act.</p>	<p>1. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of the Company or any of its affiliates.</p> <p>2. The person, the spouse, or a relative within the second degree of kinship (or anyone else whose name is used) does not hold shares of the Company, nor do we have any percentage ownership.</p> <p>3. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of a company affiliated to the Company to a certain extent (meeting the requirements in Article 3 Paragraph 1 Sub-paragraphs 5 through 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies).</p> <p>4. The amount of rewards</p>	<p>None</p>

<div style="text-align: center;">Criterion</div> <div style="text-align: left;">Name</div>	Professional qualifications and experience (Note 1)	Independence (Note 2)	Number of other public offering companies serving as independent directors
		received for commercial, legal, financial, or accounting services provided to the Company or its affiliates over the past 2 years.	

Note 1: Professional qualifications and experience: Specify the professionalism and experience of individual directors and supervisors. For those who are Audit Committee members with accounting or financial expertise, for example, the accounting or financial background and work experience shall be specified. Also, the occurrence of any of the conditions under Article 30 of the Company Act shall be indicated.

Note 2: For independent directors, the status of independence shall be specified, including, without limitation, whether or not the independent director, their spouse, or a relative within the second degree of kinship is serving as the director, supervisor of, or working for the Company or any of its affiliates, the number and weight of shares the independent director, their spouse, or a relative within the second degree of kinship holds, whether or not the independent director, their spouse, or a relative within the second degree of kinship is serving as the director, supervisor of, or working for a company in a specific relationship with the Company (refer to the requirements in Article 3 Paragraph 1 Sub-paragraphs 5-8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies), and the amount of rewards received for corporate commerce, legal affairs, financial affairs, and accounting services provided over the past two years to the Company or any of its affiliates.

II. Diversification and Independence of Board of Directors:

(I) Diversification of Board of Directors:

1. The Company values the diversity of its board members and incorporates board diversity as a key consideration in the selection and nomination of directors to strengthen corporate governance and improve board decision-making. Directors are selected based on merit. Beyond professional abilities and industry experience, diversity of composition including age, gender, and professional background is also valued to form a functionally complementary structure of the Board of Directors. The professional backgrounds of the board members encompass diverse areas such as industrial technology, financial accounting, law, corporate management, and administrative management. This diversity of expertise facilitates higher-quality board decisions, strengthens risk management capabilities, and promotes the company's sustainable development. The Board of Directors regularly reviews the Company's business objectives and development strategies. At its last meeting of the year, the board reports business goals for the next year, and managers report on the achievement of annual objectives to ensure effective implementation of the Company's business objectives and strategies. The Company continues to review the overall composition of the Board of Directors and adjusts the professional structure of directors as needed, based on the Company's development strategy and business needs, to enhance the Board's supervisory function and decision-making quality.
2. The Company's current board of directors consists of 11 directors, including 4 independent directors and 7 non-independent directors. All directors possess extensive experience in their respective industries or professional fields. The age distribution of directors is as follows: 1 person is between 40 and 49 years old, 4 between 50 and 59, 3 between 60 and 69, 2 between 70 and 79, and 1 between 80 and 89. The average age of all directors is 62 years old. Members of the Board of Directors bring a diverse range of industry experience, professional expertise, and management skills across different generations, enabling them to offer informed perspectives that have improved the quality of board decisions and corporate governance performance.
3. The professional knowledge and skills composition of the Company's board members includes: 1 member with expertise in law, 2 in finance and accounting, 1 in marketing, 4 in engineering and machinery, 2 in business management, and 1 in administrative management. The board members possess a diverse and complementary range of expertise, enabling them to provide professional advice on corporate strategy, risk management, financial oversight, and sustainability issues, and to enhance corporate governance performance.
4. Following the 2025 re-election of board members, the Company has a total of 11 directors, including 4 female directors, representing 36% of the board, demonstrating a certain level of gender diversity. In the future, the Company will continue to pay attention to the gender balance of the Board members, and prioritized women candidates with professional competence and industry experience during the re-election of directors or by-election, in order to enhance the diversity of the Board of Directors, and strengthen the structure of the Board of Directors, while implementing corporate governance and sustainable development goals.

(II) Independence of Board of Directors:

1. The Company has a total of 11 directors, including 7 directors and 4 independent directors. The proportion of independent director seats reaches 36%, which complies with relevant laws and regulations. Our independent directors possess expertise in law, financial accounting, and corporate management. They can offer objective professional advice and effectively exercise oversight.
2. Among the 4 independent directors, 3 are newly appointed and 1 is serving a second term. The composition of its board members balances experience with fresh perspectives, which has

helped to improve the quality of board decisions and supervisory effectiveness.

3. The independent directors of the Company comply with the norm of professional ethics stipulated in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”, and maintain a detached and independent position when performing their duties. They have not had any conditions under Article 30 of the Company Act and do not have any significant conflicts of interest with the Company. Therefore, they are able to effectively perform their duties of supervision and risk control. Information regarding their status of independence is disclosed in the “Disclosure of Directors’ Professional Qualifications and Independence of Independent Directors”.

(II) Information About the President, Vice General Manager, Assistant Vice President, and Heads of Respective Departments and Branches

April 22, 2025

Title	Nationality	Name	Gender	Date (Inaugurated)	Shares held		Shares held by the spouse or any underage child		Shares held in someone else's name		Education and work experience	Position held in any other company at present	Manager who is the spouse or a relative within the second degree of kinship			Remarks
					Number of shares	Shareholding	Number of shares	Shareholding	Number of shares	Shareholding			Title	Name	Relation	
Vice Chairman	R.O.C.	Chun-Chieh Wang	Male	2007.01.01	6,793,055	4.06%	1,828,017	1.09%	—	—	Master's Degree, National Chung Hsing University Vice Chairman of Ningbo Branch	(Note 1)	Assistant Vice President and Deputy General Manager at the Ningbo Branch President and Group CEO Assistant Vice President Deputy General Manager and Manager of the Hangzhou Bay Branch	Sally Gao Alan Wang Shu-Chuan Cheng Sam Kao	Husband and wife Brothers Uncle and daughter-in-law Wife and brother-in-law	Note 8
CEO	R.O.C.	Alan Wang	Male	2017.12.01	6,365,105	3.80%	1,310,282	0.78%	—	—	M.Sc., Department of Mechanical and Electro-Mechanical Engineering, National Sun Yat-sen University EMBA, National Cheng Kung University CEO of Fu Chun Shin Group	(Note 2)	Vice Chairman and Chairman and President of Ningbo Branch Assistant Vice President and Deputy General Manager at the Ningbo Branch Assistant Vice President	Chun-Chieh Wang Sally Gao Shu-Chuan Cheng	Brothers Uncle and sisters-in-law Husband and wife	Note 9
Vice President	R.O.C.	Chia- Miao Chiu	Male	2012.04.01	585,040	0.35%	596,692	0.36%	—	—	Department of Graphics Design, National Tainan Industrial High School Chairman, Shyuan Yeu Automation Co., Ltd.	(Note 3)				
Deputy General Manager	R.O.C.	Jane Wang	Female	2015.05.08	207,809	0.12%	—	—	—	—	Department of Business Administration, Shu-Te University General Manager of Tiantai Co., Ltd.	(Note 4)	None	None	None	None
Assistant Vice President and Chief Corporate Governance Officer	R.O.C.	Nichole Chang	Female	2008.01.01	16,000	0.01%	—	—	—	—	EMBA, National Cheng Kung University Program designer, Dongguang Company	None	None	None	None	None
Deputy General Manager	R.O.C.	Sam Kao	Male	2017.03.13	20,455	0.01%	884,736	0.53%	—	—	National Pingtung University of Science and Technology Deputy General Manager at the Ningbo Branch	(Note 5)	Vice Chairman and Chairman and President of Ningbo Branch Assistant Vice President and Deputy General Manager at the Ningbo Branch	Chun-Chieh Wang Sally Gao	Brother-in-law Sister-Brother	None
Assistant Vice President	R.O.C.	Sally Gao	Female	2019.04.01	1,828,017	1.09%	6,793,055	4.06%	—	—	EMBA, Shanghai Jiao Tong University Deputy General Manager at the Ningbo Branch	(Note 6)	Vice Chairman and Chairman and President of Ningbo Branch Deputy General Manager and Manager of the Hangzhou Bay Branch	Chun-Chieh Wang Sam Kao Alan Wang Shu-Chuan	Husband and wife Sister-Brother Uncle and sisters-in-law	None

Title	Nationality	Name	Gender	Date (Inaugurated)	Shares held		Shares held by the spouse or any underage child		Shares held in someone else's name		Education and work experience	Position held in any other company at present	Manager who is the spouse or a relative within the second degree of kinship			Remarks
					Number of shares	Shareholding	Number of shares	Shareholding	Number of shares	Shareholding			Title	Name	Relation	
													President and Group CEO Assistant Vice President	Cheng	Sisters-in-law	
Assistant Vice President	R.O.C.	Shu-Chuan Cheng	Female	2024.08.01	1,310,282	0.78%	6,365,105	3.80%	—	—	EMBA and Foreign Languages, National Cheng Kung University Manager, International Marketing Division, Fu Chun Shin Group	(Note 7)	Vice Chairman and Chairman and President of Ningbo Branch Assistant Vice President and Deputy General Manager at the Ningbo Branch President and Group CEO	Chun-Chieh Wang Sally Gao Alan Wang	Uncle and daughter-in-law Sisters-in-law Husband and wife	None
Assistant Vice President	R.O.C.	Tsung- Yen Lin	Male	2025.03.04	10,000	0.01%	—	—	—	—	Ph.D. in Engineering Technology, National Kaohsiung First University of Science and Technology Manager, Research and Development Center, Fu Chun Shin Group	None	None	None	None	None
Assistant Vice President and President of FCS India	R.O.C.	Hung- Mao Chuang	Male	2025.04.28	—	—	—	—	—	—	Department of Chemical Engineering, National Tsing Hua University Deputy Plant Director, Wistron Communications Zhongshan Plant 5 Plant Manager, Mingtai Technology	None	None	None	None	None

Note 1: Vice Chairman of FCS Group; Chairman and President of Fu Chun Shin (Ningbo) Machinery Manufacture Co., Ltd.; Director of FCS RG PLASTIC PTE., LTD; Director of PT. FCS RGP Plastic ; Chairman of Fu Chun Shin (Ningbo) Precision Technology Co., Ltd.; President of Dongguan Fu Chun Shin Plastic Machinery Manufacture Co., Ltd.

Note 2: General Manager of Fu Chun Shin (Taiwan) and Group CEO; Chairman of PT. Fu Chun Shin Technology (Indonesia); Director of JUST NANOTECH CO., LTD.; Director of PT. FCS RGP Plastic; Director of FCS RG Plastic Pte. Ltd.; Director of PT. Shin Preform Plastic (Indonesia); Director of FCS Machinery (Thailand) Co., Ltd.; Director of FCS Plastic Machinery (Thailand) Co., Ltd.; Director of Fu Chun Shin (Ningbo) Precision Technology Co., Ltd.

Note 3: Vice President of the Fu Chun Shin Group; Director of JUST NANOTECH CO., LTD.; Director of Dongguan Fu Chun Shin Plastic Machinery Manufacture Co., Ltd.; Director of Fu Chun Shin (Ningbo) Machinery Manufacture Co., Ltd.; Director of Jungshen Technology Co., Ltd.

Note 4: Director of Jungshen Technology Co., Ltd.

Note 5: Director of FCS (Ningbo) Precision Technology Co., Ltd.; Deputy General Manager of FCS (Ningbo) Machinery Manufacture Co., Ltd.; General Manager of FCS (Ningbo) Precision Technology Co., Ltd.

Note 6: Supervisor of FCS (Ningbo) Precision Technology Co., Ltd.; Deputy General Manager of FCS (Ningbo) Machinery Manufacture Co., Ltd.; Deputy General Manager of Dongguan Fu Chun Shin Plastic Machinery Manufacture Co., Ltd.

Note 7: General Manager of FU CHUN SHIN(VIETNAM) CO., LTD., Director of FCS MACHINERY (THAILAND) CO., LTD.

Note 8: The Chairman of the Company and that of FCS Ningbo are of first-degree kinship. Due to the valuable educational background of the latter, who holds a Master's degree in Business Administration from National Chung Hsing University, his expertise and knowledge can be effectively utilized for the benefit of the Company. Therefore, it is deemed necessary to increase the number of independent directors in accordance with the Company's regulations.

Note 9: The Chairman and CEO of the Company and that of FCS Ningbo are of first-degree kinship. Due to the valuable educational background of the latter, who holds a M.Sc. from the Department of Mechanical and Electro-Mechanical Engineering, National Sun Yat-sen University and EMBA from National Cheng Kung University, his expertise and knowledge can be effectively utilized for the benefit of the Company. Therefore, it is deemed necessary to increase the number of independent directors in accordance with the Company's regulations.

(III) Remuneration paid to the directors, supervisors, General Manager, and Deputy General Manager over the most recent year

1. Remuneration paid to directors (including independent directors)

December 31, 2025; Unit: NT\$ thousand

Title	Name	Remuneration of Directors								Ratio of sum of A, B, C, and D to net profit after tax(%)		Related remuneration to those who are also employees								Ratio of sum of A, B, C, D, E, F, and G to net profit after tax (%)		Remuneration claimed from reinvestees other than subsidiaries or the parent company
		Compensation(A)		Retirement and pension (B)		Remuneration to Directors(C)		Business execution expenses(D)				Salary, bonus, and special allowances(E)		Retirement and pension (F)		Remuneration to employees(G)						
		The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	Amount paid in cash	Amount in stock	Amount paid in cash	Amount in stock	The Company	All companies included in the financial report	
Chairman	Po-Hsun Wang	0	0	0	0	179	179	60	60	239 0.24%	239 0.22%	3,458	3,458	288	288	391	0	391	0	4,376 4.36%	4,376 3.98%	0
Director	Feng Wei Investment Co., Ltd.	0	0	0	0	179	179	50	50	229 0.23%	229 0.21%	0	0	0	0	0	0	0	0	229 0.23%	229 0.21%	0
	Corporate representative : Po-Feng Wang	0	0	0	0	0	0	0	0	0 0.00%	0 0.00%	1,569	1,569	79	79	0	0	0	0	1,648 1.64%	1,648 1.50%	0
Vice Chairman	Chun-Chieh Wang	0	0	0	0	179	179	60	60	239 0.24%	239 0.22%	6,438	6,438	106	106	1,143	0	1,143	0	7,926 7.89%	7,926 7.21%	0
Director	Alan Wang	0	0	0	0	179	179	50	50	229 0.23%	229 0.21%	3,938	3,938	103	103	1,127	0	1,127	0	5,397 5.37%	5,397 4.91%	0
Director	Hans Wang	0	0	0	0	179	179	60	60	239 0.24%	239 0.22%	1,557	1,557	55	55	159	0	159	0	2,010 2.00%	2,010 1.83%	0
Director	Su-Chen Chang					179	179	60	60	239 0.24%	239 0.22%	0	0	0	0	0	0	0	0	239 0.24%	239 0.22%	
Director	Fei-Ju Chen					179	179	65	65	244 0.24%	244 0.22%	0	0	0	0	0	0	0	0	244 0.24%	244 0.22%	
Independent director	Chung-Hui Huang	0	0	0	0	179	179	100	100	279 0.28%	279 0.25%	0	0	0	0	0	0	0	0	279 0.28%	279 0.25%	0
Independent director	Chih-Mao Lin Assumed office on June 20, 2025.	0	0	0	0	0	0	65	65	65 0.06%	65 0.06%	0	0	0	0	0	0	0	0	65 0.06%	65 0.06%	0
Independent director	Ya-Fen Hsu Assumed office on June 20, 2025.	0	0	0	0	0	0	65	65	65 0.06%	65 0.06%	0	0	0	0	0	0	0	0	65 0.06%	65 0.06%	0
Independent director	Ling-Sung Su Assumed office on June 20, 2025.	0	0	0	0	0	0	65	65	65 0.06%	65 0.06%	0	0	0	0	0	0	0	0	65 0.06%	65 0.06%	0

- Note: 1. Please specify the policy, system, standard and structure of the remuneration to independent directors, and the correlation with the amount of remuneration based on the responsibilities, risks, time invested and other factors: In accordance with Article 27 of the Company's Articles of Incorporation: "The Company's directors may claim a transportation allowance. In addition, the Board of Directors is authorized to determine the remuneration to all directors (including the Chairman) based on their engagement in the Company's operations, contribution, and the pay level among peers in the industry." Also according to Article 31: "The Company shall distribute no more than 3% of the annual profit as the remuneration to directors , provided that profits must first be taken to offset against cumulative losses, if any." The Company also purchases liability insurance for the directors in order to reduce their risk of being filed a lawsuit against by shareholders or other related parties while performing duties as required by law.
2. Besides those disclosed in the above table, remuneration paid to directors in the most recent year for having provided services to all companies covered in the financial statement (such as working as a consultant who is not an employee): None.

2. Remuneration to Supervisors

An Audit Committee has been established to replace supervisors, there this is not applicable.

3. Remuneration to General Manager and Deputy General Managers

December 31, 2025; Unit: NT\$ thousand

Title	Name	Salary (A)		Retirement and pension (B)		Bonus and special allowances (C)		Remuneration to employees (D)				Ratio of sum of A, B, C, and D to net profit after tax (%)		Remuneration claimed from reinvestees other than subsidiaries or the parent company
		The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company		All companies included in the financial report		The Company	All companies included in the financial report	
								Amount paid in cash	Amount in stock	Amount paid in cash	Amount in stock			
Concurrently serves as CEO and General Manager	Alan Wang	2,157	2,157	103	103	1,781	1,781	1,127	0	1,127	0	5,168 5.14%	5,168 4.70%	None
General Manager of Ningbo and Dongguan	Chun-Chieh Wang	1,774	3,306	106	106	0	3,132	1,143	0	1,143	0	3,023 3.01%	7,687 7.00%	None
Deputy General Manager of Taiwan	Jane Wang	1,200	1,560	73	73	167	167	48	0	48	0	1,488 1.48%	1,848 1.68%	None
General Manager of Hangzhou Bay	Sam Kao	1,127	2,617	70	70	0	2,328	318	0	318	0	1,515 1.51%	5,333 4.85%	None

3-1. Remuneration of the Top 5 Highest-Paid Executives

December 31, 2025; Unit: NT\$ thousand

Title	Name	Salary (A)		Retirement and pension (B)		Bonus and special allowances (C)		Remuneration to employees (D)				Ratio of sum of A, B, C, and D to net profit after tax (%)		Remuneration claimed from reinvestees other than subsidiaries or the parent company
		The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company		All companies included in the financial report		The Company	All companies included in the financial report	
								Amount paid in cash	Amount in stock	Amount paid in cash	Amount in stock			
General Manager	Po-Hsun Wang	2,175	2,175	288	288	1,284	1,284	391	0	391	0	4,138 4.12%	4,138 3.77%	None
Vice President	Chia-Miao Chiu	1,522	1,762	95	95	287	287	48	0	48	0	1,952 1.94%	2,192 2.00%	None
Concurrently serves as CEO and General Manager	Alan Wang	2,157	2,157	103	103	1,781	1,781	1,127	0	1,127	0	5,168 5.14%	5,168 4.70%	None
General Manager of Ningbo and Dongguan	Chun-Chieh Wang	1,774	3,306	106	106	0	3,132	1,143	0	1,143	0	3,023 3.01%	7,687 6.99%	None
General Manager of Hangzhou Bay	Sam Kao	1,127	2,617	70	70	0	2,328	318	0	318	0	1,515 1.51%	5,333 4.85%	None

4. Names of managers assigned with employee remuneration and the distribution:

December 31, 2025; Unit: NT\$ thousand

	Title	Name	Amount of stock bonus	Amount of cash bonus	Total	Ratio of sum to net profit after tax (%)
Manager	Concurrently serves as CEO and General Manager	Alan Wang	—	3,795	3,795	3.7770%
	Vice General Manager (President of Ningbo)	Chun-Chieh Wang				
	Deputy General Manager (General Manager of Hangzhou Bay)	Sam Kao				
	Deputy General Manager	Jane Wang				
	Assistant Vice President, Main Office	Nichole Chang				
	Assistant Vice President (Vice General Manager of Ningbo)	Sally Gao				
	Assistant Vice President, Main Office	Shu-Chuan Cheng				
	Finance/Accounting Officer	Chung-Ching Liu				

5. Respectively compare and describe the analysis of the proportion of total remuneration paid to the Company's Directors, Supervisors, General Manager and Deputy General Manager by the Company and all the companies listed in the consolidated financial statements in the most recent two years to the Net Income After Tax in individual financial statements, and describe the policies, standards and packages for payment of remuneration, as well as the procedures followed for determining remuneration, and their linkages to business performance and future risk.

(1) Analysis of ratios of total remunerations paid to directors supervisors, the President, and the Vice General Manager of the Company to net profit after tax as shown in the entity's or the stand-alone financial statement over the past two years:

Unit: NT\$ thousand

Item	2024				2025			
	The Company		All companies in the Consolidated Statement		The Company		All companies in the Consolidated Statement	
	Amount	Ratio of sum to net profit after tax of the parent company (%)	Amount	Ratio of sum to net profit after tax of the parent company (%)	Amount	Ratio of sum to net profit after tax of the parent company (%)	Amount	Ratio of sum to net profit after tax of the parent company (%)
Remuneration of Directors	1,841	2.34%	1,841	2.55%	3,182	3.17%	3,182	3.17%
Remuneration to General Manager and Deputy General Manager	8,499	10.79%	11,539	21.13%	11,194	11.14%	20,036	19.94%

(2) Correlation among the remuneration payment policy, standards and combination, remuneration establishment procedures, and its correlation with operational performance:

- A. The Board of Directors is authorized to determine the remuneration of all directors (including the Chairman of the Board) based on their engagement in the Company's operations, contribution, and the pay level among peers in the industry.
- B. Article 28 of the Company's Articles of Incorporation states that "the Company shall appoint managers (including the President). The appointment and dismissal thereof and remuneration to them shall be governed by Article 29 of the Company Act, where it states that "The Company may retain advisors or important officers per resolution by the Board of Directors."
- C. The remuneration paid by the Company to the directors is mainly from the Company's earnings in compliance with the requirements in the Articles of Incorporation. The Remuneration Committee shall make a decision first and submit it to the Board of Directors for resolution, and the remuneration may be distributed upon the approval of the shareholders' meeting.
- D. The remuneration to the President and Vice General Manager of the Company covers the salary and compensation to employees. The salary level is determined reflective of each employee's contribution to the Company's operations and the common practice in the industry. The criteria for distribution of remuneration to employees are based on the Company's Articles of Incorporation. The Remuneration Committee shall make a decision first and bring it forth to the Board of Directors to be finalized and it may be distributed upon approval through the shareholders' meeting.
- E. Article 31: The Company shall distribute no less than 3% of its annual profit, if any, as the remuneration to employees. Out of the aforementioned employee remuneration, no less than 30% shall be allocated to grass-roots employees. In addition, the Company shall distribute no more than 3% of the annual profit as the remuneration to directors, provided that profits must first be taken to offset against cumulative losses, if any.

The annual profit mentioned in the preceding paragraph refers to the pre-tax profit before the remuneration to employees and directors are deducted for the year.

Receivers of the remuneration to employees paid in the form of stock or in cash shall include employees of the Company's associates who meet certain conditions.

II. Status of Corporate Governance

(1) Information about the Operational Status of the Board of Directors

In the most recent year (2025), the Board of Directors met 6 times (A), and the attendance of directors (including independent directors) was as follows:

Title	Name (Note 1)	Actual attendance number B	Attendance through proxy	Actual attendance rate (%) 【 B / A 】 (Note 2)	Remarks
Chairman	Po-Hsun Wang	6	0	100%	Re-elected on June 20, 2025.
Director	Chia-Miao Chiu	2	0	100%	Relieved of duty on June 20, 2025.
Director	Representative of Feng Wei Investment Co., Ltd.: Po-Feng Wang	5	0	83%	Re-elected on June 20, 2025.
Director	Chun-Chieh Wang	6	0	100%	Re-elected on June 20, 2025.
Director	Alan Wang	5	0	83%	Re-elected on June 20, 2025.
Director	Hans Wang	6	0	100%	Re-elected on June 20, 2025.
Director	Suzhen Zhang	6	0	100%	Re-elected on June 20, 2025.
Director	Fei-Ju Chen	6	0	100%	Re-elected on June 20, 2025.
Director	Tsung-Cheng Wu	2	0	100%	Relieved of duty on June 20, 2025.
Independent director	Ying-Fang Huang	2	0	100%	Relieved of duty on June 20, 2025.
Independent director	Wen-Pin Tsai	2	0	100%	Relieved of duty on June 20, 2025.
Independent director	Chung-Hui Huang	6	0	100%	Re-elected on June 20, 2025.
Independent director	Bo-Wen Kreng	2	0	100%	Relieved of duty on June 20, 2025.
Independent director	Chih-Mao Lin	4	0	100%	Appointed on June 20, 2025.
Independent director	Ya-Fen Hsu	4	0	100%	Appointed on June 20, 2025.
Independent director	Ling-Sung Su	4	0	100%	Appointed on June 20, 2025.

Other matters that should be documented:

- I. The date and session number of the meeting of the Board of Directors, proposal contents, opinions of all Independent Directors, and the Company's reactions towards Independent Director's opinions shall be specified in case of the following conditions in respect of the operation of the Board of Directors:

(I) Matters specified in Article 14-3 of the Securities and Exchange Act:

Date/Session of Board of Directors Meeting	Proposal	Opinions from all independent directors and how the Company addressed them
2025/03/11 17th meeting of the 12th term	1. Approved the 2025 CPA fees for EY Taiwan. 2. Approved the amendment to some of the articles of the "Articles of Incorporation" of the Company.	Approved by all independent directors
2025/05/09 18th meeting of the 12th term	Approved the amendment to some of the articles of the "Audit Committee Organization Rules".	Approved by all independent directors
2025/08/08 2nd meeting of the 13th term	Approved the 6th repurchase of the Company's shares for transfer to employees.	Approved by all independent directors
2025/11/11 3rd meeting of the 13th term	1. Approved the issuance of the 4th domestic unsecured convertible corporate bond. 2. Approved the amendment to the internal control system and internal audit system for "Salary and Labor Cycle".	Approved by all independent directors

(II) Other than the matters mentioned above, the resolutions with records or written statements on which independent directors have dissenting opinions or qualified opinions: None.

II. For the enforcement of recusal upon conflicts of interest among directors, the name of the director, details of the proposal, reason for the recusal, and participation in the voting process or not shall be described:

Date	Name of director	Proposal	Reasons for recusal	Voting outcome
2025/08/08 2nd meeting of the 13th term	Po-Hsun Wang Chun-Chieh Wang Alan Wang Representative of Feng Wei Investment Co., Ltd.: Po-Feng Wang Hans Wang Suzhen Zhang	Approved the transfer of the 6th tranche of treasury shares repurchased in 2024 to employees.	Five directors, namely Po-Hsun Wang, Chun-Chieh Wang, Alan Wang, Po-Feng Wang, and Hans Wang, also serve as employees of the Company and participated in the subscription of the treasury shares. Su-Chen Chang is the spouse of Po-Feng Wang. The six individuals above have personal interests in this matter.	Therefore they recused themselves and did not participate in the discussion or voting. The proposal was approved without objection by the remaining attending directors after Independent Director Chung-Hui Huang was appointed by the Chairman as the acting chair to

				consult on the proposal.
<p>III. TWSE/TPEX listed companies should disclose information about the cycle and period, scope, method, and content of the board's self-evaluation (or peer evaluation), and complete Table 2(2) Board of Directors Performance Evaluation: As in the implementation status of the Board of Directors evaluation.</p> <p>IV. Reinforced functional objectives (such as setting up the Audit Committee, promoting information transparency, etc.) of the Board of Directors, and implementation status of the current year and the last year:</p> <p>V. Besides disclosing the attendance (seating) of directors/supervisors in the Board of Directors' meetings and their participation in continuing education on</p> <p>VI. In addition to governance courses, an investor section has also been set up on the Company's website, which includes important resolutions and relevant organizational regulations of the Audit Committee, Remuneration Committee, and Board of Directors, in order to enhance information transparency.</p>				

Note 1: When directors and supervisors are corporations, the name of the institutional shareholder, its representative, and the name shall be disclosed.

Note 2:(1) In the event that directors or supervisors resign before the end of a fiscal year, the date of resignation shall be indicated in the remarks field. The actual attendance rate (%) should be calculated based on the number of board meetings held during their tenure and the number of meetings they actually attended.

(2) In the event that directors or supervisors are re-elected before the end of a fiscal year, both the new and former directors and supervisors shall be listed and the remarks field shall indicate if the director is nor formerly a director, a newly elected director or a re-elected director and also the date. The ratio of attendance is calculated by the number of Board of Directors meetings held during the term of office and the actual number of meetings attended.

2. Evaluation Results for Board of Directors and Functional Committees:

Evaluation cycle (Note 1)	Evaluated period (Note 2)	Scope of evaluation (Note 3)	Evaluation method (Note 4)	Highlights of evaluation (Note 5)
Once a year	2025.01.01 ~ 2025.12.31	Board of Directors, individual directors and the functional committees	1. Board of Directors Performance Evaluation	Involvement in operation - Excellent Decision-making quality of the Board of Directors - Excellent Composition and structure of Board of Directors - Excellent Election of its directors and continuing education for them - Excellent Internal control - Outstanding
			2. Individual Directors Performance Evaluation	Keeping track of corporate goals and missions - Outstanding Awareness of duties as a director - Outstanding Involvement in corporate operations - Outstanding Management of internal relations and communication - Outstanding Director's professionalism and continuing education - Outstanding Internal control - Outstanding
			3. Remuneration Committee Performance Evaluation	Involvement in corporate operations - Outstanding Awareness of the duties of the functional committee - Outstanding Decision-making quality of the functional committee - Outstanding Composition and election of members of the functional committee - Outstanding Internal control - Outstanding
			4. Audit Committee Performance Evaluation	Involvement in corporate operations - Outstanding Awareness of the duties of the functional committee - Outstanding Decision-making quality of the functional committee - Outstanding Composition and election of members of the functional committee - Outstanding Internal control - Outstanding

Note 1: The cycle by which the Board of Directors evaluation is performed, such as once a year, is to be provided.

Note 2: The period covered in the Board of Directors evaluation is to be provided. Example: The performance of the Board of Directors between January 1, 2019 and December 31, 2019 was evaluated.

Note 3: The scope of evaluation includes the performance evaluations of the Board of Directors, individual directors and the functional committees.

Note 4: The evaluation method includes internal assessment of the Board of Directors, self-assessment of Board members, and outsourced performance evaluations by external professional institutions, experts, or in other appropriate ways.

Note 5: The highlights of evaluation include at least the following according to the scope of evaluation.

- (1) The Board of Directors' performance evaluation shall at least cover the involvement in corporate operations, decision-making quality, the composition and structure of the Board of Directors, the election and continuing education of directors, internal control, etc.
- (2) Individual Board members' performance evaluation shall at least cover keeping track of the Company's goals and missions, awareness of the duties of directors, involvement in the Company's operation, internal relations management and communication, professional and continuing education for directors, internal control, etc.
- (3) Functional committee performance evaluation includes the involvement in the Company's operation, awareness of the duties of the functional committee, decision-making quality of the functional committee, composition of the functional committee and the election of its members, internal control, etc.

(II) Information about the Operational Status of the Audit Committee

The Committee met 4 times in total in the most recent year (A) and the attendance of independent directors in the meetings was as follows:

Title	Name	Actual attendance number(B)	Attendance through proxy	Actual attendance rate (%) (B/A) (Note 1 and Note 2)	Remarks
Independent director	Chung-Hui Huang	4	0	100%	Re-elected on June 20, 2025.
Independent director	Wen-Pin Tsai	2	0	100%	Relieved of duty on June 20, 2025.
Independent director	Ying-Fang Huang	2	0	100%	Relieved of duty on June 20, 2025.
Independent director	Bo-Wen Kreng	2	0	100%	Relieved of duty on June 20, 2025.
Independent director	Chih-Mao Lin	2	0	100%	Appointed on June 20, 2025.
Independent director	Ya-Fen Hsu	2	0	100%	Appointed on June 20, 2025.
Independent director	Ling-Sung Su	2	0	100%	Appointed on June 20, 2025.

Other matters that should be documented:

I. If the Audit Committee has any of the following circumstances, the date and session number of the meeting of the Audit Committee, proposal contents, independent directors names, dissenting opinions, reservations, or major recommendations, the resolution made by the Audit Committee and the Company's reactions towards the Audit Committee's opinions shall be specified:

(I) Matters listed in Article 14-5 of the Securities and Exchange Act.

Matters discussed by the Remuneration Committee during the period covered in this annual report and the decisions made are as follows:

● March 11, 2025; 12th meeting of the 1st term of the Audit Committee:

1. Approved the 2025 CPA fees for EY Taiwan.
2. Approved the "Evaluation of the Effectiveness of the Internal Control System" and "Declaration of Internal Control System" for 2024.
3. Approved the Company's 2024 parent company-only financial report and consolidated financial report.
4. Approved the amendment to some of the articles of the "Articles of Incorporation" of the Company.

● August 09, 2024; 10th meeting of the 1st term of the Audit Committee:

1. Approved the first transfer of treasury shares repurchased in the sixth buyback program in 2024 to employees.

● November 08, 2024; 11th meeting of the 1st term of the Audit Committee:

1. Approved the modification made to the limits of funds lent to the subsidiary by Taiwan FCS.
2. Approved the establishment of the Company's "Sustainable Information Management Regulations."
3. Approved the 2025 Audit Plan.

How the Company addressed opinions from the Audit Committee: They were submitted to the Board of Directors and approved by all attending directors.

(II) Besides those mentioned in the foregoing, other resolutions with approval by two-thirds

and more of all directors despite the failure to be approved by the Audit Committee:
None.

(II) Besides those mentioned in the foregoing, other resolutions with approval by two-thirds and more of all directors despite the failure to be approved by the Audit Committee:
None.

II. For the recusal upon conflicts of interest among independent directors, the name of the independent director, details of the proposal, reason for the recusal, and participation in the voting process or not shall be described: None.

III. Communication among Independent Directors, internal Audit Supervisors and accountants (including important matters, methods, and results of the Company's finance and operations):

March 11, 2025; 12th meeting of the 1st term of the Audit Committee:

Communication between the Chief Auditor and the Audit Committee: The presenter Pei-Yi Wu reported to the Audit Committee the results of the "Assessment of the Effectiveness of the Internal Control System" for 2024.

Communication between the CPAs and the Audit Committee; The presenter CPA Mink Hu reported to the Audit Committee the results of the review of the consolidated financial report and parent company-only financial report for 2024.

December 19, 2025; before the 4th Board of Directors meeting of the 13th term:

Communication between the Chief Auditor and the Audit Committee; Presenter CPA Mink Hu reported to the Audit Committee the results of the review of the consolidated financial statements for the first quarter of 2025.

IV. Professional qualifications of the Audit Committee: The Audit Committee of the Company consists of 4 independent directors, whose professional qualifications and experience are as follows:

Chung-Hui Huang: He has a professional background in accounting, auditing, and corporate governance. He has served as an independent director of O-TA Precision Industry Co., Ltd. and TYC BROTHER INDUSTRIAL CO, LTD.; as a Professor of the Department of Accounting Information of Southern Taiwan University of Science and Technology; as a Certified Public Accountant; and as a Part-time Lecturer of National Cheng Kung University. Currently, he is an independent director of Nam Liong Global Corporation and an independent director of Ruei-Tek Technology Co., Ltd.

Chih-Mao Lin: With expertise in technology industry management, corporate integration, and corporate governance, he holds a master's degree in Materials Science and Engineering from National Tsing Hua University. He has served as CEO of Netronix, Chairman and CEO of Analog Integrations Corporation, and has been a director or Chairman of Netronix, Analog Integrations Corporation, Taiwan Biomaterial Co. Ltd., and ZUNIDATA Inc. He possesses extensive experience in corporate operations and decision-making management. Currently, he is an independent director of EMpower Technology Corporation, a director of Sable Electronics (Kunshan) Co., Ltd., and an independent director of GIGASTORAGE CORPORATION.

Ya-Fen Hsu: With expertise in law and corporate governance practices, she graduated from the Department of Law at Soochow University and is currently a lawyer at Yun-An Law Firm. She has extensive experience in legal practice and has served as Chairman of the Tainan Bar Association and Vice Chairman of the National Federation of Bar Associations. She also possesses experience in legal and compliance governance and public affairs participation.

Ling-Sung Su: With a professional background in finance, accounting, and taxation, she graduated from National Taichung University of Science and Technology with a Bachelor of Implied Business (or Bachelor of Applied Commerce). She holds a Certified Bookkeeper license and has many years of practical experience in financial, tax, and bookkeeping

processing. She currently serves as a director of Pin Ho Management Consulting Co., Ltd., the head of Pin Ho Tax Bookkeeper Firm, and a supervisor of Chun He Investment Co., Ltd. Summary of the annual highlights of the Audit Committee: The Audit Committee held 4 meetings in 2025, and reviewed the following matters:

- Loaning funds to affiliates and providing endorsements/guarantees for them.
- Qualification, independence and performance evaluation of CPAs.
- Compensation of CPAs.
- The self-evaluation questionnaire for Audit Committee performance
- Review of financial statements

V. Resolutions of the Audit Committee in 2025:

- March 11, 2025; 12th meeting of the 1st term of the Audit Committee
 1. Approved the review of the Company's 2024 parent company-only financial statements and consolidated financial statements.
 2. Approved the cancellation of the financing endorsement/guarantee provided by Taiwan FCS to Mega International Commercial Bank for BVI FCS.
 3. Approved the proposal of the Company's subsidiary, FCSC India, to apply for a loan facility from a bank and have it endorsed by the head office in Taiwan.
 4. Approval of the accounts receivable, other receivables, advancement payments, and refundable deposits, among other entries, as of December 31, 2024 of the Company; there are no disguised capital financing.
 5. Approval of the Company's 2024 Earnings Distribution and Business Report.
 6. Approval of the proposal of "Evaluation of the Effectiveness of the Internal Control System" and "Statement of Internal Control System" in 2024.
 7. Approved the 2025 CPA fees for EY Taiwan.
 8. Approval of the independence and suitability evaluation of CPAs for 2024.
 9. Approval of the independence and suitability evaluation of CPAs for 2025.
 10. Approved the process and general policy of non-assurance service prior to the agreement of the non-assurance service list of Ernst & Young Global Limited and its affiliates.
 11. Approved the amendment to some articles of the "Articles of Incorporation" of the Company.
 12. Approved the distribution of cash dividends from capital reserve.

How the Company addressed opinions from the Audit Committee: They were submitted to the Board of Directors and approved by all attending directors.
- May 9, 2025; 13th meeting of the 1st term of the Audit Committee
 1. Approval of the motion for the Company's consolidated financial statements for the first quarter of 2025.
 2. Approved the proposal of the Company's subsidiary FCSC India to apply for a bank loan facility and have it endorsed/guaranteed by the head office in Taiwan.
 3. Approved the Company's endorsement/guarantee for its subsidiary Dongguan FCS.
 4. Approval of the accounts receivable, other receivables, advancement payments, and refundable deposits, among other entries, as of March 31, 2025 of the Company; there are no disguised capital financing.
 5. Approved the liquidation of PT. SHIN PREFORM PLASTIC, a subsidiary of the Company's reinvestment.

How the Company addressed opinions from the Audit Committee: They were submitted to the Board of Directors and approved by all attending directors.
- August 8, 2025; 1st meeting of the 2nd term of the Audit Committee
 1. Approved the Company's consolidated financial statements for the second quarter of 2025.
 2. Approved the proposal for the Company's subsidiary FCS RG PLASTIC PTE., LTD

to apply for a bank loan facility with the endorsement/guarantee provided by Taiwan FCS.

3. Approved the intended application for a bank loan facility by the Company's subsidiary BVI FCS with the endorsement/guarantee provided by Taiwan FCS.
4. Approval of the accounts receivable, other receivables, advancement payments, and refundable deposits, among other entries, as of June 30, 2025 of the Company; there are no disguised capital financing.

How the Company addressed opinions from the Audit Committee: They were submitted to the Board of Directors and approved by all attending directors.

- November 11, 2025; 2nd meeting of the 2nd term of the Audit Committee
 1. Approved the Company's consolidated financial statements for the third quarter of 2025.
 2. Approved the intended application for a bank loan facility by the Company's subsidiary BVI FCS with the endorsement/guarantee provided by Taiwan FCS.
 3. Approved the issuance of the 4th domestic unsecured convertible corporate bond.
 4. Approved the loan of Taiwan FCS to subsidiaries.
 5. Approved the accounts receivable, other receivables, advancement payments, and refundable deposits of the Company as of September 30, 2025; there are no disguised capital financing. In addition, for overdue accounts receivable of some subsidiaries, the cases will be handled according to the loan method of business transactions.
 6. Approved the 2026 audit plan.
 7. Approved the amendment to the internal control system and internal audit system for "Salary and Labor Cycle".
 8. Approved the timeline of the 2026 Audit Committee meetings.

How the Company addressed opinions from the Audit Committee: They were submitted to the Board of Directors and approved by all attending directors.

Note 1: In the event that an independent director resigns before the end of a fiscal year, the date of resignation shall be indicated in the remarks field. The Actual attendance rate (%), on the other hand, is calculated by the number of meetings held by the Audit Committee during the term of office and the actual number of meetings attended.

Note 2: In the event that independent directors are re-elected before the end of a fiscal year, both the new and former independent directors shall be listed and the remarks field should also indicate if whether the person is a newly elected or now former director and if they have been re-elected as well as the date. The ratio of attendance, is calculated by the actual number of meetings held by the Audit Committee during the entire term of office met and the actual number of meetings attended.

(III) The operation of corporate governance and the difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons

Evaluation item	Operational status			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies and reasons
	Yes	No	Brief Description	
I. Does the Company establish and disclose its corporate governance best-practice principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX-Listed Companies?		V	The Company discloses material information as required by applicable laws and regulations and information periodically. The Board of Directors will also follow the responsibilities that shareholders give them by guiding the Company’s operational strategies and effectively supervising the managerial function of the management, creating wealth for shareholders, normalizing the finances and the goals of the Company in sustainable operation. At present, sound requirements and guidelines are being prepared gradually in compliance with the “Corporate Governance Best Practice Principles for TWSE/TPEX-Listed Companies”.	Unspecified.
II. Shareholding Structure and Shareholder Equity (I) Does the Company establish internal operating procedures for handling shareholder suggestions, questions, disputes or lawsuits and implement the procedures?		V	Although no related operating procedures are specified, they are handled by the Company’s spokesperson or acting spokesperson and legal counsel is asked for assistance if necessary to ensure the proper protection of shareholder rights and maintain good investor relations.	Unspecified.
(II) Does the Company have a list of major shareholders that have actual control over the Company and a list of ultimate owners of those major shareholders?		V	The Company maintains good interactions with major shareholders and regularly declares changes in shareholdings in accordance with relevant regulations. This allows the Company to keep track of major shareholders and their ultimate controllers in real time, ensuring transparency in corporate	No difference.

Evaluation item	Operational status			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies and reasons
	Yes	No	Brief Description	
			governance.	
(III) Has the Company established and implemented risk management and firewall mechanisms with its associated enterprises?	V		The Company has established relevant regulations, including the "Regulations Governing Subsidiaries", the "Regulations Governing Financial Interactions Between Group Corporate Companies and Specific Companies", the "Internal Control System", and the "Internal Audit System". It also regularly holds operation and management meetings to ensure that financial and business interactions between the Company and its affiliates comply with the principle of arm's length transactions, and to establish appropriate risk control and firewall mechanisms.	No difference.
(IV) Has the Company established internal rules against insider trading with undisclosed information?	V		The Company has formulated the "Operational Procedures for the Handling of Material Internal Information and Management for Prevention of Insider Trading" to regulate the compliance of the Company's insiders. Starting from 2024, the Company has been promoting to all internal personnel that trading the Company's stock is prohibited during the blackout periods, which are 15 days before the quarterly financial report announcement and 30 days before the annual financial report announcement.	No difference.

Evaluation item	Operational status			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies and reasons
	Yes	No	Brief Description	
<p>III. Composition and Responsibilities of the Board of Directors</p> <p>(I) Has the Board of Directors developed diversification policies, substantial management goals and enforced them?</p>		V	Although a diversification policy has not yet been established, the Company values diversity in the composition of its board members. When nominating directors and electing them to the Board of Directors, the Company considers not only professional competence and industry experience, but also the diversity of age, gender, and professional background to strengthen the overall functions of the Board of Directors. For information about the Board of Directors' diversity, please refer to the "Diversification and Independence of Board of Directors" section in this annual report.	Unspecified.
<p>(II) Has the Company voluntarily set up other functional committees other than the Remuneration Committee and the Audit Committee according to law?</p>		V	The Company has established an Audit Committee and a Compensation Committee in accordance with the law. Currently, no other functional committees have been established. The Company will assess the need to establish additional functional committees based on its business needs and applicable laws and regulations to strengthen its governance framework.	No other functional committees have been set up to date.
<p>(III) Has the Company defined the "Board of Directors Performance Evaluation Guidelines" and the evaluation method, conducted performance evaluation annually and regularly, and reported the results of the performance evaluation to the Board of Directors, and applied it to individual directors' remuneration and nomination renewal?</p>		V	On December 29, 2020, the Remuneration Committee and the Board of Directors approved amendments to the Regulations Governing the Performance Evaluation of the Board of Directors. The performance evaluation of the board, functional committees, and individual directors has been conducted annually. The 2025 performance evaluation results have been reported as required and are expected to be presented to the Board of	No difference.

Evaluation item	Operational status		Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies and reasons
	Yes	No	
			Directors on March 13, 2026. The results of the performance evaluation of the Board of Directors are also used as a reference for the remuneration of directors and the nomination of re-election.
(IV) Has the Company assessed the independence status of the CPAs at regular intervals?	V		The Audit Committee regularly evaluates the independence and suitability of the CPAs on an annual basis. In addition to requesting the CPAs to provide a Declaration of Independence, the evaluation also refers to Audit Quality Indicators (AQIs). According to the evaluation results, the CPAs and the Company have no other financial interests or business relationships beyond remuneration for certification and taxation services, and their family members have not violated the norm of professional ethics. The evaluation results for the most recent year were reviewed and approved by the Audit Committee and the Board of Directors on March 13, 2026.

Evaluation item	Operational status			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies and reasons
	Yes	No	Brief Description	
IV. For TWSE/TPEX-listed companies, is there competent corporate governance staff and is the number of such employees suitable and a corporate governance officer assigned to take charge of corporate governance-related affairs (including, without limitation, providing directors/supervisors with the required materials for them to perform their duties, assisting directors/supervisors in complying with laws and regulations, addressing matters concerning the Board of Directors meeting and shareholders' meetings, and preparing the Board of Directors and shareholders' meeting minutes)?	V		A Chief Corporate Governance Officer was appointed before June 30, 2023, with 2 subordinates assigned to assist in handling corporate governance-related matters.	No difference.
V. Has the Company established a communication channel and built a designated section on its website for stakeholders (including, without limitation, shareholders, employees, customers, and suppliers, etc.) and properly respond to corporate social responsibility issues that stakeholders are concerned about?	V		Regular labor-management meetings are held quarterly to establish communication channels with employees. Sufficient information is also provided to financial institutions and creditors. Additionally, a dedicated stakeholder section and contact window are set up on the Company's website, ensuring stakeholders have enough information to make informed decisions and protect their rights.	Requirements of the Corporate Governance Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
VI. Has the Company appointed a professional share registration and investors service agent for handling matters pertaining to the Shareholders Meeting?	V		Appointment of the Transfer Agency Department of CTBC Bank Co., Ltd. to handle the shareholders' meeting-related affairs.	Requirements of the Corporate Governance Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.

Evaluation item	Operational status			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies and reasons
	Yes	No	Brief Description	
VII. Disclosure of Information (I) Has the Company installed a website for the disclosure of information on financial position and operation, as well as corporate governance?	V		The website set up by the Company contains information on operations; there is also the dedicated section for investors where links to information disclosed on finance and corporate governance is available. Investors can also search for related information through the MOPS.	Requirements of the Corporate Governance Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
(II) Has the Company adopted other means for disclosure (such as by setting up a website in English, appointing designated persons to take charge of collecting and disclosing corporate information, consolidating the spokesperson system, and posting information on how the Investor Conference is conducted on the corporate website)?	V		<ol style="list-style-type: none"> 1. The Company's website has been set up in 8 languages (Traditional Chinese, Simplified Chinese, English, Indonesian, Portuguese, Spanish, Vietnamese, and Korean) to provide access to information related to the Company. 2. The Company already assigned personnel to take charge of collecting and disclosing corporate information. 3. The spokesperson and acting spokesperson are working well. 4. The Company's website includes a dedicated section for investor conferences, where all related materials and information are made available. 	Requirements of the Corporate Governance Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
(III) Does the Company announce and declare its annual financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and the monthly operating situation as early as possible within the prescribed time limit?		V	The Company did not file financial statements early, but announced and declared its annual financial report (within 3 months), financial reports for the first, second, and third quarters (within 45 days), and monthly operational status (before the 10th day of each month) as is required by Article 36 of the Securities and Exchange Act.	No major deviations.
VIII. Is there any other essential information that would help understand the pursuit of corporate	V		1. Employee rights and employee care: Please refer to V. Labor-Management Relations under Five.	Requirements of the Corporate Governance Best

Evaluation item	Operational status		Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies and reasons	
	Yes	No		Brief Description
governance (including, without limitation, employee rights, employee care, investor relations, supplier relations, stakeholder rights, the continuing education of directors and supervisors, the pursuit of a risk management policy and standard of risk assessment, the pursuit of a customer policy, and professional liability insurance coverage for the directors and supervisors)?			<p>Business Overview.</p> <p>2. Investor relations: The Company releases respective information and messages in the MOPS and on the corporate website and there are the spokesperson and acting spokesperson in place to maintain investor relations.</p> <p>3. Supplier relations: Please refer to the information provided in II. Market, Production and Sales under Five. Business Overview.</p> <p>4. Rights of stakeholders: The Company follows applicable regulatory requirements.</p> <p>5. Continuing education of directors: Directors follow the requirements of completing 6 hours of continuing education each year and filing such information with the competent authority periodically.</p> <p>6. Implementation of Risk Management Policies and Risk Measurement Standards: The Company's principal financial risk management objective is to manage the market risks, credit risks and liquidity risks related to its operating activities. The Company identifies measures and manages the aforementioned risks based on the Company's policy and risk appetite. The Company has established appropriate policies, procedures and internal controls for the said financial risk management. Before entering into significant financial transactions, approval by the Board of</p>	Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.

Evaluation item	Operational status		Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies and reasons
	Yes	No	
			<p>Directors in compliance with applicable requirements and the Internal Control System is required. The Company shall comply with its financial risk management policies during its financial management activities.</p> <p>7. Implementation of customer policies: The Company quickly answers to and periodically goes on service tours to quality customers and provides them with differential services to meet the needs on the market and to become a permanent business partner of customers.</p> <p>8. The Company purchases liability insurance for the directors every year. The most recent insurance period was from June 1, 2025 to May 31, 2026. It was reported to the board of directors on May 9, 2026, and was announced and reported in accordance with the regulations after the insurance purchase.</p>
<p>IX. Please explain improvements that have been made based on the corporate governance evaluation results published by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year, and propose enhancements and measures for those that have not yet been improved: Enhancements and optimizations have been made to the disclosure of information on the corporate website and in the annual report. The structure of the Board of Directors was improved in the re-election in 2025.</p>			

Note 1: Standards for evaluating the independence of CPAs

Evaluation item	Evaluation results	Status of Independence
1. Do the CPAs have direct or material indirect financial interest in the Company?	No	Yes
2. Do the CPAs have any financing or guarantee arrangements with the Company or its directors?	No	Yes
3. Do the CPAs have a close business relationship or potential employment relationship with the Company?	No	Yes
4. Do the CPAs and their audit team members serve as directors, managers, or positions that have material influence on the audit work of the Company currently or in the past two years?	No	Yes
5. Are there any non-audit services provided by the CPAs to the Company that may directly affect the audit work?	No	Yes
6. Do the CPAs act as brokers for the shares or other securities issued by the Company?	No	Yes
7. Do the CPAs act as defendants of the Company or represent the Company in conflicts with third parties?	No	Yes
8. Do the CPAs have any familial relationships with the Company's directors, managers, or personnel who have material influence over audit matters?	No	Yes

(IV) Composition, Responsibilities, and Operations of the Remuneration Committee, If Available:

(1) Profile of Members of the Remuneration Committee

April 22, 2026

Status (Note 1)	Name	Criterion Professional qualifications and experience (Note 2)	Independence (Note 3)	Number of positions as a Remuneration Committee member in other public offering companies
Independent Director (Convener)	Chung-Hui Huang	With more than 20 years of work experience required for commercial, financial, accounting, and corporate operations and an CPA holding a license, and without any of the conditions under Article 30 of the Company Act.	<ol style="list-style-type: none"> 1. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of the Company or any of its affiliates. 2. The person, the spouse, or a relative within the second degree of kinship (or anyone else whose name is used) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company related in a specific way to the Company (refer to the requirements in Article 6 Paragraph 1 Sub-paragraphs 5-8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee)? 4. The amount of rewards received for commercial, legal, financial, or accounting services provided to the Company or its affiliates over the past 2 years. 	2
Independent director	Chih-Mao Lin	With expertise in technology industry management, corporate integration, and corporate governance, he holds a master's degree in Materials Science and Engineering from National Tsing Hua University. He has served as CEO of Netronix, Chairman and CEO of Analog Integrations Corporation, and has been a director or Chairman of Netronix, Analog Integrations Corporation, Taiwan Biomaterial Co. Ltd., and ZUNIDATA Inc. He possesses extensive experience in corporate operations and decision-making management. Currently, he is an independent	<ol style="list-style-type: none"> 1. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of the Company or any of its affiliates. 2. The person, the spouse, or a relative within the second degree of kinship (or anyone else whose name is used) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company related in a specific way to the Company (refer to the requirements in Article 6 Paragraph 1 Sub-paragraphs 5-8 of the Regulations 	4

Status (Note 1)	Criterion Name	Professional qualifications and experience (Note 2)	Independence (Note 3)	Number of positions as a Remuneration Committee member in other public offering companies
		director of EMpower Technology Corporation, a director of Sable Electronics (Kunshan) Co., Ltd., and an independent director of GIGASTORAGE CORPORATION.	Governing the Appointment and Exercise of Powers by the Remuneration Committee)? 4. The amount of rewards received for commercial, legal, financial, or accounting services provided to the Company or its affiliates over the past 2 years.	
Independent director	Ya-Fen Hsu	With expertise in law and corporate governance practices, he/she graduated from the Department of Law at Soochow University and is currently a lawyer at Yun-An Law Firm, with extensive experience in legal practice. He/She previously served as Chairman of the Tainan Bar Association and Vice Chairman of the National Federation of Bar Associations, and possesses experience in legal professional judgment, law compliance governance, and public affairs participation.	1. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of the Company or any of its affiliates. 2. The person, the spouse, or a relative within the second degree of kinship (or anyone else whose name is used) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company related in a specific way to the Company (refer to the requirements in Article 6 Paragraph 1 Sub-paragraphs 5-8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee)? 4. The amount of rewards received for commercial, legal, financial, or accounting services provided to the Company or its affiliates over the past 2 years.	0
Independent director	Ling-Sung Su	With a professional background in finance, accounting, and taxation, she graduated from National Taichung University of Science and Technology with a Bachelor of Implied Business (or Bachelor of Applied Commerce). She holds a Certified Bookkeeper license and has many years of practical experience in financial, tax, and	1. The person, the spouse, or a relative within the second degree of kinship does not serve as the director, supervisor, or employee of the Company or any of its affiliates. 2. The person, the spouse, or a relative within the second degree of kinship (or anyone else whose name is used) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company related in a specific way to the Company (refer to the requirements in	0

Status (Note 1)	Criterion		Independence (Note 3)	Number of positions as a Remuneration Committee member in other public offering companies
	Name	Professional qualifications and experience (Note 2)		
		bookkeeping processing. She currently serves as a director of Pin Ho Management Consulting Co., Ltd., the head of Pin Ho Tax Bookkeeper Firm, and a supervisor of Chun He Investment Co., Ltd.	Article 6 Paragraph 1 Sub-paragraphs 5-8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee)? 4. The amount of rewards received for commercial, legal, financial, or accounting services provided to the Company or its affiliates over the past 2 years.	

Note 1: Please specify years of work experience, professionalism, and experience and status of independence of individual members of the Remuneration Committee in the table. For independent directors, please refer to Table 1 for related information on directors and supervisors (I). Provide “independent director” or “other” for “Status” (add a note for the convener).

Note 2: Professionalism and experience: Specify the professional qualifications and experience of individual members of the Remuneration Committee.

Note 3: Status of Independence: Specify the status of independence of the members of the Remuneration Committee, including, without limitation, whether or not a specific member, their spouse, or a relative within the second degree of kinship is serving as the director, supervisor of, or working for the Company or any of its affiliates, the number and weight of shares the member, their spouse, or a relative within the second degree of kinship holds, whether or not such member, their spouse, or a relative within the second degree of kinship is serving as the director, supervisor of, or working for a company in a specific relationship with the Company (refer to the requirements in Sub-paragraphs 5-8, Paragraph 1, Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange), and the amount of benefits received for corporate commerce, legal affairs, financial affairs, and accounting services provided to the Company or any of its affiliates over the past 2 years.

Note 4: For the disclosure method, refer to the best practice reference example available on the website of the corporate governance center of Taiwan Stock Exchange.

(2) Information about the Operational Status of the Remuneration Committee

I. The Company's Remuneration Committee has 4 members in total.

II. The term of office of the current committee members: From June 1, 2025 to May 30, 2028. The re-election took place during the general shareholders' meeting on June 1, 2025 and the new members will serve a term to May 30, 2028. The Remuneration Committee met 2 times (A) in 2025. The qualification and attendance of the members are as follows:

Title	Name	Actual attendance number(B)	Attendance through proxy	Actual attendance rate(%) (B/A) (Note)	Remarks
Convener	Chung-Hui Huang	2	0	100%	Re-elected on June 20, 2025.
Member	Chih-Mao Lin	2	0	100%	Appointed on June 20, 2025.
Member	Ya-Fen Hsu	2	0	100%	Appointed on June 20, 2025.
Member	Ling-Sung Su	2	0	100%	Appointed on June 20, 2025.

Other matters that should be documented:

A. If the Board of Directors does not adopt or amends the recommendations made by the Remuneration Committee, the date and session of the Board of Directors' meeting, details of the resolutions, voting results and the Company's response to the opinions of the Remuneration Committee shall be disclosed (if the remuneration approved by the Board of Directors is better than that recommended by the Remuneration Committee, the differences and reasons shall be stated): No such situation.

B. Matters discussed by the Remuneration Committee during the period covered in the annual report and the decisions made are as follows:

● August 8, 2025; 1st meeting of the 6th term of the Remuneration Committee:

Proposal: 1. Details of operating bonuses received in Q1 and Q2 2025.

Proposal: 2. Review of the amount of manager bonuses received for 2024.

Proposal: 3. Review of the sixth share repurchase in 2024 and the second transfer of treasury shares to employees.

Resolution: It was approved unanimously by all attending committee members.

How the Company addressed opinions from the Remuneration Committee: They were brought forth to the Board of Directors and approved by all attending directors.

● December 19, 2025; 2nd meeting of the 6th term of the Remuneration Committee:

Proposal: 1. Details of Q3 2025 operating bonuses received.

2. Review of the estimated year-end bonus for 2025.

3. Review and formulation of the 2026 Remuneration Committee Work Plan.

Resolution: It was approved unanimously by all attending committee members.

How the Company addressed opinions from the Remuneration Committee: They were brought forth to the Board of Directors and approved by all attending directors.

- C. For decisions made by the Remuneration Committee, as long as there are members objecting or having their reservations that are recorded or stated in writing, the date of the Remuneration Committee meeting, the meeting session number, contents of the proposal, and how opinions from all members and from opposing members are handled should be described: This did not happen.

- Note: 1. In the event that members of the Remuneration Committee resign before the end of a fiscal year, the date of resignation shall be indicated in the remarks field. The actual attendance rate (%) is calculated by the number of Remuneration Committee meetings held during service and the actual attendance frequency in the meetings.
2. In the event that members of the Remuneration Committee are re-elected before the end of a year, both the new and old members of the Remuneration Committee shall be listed and in the remarks field it shall state whether they are the former member, the new member, or a re-elected member of the committee. The actual attendance rate is calculated by the number of Remuneration Committee meetings held during the term of office and the actual number of meetings attended.

(V) Implementation Status of Sustainable Development and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons:

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
I. Does the Company establish a governance framework for sustainable development and a dedicated (or ad-hoc) sustainable development unit with authorization by the Board of Directors for senior management to handle related matters, which is supervised by the Board of Directors?	V		<p>(1) Long-term care and visits to the elderly living alone in the community and community blood donation activities are held more than 3 times a year.</p> <p>(2) In response to the government's green energy policy, the Company invested NT\$200 million to build a 3,000 kWp solar power generation system on the factory rooftops. This system has an annual power generation capacity of 3.5 million kWh and can reduce carbon emissions equivalent to 5.9 Da'an Forest Parks in Taipei per year.</p> <p>(3) In 2023, in response to the Ministry of Economic Affairs' initiative for large enterprises to assist smaller ones in the manufacturing industry with "low-carbon and smart upgrading and transformation," the Company established the "Green Innovation - Low Carbon Plastic Injection Ecosystem Project" task force. This project sets short, medium, and long-term "carbon reduction paths for the injection molding industry and strategic entry points for FCS." Senior executives form the decision-making committee, with managerial-level supervisors from various business units as task force members. Senior executives regularly report the progress and results to the Board of Directors.</p> <p>(4) In 2023, the Company passed the Ministry of Economic Affairs' review for the "Low-Carbon and Smart Upgrading and Transformation Project" that calls for large enterprises to assist smaller ones in the manufacturing industry. In 2024, the Company</p>	The Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
			was awarded a "Certificate of Appreciation" by the Ministry of Economic Affairs. This project aligns with the government's carbon reduction path for the manufacturing industry. Under the "large enterprises leading small enterprises" model, FCS (the central plant) collaborated with 10 supply chain partners to assist customers in low-carbon transformation, with an estimated annual carbon reduction of 3,092 tCO ₂ e.	
II. Does the Company perform risk assessments when dealing with environmental, social, and corporate governance-related issues that concern the Company's operations according to the materiality principle and define related risk management policies or strategies?		V	The Company has not yet established a specific risk management policy. However, risk assessments related to operational environmental, social, and corporate governance (ESG) issues are considered when setting goals and budgets for the following year. These assessments are taken into account as references during the annual planning process.	Yet to be defined.
III. Environmental Issues (I) Has the Company developed an appropriate environmental management system reflective of the industrial characteristics?	V		In terms of promoting environmental safety and health, besides meeting applicable regulatory requirements, the Company connects with the world by enforcing the environmental safety and health system and has been ISO45001 Occupational Safety and Health Management System-certified for three years in a row and the goals set in the ISO 14001 Environmental Management System are determined to be the mid-to-long-term goals.	The Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
(II) Is the Company devoted to improving the energy utilization efficiency and	V		Promote corporate green operation management in 2023, from carbon inventory, establishment of smart energy management	The Corporate Social Responsibility Best Practice

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
using renewable materials with minimal impacts on the environment?			system, and improvement of high-carbon emission processes. Carbon emission analysis based on the Company's energy use data and energy declaration form shows that air compressors, chillers, pipe benders, and pushers in the production process of injection molding machine are the hotspots of carbon emission and are also the focus of energy conservation and carbon reduction. Accordingly, a plan was established to phase out old air compressors, chillers, pipe benders, and stackers in 2023–2024. Following the introduction of carbon inventory and related process equipment improvements, other departments within the plant also implemented carbon reduction measures, such as replacing variable frequency drives for air-conditioning and upgrading to LED lighting, resulting in a total annual carbon reduction of 190.61 tons of CO ₂ e.	Principles for TWSE/TPEX-Listed Companies are fulfilled.
(III) Does the Company evaluate potential risks and opportunities now and in the future brought about by climate change for the corporation and adopts responsive measures to climate-related issues?	V		(1) Climate changes is an important issue of concern to investors and businesses. Therefore, the Company pays close attention to various energy-saving, carbon reduction, and greenhouse gas reduction issues and is devoted to developing energy-saving and clean plastic injection molding machines in product R&D. (2) From 2010 to 2017, in response to the government's green energy policy, the Company installed solar photovoltaic power generation systems. The annual power generation capacity is approximately 3.5 million kWh, with an annual carbon reduction equivalent to 5.9 Da'an Forest Parks in Taipei.	The Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
			(3) In 2023, in response to the global trend towards net-zero emissions, integrating into the international supply chain requires a dual-axis transformation towards low carbon and smart technologies. The Company, along with its 10 supply chain partners, jointly invested in low-carbon transformation by implementing four major intelligent energy-saving solutions: corporate carbon management, integration of industry peripherals, assisting customers in upgrading old machines, and smart low-carbon technologies.	
(IV) Does the Company tally the total greenhouse gas emissions, water usage, and waste generated over the past two years and have energy conservation and carbon reduction, greenhouse gas reduction, water reduction, or other waste management policies in place?	V		<p>(1) Greenhouse gas emissions: Analysis of the Company's carbon emissions and formulation of countermeasures based on the energy use data and energy declaration forms in the last two years for 2023. The descriptions are as follows: The power-consuming equipment is elbow welding (38%), air compressor (21%), and chillers, which are processes with high carbon emission; diesel consumption is mainly that of diesel engines, accounting for 78%; among the production processes of injection molding machine, Air compressors, chillers, elbow welding, and elevators are hotspots for carbon emission. The combined annual carbon emission of 1,494 tCO₂e is the focus of energy conservation and carbon reduction. The above equipment will be replaced gradually, and it is expected to reduce carbon by 190.61 tCO₂e.</p> <p>(2) Total water consumption: The average annual water</p>	The Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
			<p>consumption in the past two years is 33,000 metric tons. To effectively reduce water consumption, the following measures are implemented:</p> <p>Check waterways: Inventory and check waterways in the entire plant to check for leaks and avoid waste; install water meters, add water meters to each business division, and analyze the usage every month. Any abnormalities are traced and improved immediately; water-saving equipment is installed to ensure that the valve and two-stage toilet.</p> <p>Cooling water recycling: Cooling water used in the production process is circulated through the storage pool.</p> <p>(3) Total weight of waste: The average weight of total waste in the past two years is 38.5 metric tons. Described as follows: In 2024, general waste totaled 31 tons and hazardous waste totaled 5 tons, for a total of 36 tons; in 2025, general waste totaled 37 tons and hazardous waste totaled 4 tons, for a total of 41 tons. To effectively reduce the total amount of waste, the following plans are actively implemented:</p> <p>The Company has introduced a digital management system to reduce the use of paper and carbon powder. Waste sorting and recycling are being implemented to reduce waste and reuse resources.</p>	
<p>IV. Social Issues</p> <p>(I) Has the Company developed related management policies and procedures in accordance with</p>	V		<p>Comply with relevant laws and regulations, and operate in accordance with the internal control system and the management policies and procedures specified in ISO45001.</p>	<p>The Corporate Social Responsibility Best Practice Principles for</p>

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
applicable laws and regulations and the International Bill of Human Rights?				TWSE/TPEX-Listed Companies are fulfilled.
(II) Does the Company define and enforce reasonable employee welfare measures (including compensation, leave, and other benefits, among others) and the operational performance or accomplishments are adequately reflected in the employees' compensation?	V		The Company has the work rules and respective personnel management rules in place that cover basic wages, working hours, leave, pension benefits, labor and health insurance benefits, and occupational injury compensation for employees. All these provisions comply with the relevant regulations of the Labor Standards Act. The Employee Welfare Committee is also available and functions under the Welfare Committee whose members are elected among the employees to take care of respective benefits. The Company's remuneration policy is proportional to the correlation between one's contribution to the Company and performance and the operational performance.	The Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
(III) Does the Company provide employees with a safe and healthy work environment as well as periodic safety and health education?	V		Passed the ISO45001 certification, and its validity period is from August 15, 2025 to August 15, 2028. Occupational safety performance: The Company has established a daily safety inspection plan, requiring at least 40 inspection points each month. Every six months, an operational environment monitoring is conducted to ensure a safe and healthy working environment for employees. Additionally, a report on cause analysis and improvement measures is presented at the quarterly Occupational Safety and Health Committee meetings. No disabling injury incidents	The Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
			<p>between employees and contractors in 2025; no fines for related violations in 2025; no fire accidents in 2025</p> <p>In addition, each year, occupational safety and health education and training are allocated for one hour by the industrial safety unit to ensure compliance with relevant laws and regulations.</p> <p>Further, special health check-ups and health examinations for employees over 65 are conducted annually, and general health check-ups for all employees are carried out every three years, with professional medical consultations also provided. Due to the effective implementation of these measures, the Company has been recognized by the Ministry of Health and Welfare as a "National Outstanding Friendly Workplace" for three consecutive terms (eight years).</p> <p>Equipment safety management:</p> <p>Stationary cranes, stackers, and aerial work vehicles are all hazardous machinery used in the plant. Periodic inspections are conducted to ensure that all equipment can operate safely. All relevant operators are given guidance to obtain operating licenses. No fire accident occurred in 2025. The Company has established the "Emergency Response Management Procedure" to regulate the response process in case of a disaster. Each quarter, the Company organizes self-education training with the fire team of Guan-Mao Fire Team in accordance with fire regulations. The training is to strengthen the basic concept of the team members. In addition, fire</p>	

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
			<p>inspection is conducted every year to ensure that the fire-fighting facilities and equipment in the plant can operate effectively.</p> <p>The blood pressure measurement implementation performance for all plants in 2024 and 2025 is as follows:</p> <ol style="list-style-type: none"> 1. A total of 260 people have been recorded on the LINE official platform. 2. There were 86 cases with a systolic pressure over 130 or a diastolic pressure over 85, representing an abnormality rate of 33.08%. 3. Of the 86 employees who received health education, 25 had normal blood pressure, and the remaining 61 continued to receive it. The rate of abnormal blood pressure readings decreased to 23.46%. 4. Compared to 54.64% during the same period last year, the abnormal rate decreased by 31.18%, representing a 57.1% reduction. 	
(IV) Has the Company established an effective training program that helps employees develop skills over the course of their career?	V		<p>(1) The Company has prioritized talent development over the long term and will plan respective internal and external training programs reflective of organizational, departmental, and personal demand. Related educational training criteria such as the “In-service Continuing Education Operating Standards,” the “Manpower Development and Retention Operating Standards,” the “Assembly Technique Certification Operating Standards,” the</p>	<p>The Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.</p>

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
			<p>“R&D Technical Operating Standards,” and the “Large Machine Wall Assembly Technical Operating Standards,” etc. are defined to enhance and update the knowledge and skills of employees. In addition, through flexible courses on “teaming” and “self-awareness”, for the career empowerment of employees, development of core professional skills and balanced development of body, mind, and heart of employees are taken care at the same time.</p> <p>(2) The Company has been awarded the Bronze Award of the Ministry of Labor's "TTQS" award for 10 consecutive years due to its active cultivation of talents.</p>	
(V) Does the Company comply with laws and international standards concerning customer health and safety, customer privacy, marketing, and labeling of products and services and define related policies and complaint-filing procedures to protect the rights of consumers or customers?	V		The Company follows applicable laws and regulations and international guidelines in the marketing and labeling of products and services.	The Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
(VI) Does the Company define supplier management policies and require that suppliers follow applicable regulations in issues such as	V		The Company works closely with suppliers and plans to establish guidelines in the "Supplier Selection and Evaluation Management Procedures" and "Contractor Safety and Health Management Procedures."	The Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
environmental protection, occupational safety and health, or human rights of workers and how are they implemented?				Companies are fulfilled.
V. Does the Company prepare the Sustainability Report or other reports disclosing non-financial information of the Company by referring to international general principles or guidelines in the preparation of reports? Are there opinions from a third-party qualification unit to validate or guarantee the said reports?	V		<p>(1) Starting in 2023, the Company commissioned the Metal Industries Research & Development Center to assist with organizational greenhouse gas inventory guidance. By December 2023, the planning documents for the inventory process, operational procedures, boundary definitions, and training (including sessions for FCS and 10 suppliers) were completed. The inventory and internal verification are scheduled for completion in the fourth quarter of 2024.</p> <p>(2) External verification of the greenhouse gas inventory was completed by BSI in the first quarter of 2025.</p> <p>(3) The Metal Industries Research & Development Center was commissioned in 2024 to assist in the preparation of the sustainability report, which was completed in July 2025 and uploaded.</p>	The Company has prepared the Corporate Social Responsibility Report and other reports that disclose non-financial information of the Company, but no assurance or guarantee opinion is yet obtained from a third-party certifying body.
VI. If the Company has established its own sustainable development best practice principles according to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe the differences between its implementation and the established principles: The Company's Corporate Responsibility Best Practice Principles and related rules are still under preparation.				
VII. Other Important Information to Help Promote Sustainable Developments: (I) The Company highly values industrial safety, environmental protection, and safety and health, among others, and periodically tests the working environment in order to provide employees with a safe workplace. In addition, educational training is provided to newcomers and various professional educational trainings on industrial safety are provided periodically, such as how to use the fire extinguisher, first aid, how to				

Action item	Implementation status			Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Brief Description	
<p>operate dangerous machinery/equipment, how to operate chemicals, and disaster prevention and response, etc. in order to be safe rather than sorry and to be able to correctly, quickly, and effectively curb disasters and protect the safety of staff when material abnormal accidents occur.</p> <p>(II) The Company has formed its Employee Welfare Committee, enforced the pension system, organized various training programs for its employees, had its employees covered by group insurance, and periodically arranges health examinations, among others; it highly values a harmonious relationship with its employees.</p> <p>(III) For information on other social responsibility activities, refer to the contents of each of the items above.</p>				

Note 1: If “Yes” is checked for implementation status, please specify the important policies, strategies, measures adopted and their implementation; If “No” is checked, on the other hand, please explain the difference and the reason for the difference and explain the plan to adopt related policies, strategies, and measures in the future in the field for “Deviation from Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons”. However, regarding Promotion Items 1 and 2, TWSE/TPEX-listed companies shall disclose the governance and supervisory structure for sustainable development, including but not limited to the formulation of management policies, strategies, goals, and review mechanisms. Additionally, companies shall disclose their risk management policies or strategies related to environmental, social, and corporate governance (ESG) issues that are relevant to business operations, based on the principle of materiality, as well as the evaluation of those risks.

Note 2: If the Company has the Corporate Social Responsibility Report in place, in the operational status, indicate how the Corporate Social Responsibility Report may be accessed and provide the index page number.

Note 3: The materiality principle refers to the fact that applicable environmental, social, and corporate governance issues have material impacts on the Company's investors and other stakeholders.

Note 4: For the disclosure method, refer to the best practice reference example available on the website of the corporate governance center of Taiwan Stock Exchange.

(VI) Implementation of Climate-Related Information

Item	Implementation status
<p>1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</p>	<p>1. According to the regulations of the Taiwan Stock Exchange and the Taipei Exchange, the greenhouse gas inventory and assurance schedule will be reported to the Board of Directors on a quarterly basis from August 2022 for control.</p> <p>2. In 2023, in response to the Ministry of Economic Affairs' initiative for large enterprises to assist smaller ones in the manufacturing industry with "low-carbon and smart upgrading and transformation," the Company established the "Green Innovation - Low Carbon Plastic Injection Ecosystem Project" task force. This project sets short, medium, and long-term "carbon reduction paths for the injection molding industry and strategic entry points for FCS." Senior executives form the decision-making committee, with managerial-level supervisors from various business units as task force members. Senior executives regularly report the progress and results to the Board of Directors.</p>
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p>The industry will not experience a particularly substantial impact from climate-related risks and opportunities in the medium term. Conversely, it is anticipated that the long-term consequences of climate change will continue to escalate. In order to guarantee consistent growth, the Company must establish ecological manufacturing and design. Due to the existing design and production models, and the need for energy-saving plants, capital budgets must be allocated for R&D, production, and plant administration units to carry out internal transformation. The derived financial problems are both risks and opportunities for the Company.</p>
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>The financial impacts of extreme climate events and transformational actions are assessed as follows:</p> <p>1. Natural disaster risk: Including the impact of sudden natural disasters such as typhoons, floods, and droughts, which may cause interruption and damage to the Company's production and operations.</p> <p>2. Climate change regulatory risk: The relevant laws and policies formulated by the government in response to climate change may have an adverse impact on the Company's operation and cost structure.</p> <p>3. Opportunities for energy conservation and environmental protection: Through energy</p>

	<p>conservation measures, material recycling and reuse, and the use of renewable energy, the Company can reduce energy consumption, reduce waste generation, and reduce environmental impact, resulting in lower operating costs and improved environmental benefits.</p> <p>4. Opportunities to respond to climate change: By formulating plans to reduce greenhouse gas emissions and promoting the use of renewable energy, the Company can reduce carbon emissions and reduce the impact on climate change, while at the same time improving carbon management performance to comply with climate change-related regulations and policy requirements.</p>
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>The Company has integrated environmental risk and climate change into its enterprise risk management. The "Green Innovation - Low Carbon Plastic Injection Ecosystem Project" task force is responsible for the continuous monitoring of the impact on operations, including international regulations and extreme weather. The task force is mandated to evaluate the financial impact, adjust the management mechanism, and propose responsive strategies to improve operational resilience. All departments collaborate to assess the impact of climate risks on business processes, and raise employees' awareness of climate change through training to identify risks and opportunities. The senior management participates in the strategy meeting to formulate management decisions and response strategies for major risks.</p>
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	<p>As of the date of publication of the annual report, the Company has not yet evaluated its resilience in the face of climate change risks using scenario analysis. Therefore, this is not applicable.</p>
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	<p>The Company is transitioning to an international supply chain in response to the global net zero trend, with an emphasis on low-carbon and clever technologies. In partnership with ten supply chain partners, they are implementing four intelligent energy-saving solutions: corporate carbon management, integrated industrial peripherals, assisting customers in the transformation of old machinery, and clever low-carbon technologies. The Company also investing in low-carbon transformation. The anticipated annual carbon reduction is 3,092.51 tons of CO₂e upon the project's completion in 2025. This initiative</p>

	not only encourages the system's autonomous carbon reduction but also actively assists customers in reducing their carbon emissions, thereby attaining the international "Carbon Handprint" sustainability objective.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	As of the date of publication of the annual report, the Company has not used internal carbon pricing as a planning tool, therefore, it is not applicable.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	<p>(1). The Company promotes corporate green operation management in 2023, from carbon inventory, establishment of smart energy management system, and improvement of high-carbon emission processes. Carbon emission analysis based on the Company's energy use data and energy declaration form shows that air compressors, chillers, pipe benders, and pushers in the production process of injection molding machine are the hotspots of carbon emission and are also the focus of energy conservation and carbon reduction. Accordingly, a plan was developed for 2023~2024 to phase out and replace four types of equipment: air compressors, chillers, pipe benders, and stackers. Following the introduction of carbon inventory and related process equipment improvements, other departments within the plant also implemented carbon reduction measures by replacing inverter air conditioners and upgrading LED lighting equipment, resulting in a total annual carbon reduction of 190.61 tons of CO₂e.</p> <p>(2) Collaborate with 10 supply chain operators to assist customers in low-carbon transformation. It is estimated that carbon reduction will reach 2,901.9 tons CO₂e by 2025.</p> <p>(3) Summarizing the above: Achieved annual carbon reduction of 3,092.51 tons of CO₂e in 2025.</p>
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plans.	<p>At present, the "Green Innovation - Low Carbon Plastic Injection Ecosystem Project" project is assisting in greenhouse gas inventory, talent training, strategic goals, control mechanism, internal verification and external verification. The expected schedule is as follows:</p> <p>A. Completion of greenhouse gas inventory of the parent company: December 2025</p> <p>B. Completion of greenhouse gas inventory of subsidiaries: October 2024</p>

1-1 Greenhouse gas inventory and assurance status of the Company in the last two years

1-1-1 Greenhouse gas inventory

Describe the greenhouse gas emissions in the last two years (tons of CO₂e), intensity (tons of CO₂e/NTD million), and data coverage.

Category	Data boundary	2024		2025	
		Greenhouse gas emission	Greenhouse gas emission intensity	Greenhouse gas emission	Greenhouse gas emission intensity
Scope 1	No. 269, Baodong Road, Guanmiao District, Tainan	210.1889	0.19	166.1208	0.11
Scope 2		2,034.8967	1.88	2,147.1680	1.41
Scope 3		465.5347	0.43	454.8607	0.30
Total		2,391.7562	2.51	2,768.1495	1.82

Note 1: Turnover in 2023 was NT\$1,447 million.

Turnover reached NT\$1,078 million in 2024.

1-1-2 Greenhouse Gas Assurance Information

Describe the assurance status in the last two years up to the date of publication of the annual report, including the scope of assurance, the assurance organization, the assurance standards and the assurance opinions.

2024	
Scope of assurance	Scope: The Company's geographical boundary includes: No. 269, Building A, No. 269-10, Building A, No. 269-1, Building A, and No. 269-6 Baodong Road, Pitou Village, Guanmiao District, Tainan, not including the Scopes 1, 2 and 3 of Taipei and Taichung offices.
Assurance body	2024 data has not been verified by an assurance body.
Assurance standards	ISO 14061-1 : 2018
Opinion of assurance	N/A
2025	
Scope of assurance	Scope: The Company's geographical boundary includes: No. 269, Building A, No. 269-10, Building A, No. 269-1, Building A, and No. 269-6 Baodong Road, Pitou Village, Guanmiao District, Tainan, not including the Scopes 1, 2 and 3 of Taipei and Taichung offices.
Assurance body	2025 data has not been verified by an assurance body.
Assurance standards	ISO 14061-1 : 2018
Opinion of assurance	N/A

1-2 Greenhouse gas reduction goals, strategies and concrete action plans

Describe the baseline year for greenhouse gas reduction, the number of years, the reduction target, the strategy, and the achievement of reduction target.

The Company promotes corporate green operation management in 2023, including carbon inventory, establishment of smart energy management system, and improvement of high-carbon emission processes. Carbon emission analysis based on the Company's energy use data and energy declaration form shows that air compressors, chillers, pipe benders, and pushers in the production process of injection molding machine are the hotspots of carbon emission and are also the focus of energy conservation and carbon reduction. Accordingly, a plan was established to phase out old air compressors, chillers, pipe benders, and stackers in 2023–2024. Following the introduction of carbon inventory and related process equipment improvements, other departments within the plant also implemented carbon reduction measures, such as replacing variable frequency drives for air-conditioning and upgrading to LED lighting, resulting in a total annual carbon reduction of 190.61 tons of CO₂e.

(VII) Fulfillment of Ethical Corporate Governance, the Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons Thereof:

Evaluation item	Operational status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Brief Description	
I. Establishment of Ethical Corporate Management Policy and Proposal (I) Does the Board of Directors of the Company stipulate and approve ethical management policies and clearly state the policies and methods of ethical management in the regulations and external documents, and does the Board of Directors and high level executives actively implement the business policies to fulfill its commitment to them?	V		The Company upholds a corporate culture of "integrity, harmony, innovation, speed, pragmatism, and simplicity", and has established the "Ethical Corporate Management Best Practice Principles" as a code of conduct for all employees and management. The above is disclosed on the Company's website. The Board of Directors and management have actively implemented an ethical conduct policy and integrated ethical principles into the Company's operations and internal management systems.	The Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
(II) Has the Company established a risk assessment		V	The Company has established ethical business	The Company has not yet

Evaluation item	Operational status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Brief Description	
mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include the preventive measures specified in Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”?			conduct guidelines in its work rules, internal control systems, and various management procedures. These guidelines include management measures to prevent dishonest practices, and the Company has strengthened employee and supplier understanding of ethical business principles through education and training. In the future, we will continue to refer to the relevant provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and gradually strengthen the risk assessment mechanism and related operating procedures for unethical conduct to improve the integrity of ethical corporate management.	established an assessment mechanism for the risk of unethical conduct, or a clearly defined operating procedure, code of conduct, punishment for non-compliance, and a complaint system.
(III) Has the Company specified the operating procedures, behavioral guide, punishment for violators, and the disciplinary and complaint-filing system in case of violation in the proposal to prevent against unethical behaviors, and enforced them, and periodically reflected upon and amended the foregoing solution?		V	It is expected to revise the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and define the operating procedure, behavioral guide, disciplines for violators, and complaint-filing systems and reflections and modifications will take place periodically.	The Company has not yet established an assessment mechanism for the risk of unethical conduct, or a clearly defined operating procedure, code of conduct, punishment for non-compliance, and a complaint system.
II. Consolidation of Ethical Corporate Management (I) Does the Company evaluate business parties’ ethical	V		The Company performs basic credit investigations and on-site inspections of new customers and	Ethical Corporate Management Best Practice

Evaluation item	Operational status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Brief Description	
records and include ethics-related clauses in contracts entered into with the partners?			suppliers to understand their background and operations, avoid transactions with those with unethical records, and include clauses on integrity behavior in relevant contracts to reduce transaction risks.	Principles for TWSE/TPEX-Listed Companies are fulfilled.
(II) Has the Company set up a dedicated unit under the Board of Directors to promote ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation and supervision of the ethical corporate management policies and prevention programs against unethical conduct?		V	The Company is yet to set up a devoted unit for the promotion of ethical corporate management; instead, respective units enforce ethical corporate management as needed for operational purpose and the audit department conducts various audits from time to time and reports to the Board of Directors the implementation status.	The Company is yet to have an exclusive unit to help promote ethical corporate management.
(III) Has the Company established policies to prevent against conflicts of interest, provided appropriate channels for filing related complaints and implemented the policies accordingly?	V		The Company has the Partnership Association, which meets and provides educational trainings periodically as well as proper means for stating opinions.	Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
(IV) To implement relevant policies on ethical conducts, has the Company established effective accounting and internal control systems, audit plans based on the assessment of unethical conduct, and have its ethical conduct program audited by internal auditors or CPAs periodically?	V		In order to consolidate ethical corporate management, the Company has defined its accounting system, internal control system, and related guidelines. Auditors prepare the annual audit plan reflective of risk assessments and periodically enforce reviews of the accounting system and the internal control system and bring it forth to the Board of Directors.	Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.

Evaluation item	Operational status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Brief Description	
(V) Does the company provide internal and external ethical conduct training programs on a regular basis?	V		The Company promotes the concept of ethical management at KPI meetings from time to time, and assigns supervisors to participate in external training.	Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
III. Whistle-blowing System of the Company (I) Does the Company have substantial reporting and incentive systems in place, provide convenient reporting channels, and assign appropriate specialists investigate reported matters?	V		The channel for reporting and the unit for addressing complaints about violations of requirements about ethical corporate management at the Company is the Audit Department. Disciplines are imposed in compliance with work rules and applicable guidelines. Severe circumstances, if any, on the other hand, are turned into the police and prosecution unit for investigation.	Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
(II) Has the Company established the standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after the investigation, and related confidentiality mechanisms?		V	The Company is yet to define a standard operating procedure and related confidentiality mechanisms for handling reported matters.	The Company has not yet established any investigation standard operating procedures for accepting whistle-blowing and related confidentiality mechanisms.
(III) Does the Company assure employees who reported on malpractices that they will not be improperly treated for making such reports?	V		The Company keeps the status and contents reported of the whistleblower confidential and takes measures to protect whistleblowers against any unfair treatment	Ethical Corporate Management Best Practice Principles for

Evaluation item	Operational status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Brief Description	
			because of whistleblowing.	TWSE/TPEX-Listed Companies are fulfilled.
IV. Reinforced Information Disclosure Has the Company disclosed information regarding its ethical corporate management principles and implementation status on its website and the MOPS?	V		The Company discloses information such as corporate vision and corporate culture, among others, and details about the Ethical Corporate Management Best Practice Principles on its website.	Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies are fulfilled.
V. If the company has its own ethical corporate management principles established according to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe the differences between its implementation and the defined principles: No significant differences were found.				
VI. Other important information that facilitates the understanding of the implementation of ethical corporate management (such as review and amendment of the Company's Ethical Corporate Management Best Practice Principles): The Company's ethical management practices are disclosed through the Cooperative Association, FCS TODAY newsletter, and the Company's official website.				

(VIII) Other important information that is sufficient to boost knowledge of corporate governance may also be disclosed: Not applicable.

(IX) Implementation of Internal Control System:

1. Internal Control System Declaration

Public Companies Internal Control System Declaration

Both the design and implementation are valid.

(This Declaration is applicable when all regulatory requirements that are followed are fully declared as required by law.)

Fu Chun Shin Machinery Manufacture Co., Ltd.
Internal Control System Declaration

Date: March 13, 2026

For the Company's internal control system of 2025, we hereby declare the following according to our self-assessment findings:

- I. The Company knows that establishing, enforcing, and maintaining an internal control system is the responsibility of the Company's Board of Directors and managers and has such a system in place already. It is meant to reasonably ensure fulfillment of the operational efficacy and efficiency (including profits, performance, and protection of asset security), reporting reliability, timeliness, transparency, and compliance with applicable regulations and laws and regulatory requirements, among other goals.
- II. The internal control system has its inherited restrictions that cannot be overcome with improved design. An effective internal control system can also only reasonably ensure the fulfillment of the three goals stated above and its effectiveness may change as the environment or situation changes. There is a self-surveillance mechanism, however, built inside the internal control system of the Company that helps the Company take a corrective action against deficiencies confirmed.
- III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the items in "Governing Regulations for Public Company's Establishment of Internal Control System" (hereinafter called "Governing Regulations") that are related to the effectiveness of internal control systems. The items adopted in the Governing Regulations for determining the internal control system are the five constitutional elements of the internal control system divided according to the management and control process: 1. control environment, 2. risk assessment, 3. control process, 4. information and communication, and 5. supervision. Each element further encompasses several items. For the above-mentioned items, refer to the requirements in the "Governing Regulations".
- IV. The Company has already adopted the aforesaid items to evaluate the effectiveness in the design and implementation of its internal control system.
- V. Based on the results of the determination in the preceding paragraph, the Company is of the opinion that, as of December 31, 2025 ^{Note 2} the internal control system (including the supervision and management of subsidiaries), including the design and implementation of the internal control system relating to the effectiveness and efficiency of the operations, reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations, is effective and can reasonably assure the achievement of the foregoing goals.
- VI. This declaration constitutes a major part of the Company's annual report and the Company's Prospectus that are made available to the public. In case of falsification or concealment, among other illegal conditions, with the above-mentioned released contents, liabilities under Articles 20, 32, 171, and 174 of the Securities and Exchange Act will be sought.
- VII. This Declaration was approved at the meeting of the Company's Board of Directors on March 13, 2026 with no directors expressing dissent out of the 10 directors present.

Fu Chun Shin Machinery Manufacture Co., Ltd.

Chairman: Po-Hsun Wang Signature

General Manager: Alan Wang Signature

Note 1: For the design and implementation of the internal control system of a public offering company, in cases of major deficiencies throughout the year, clarifications shall be added after Item IV of the Internal Control System Declaration, with major deficiencies discovered during self-assessments listed and explained and the corrective action and improvement required prior to the Balance Sheet date.

Note 2: The date of declaration is the “end date of a fiscal year”.

2. If review of the internal audit system is outsourced to CPAs as an exception, the CPA Review Report shall be disclosed: None.

(X) Important resolutions of the shareholders' meeting and the board of directors in the most recent year and up to the date of publication of the annual report:

1. Resolutions of the 2025 general shareholders' meeting:

In 2025 and as of the printing date of this annual report, a total of one general shareholders' meeting was convened. The 2025 general shareholders' meeting of the Company was held on June 20, 2025. The resolutions passed at the meeting are summarized as follows:

- (1) Ratification of 2024 business report and financial statements.
- (2) Ratification of 2024 earnings distribution proposal.
- (3) Election of the directors of the 13th term.
- (4) Approval of the amendment to some articles of the "Articles of Incorporation" of the Company.
- (5) Removal of the non-competition restriction on directors.
- (6) Distribution of cash dividends from capital surplus.

2. Important resolutions made at the 2024 general shareholders' meeting and their implementation:

(1) Proposed by the Board of Directors Ratification of 2024 business report and financial statements.

Implementation status: Related statements and reports have been filed for reference and announced and declared with the competent authority as required by applicable laws and regulations such as the Company Act.

(2) Proposed by the Board of Directors Proposal for the distribution of 2024 earnings.

Implementation status: Cash and stock dividends were distributed on October 17, 2025.

(3) Election of the directors of the 13th term.

Implementation status: Eleven directors (including four independent directors) were elected, and the relevant information has been submitted to the competent authority for filing as required.

(4) Removal of the non-competition restriction on directors.

Implementation: The non-compete restriction has been removed as required for newly appointed directors who concurrently hold positions in other companies.

- (5) Approval of the amendment to some articles of the "Articles of Incorporation" of the Company.
Implementation status: After the approval of the shareholders' meeting, the revised version was uploaded to the MOPS as required.
- (6) Distribution of cash dividends from capital surplus.
Implementation status: Cash and stock dividends were distributed on October 17, 2025.
3. Resolutions of the Board of Directors meetings in 2025 and up to the date of publication of the annual report:
- In 2025 and up to the publication date of this annual report, a total of 7 board meetings were held. Important resolutions of the meetings are summarized as follows:
- 17th meeting of the 12th term of the Board of Directors: (March 11, 2025)**
- (1) Approved the review of the Company's 2024 parent company-only financial statements and consolidated financial statements.
- (2) Approved the motion to amend the Company's 2019 syndicated loan contract.
- (3) Approved the proposal of the Company's subsidiary, FCSC India, to apply for a loan facility from a bank and have it endorsed by the head office in Taiwan.
- (4) Approval of the record dates for conversion of unsecured convertible corporate bonds to common stock shares for the third time domestically and for the issuance of new shares upon capital increase.
- (5) Approved the ratification of the Company's acquisition and disposal of stocks for short-term investments
- (6) Approval of the accounts receivable, other receivables, advancement payments, and refundable deposits, among other entries, as of December 31, 2024 of the Company; there are no disguised capital financing.
- (7) Approval of the Company's 2024 Earnings Distribution and Business Report.
- (8) Approved the distribution of cash dividends from capital reserve.
- (9) Approved the distribution method by which the Remuneration Committee to distribute the remuneration to employees and directors in 2024.
- (10) Approval of the proposal of "Evaluation of the Effectiveness of the Internal Control System" and "Statement of Internal Control System" in 2024.
- (11) Approved the re-election of directors (including independent directors).

- (12) Approved the removal of non-competition restriction on the Company's newly elected directors.
- (13) Approved the convening of the 2025 general shareholders' meeting and accepting shareholder proposals.
- (14) Approved the list of candidates for the nomination of the Board of Directors (including independent directors)
- (15) Approved the 2025 CPA fees for EY Taiwan.
- (16) Approval of the independence and suitability evaluation of CPAs for 2024.
- (17) Approval of the independence and suitability evaluation of CPAs for 2025.
- (18) Approved the process and general policy of non-assurance service prior to the agreement of the non-assurance service list of Ernst & Young Global Limited and its affiliates.
- (19) Approved the amendment to the "Articles of Incorporation" of the Company.

18th meeting of the 12th term of the Board of Directors: (May 9, 2025)

- (1) Approval of the motion for the Company's consolidated financial statements for the first quarter of 2025.
- (2) Approved the loan facilities from with financial institutions which are required for the working capital of the Company.
- (3) Approved the proposal of the Company's subsidiary FCSC India to apply for a bank loan facility and have it endorsed/guaranteed by the head office in Taiwan.
- (4) Approved the Company's endorsement/guarantee for its subsidiary Dongguan FCS.
- (5) Approved the ratification of the Company's acquisition and disposal of stocks for short-term investments
- (6) Approved the adjustment to the scope of the Company's short-term investment targets and authorization limits.
- (7) Approval of the accounts receivable, other receivables, advancement payments, and refundable deposits, among other entries, as of March 31, 2025 of the Company; there are no disguised capital financing.
- (8) Approved the record date for the conversion of the 3rd domestic unsecured convertible corporate bond to ordinary shares, and the record date for the issuance of new shares for capital increase.

(9) Approved the amendment to some articles of the Audit Committee Organization Rules.

(10) Approved the liquidation of PT. SHIN PREFORM PLASTIC, a subsidiary of the Company's reinvestment.

1st meeting of the 13th term of the Board of Directors: (June 30, 2025)

(1) Approved the Company's Chairman and Vice Chairman elections.

(2) Approved the delegation of member selection for the Remuneration Committee of the sixth term.

(3) Approved the ex-dividend date and distribution date set by the Company.

2nd meeting of the 13th term of the Board of Directors: (August 8, 2025)

(1) Approved the Company's consolidated financial statements for the second quarter of 2025.

(2) Approved the loan facilities from with financial institutions which are required for the working capital of the Company.

(3) Approval of the proposal for the Company's subsidiary, FCS RG PLASTIC PTE., LTD, to apply for a loan facility from a bank, with the endorsement and guarantee provided by Taiwan FCS.

(4) Approved the intended application for a bank loan facility by the Company's subsidiary BVI FCS with the endorsement/guarantee provided by Taiwan FCS.

(5) Approved the ratification of the Company's acquisition and disposal of stocks for short-term investments

(6) Approved the redemption of Allianz US Short Duration High Yield Bond Fund.

(7) Approval of the accounts receivable, other receivables, advancement payments, and refundable deposits, among other entries, as of June 30, 2025 of the Company; there are no disguised capital financing.

(8) Approved the Company's sustainability report for 2024.

(9) Approved the second transfer of treasury shares repurchased in the sixth buyback in 2024 to employees.

(10) Approved the adjustment to the 2025 cash dividend distribution date.

3rd meeting of the 13th term of the Board of Directors: (November 11, 2025)

(1) Approved the Company's consolidated financial statements for the second quarter of 2025.

- (2) Approved the loan facilities from with financial institutions which are required for the working capital of the Company.
- (3) Approval of the proposal for the Company's subsidiary, FCS RG PLASTIC PTE., LTD, to apply for a loan facility from a bank, with the endorsement and guarantee provided by Taiwan FCS.
- (4) Approved the intended application for a bank loan facility by the Company's subsidiary BVI FCS with the endorsement/guarantee provided by Taiwan FCS.
- (5) Approved the ratification of the Company's acquisition and disposal of stocks for short-term investments
- (6) Approved the redemption of Allianz US Short Duration High Yield Bond Fund.
- (7) Approval of the accounts receivable, other receivables, advancement payments, and refundable deposits, among other entries, as of June 30, 2025 of the Company; there are no disguised capital financing.
- (8) Approved the Company's sustainability report for 2024.
- (9) Approved the second transfer of treasury shares repurchased in the sixth buyback in 2024 to employees.
- (10) Approved the adjustment to the 2025 cash dividend distribution date.

4th meeting of the 13th term of the Board of Directors: (December 19, 2025)

- (1) Approval of 2026 annual target-setting and strategies report.
- (2) Approval of the required financing facilities to be applied for with financial institutions for the working capital of the Company.
- (3) Approved the intended application for a bank loan facility by the Company's subsidiary BVI FCS with the endorsement/guarantee provided by Taiwan FCS.
- (4) Approved the adjustment to loan facility terms with E-Sun Bank.
- (5) Approved the ratification of the Company's acquisition and disposal of stocks for short-term investments
- (6) Approved the 2025 year-end bonus proposal submitted by the Remuneration Committee.

5th meeting of the 13th term of the Board of Directors: (March 13, 2026)

- (1) Approved the review of the Company's 2025 parent company-only financial statements and consolidated financial statements.
- (2) Approved the required loan facilities with financial institutions for the

working capital of the Company.

- (3) Approved the Company's endorsement/guarantee for its subsidiary Dongguan FCS.
- (4) Approved the Company's endorsements/guarantees for its subsidiary India FCS.
- (5) Approved the report on the Company's acquisition and disposal of stocks for short-term investments.
- (6) Approved the Company's accounts receivable, other receivables, advancement payments, and refundable deposits as of December 31, 2025. The overdue accounts receivable with related parties have been changed to loan extensions with a business transaction nature.
- (7) Approval of the Company's 2025 Earnings Distribution and Business Report.
- (8) Approved the distribution of cash dividends from capital reserve.
- (9) Approved the distribution method by which the Remuneration Committee to distribute the remuneration to employees and directors in 2025.
- (10) Approval of the proposal of "Evaluation of the Effectiveness of the Internal Control System" and "Statement of Internal Control System" in 2025.
- (11) Approved the date, time, venue, and contents of the 2026 general shareholders' meeting and exercise of the voting right electronically.
- (12) Approval of the independence and suitability evaluation of CPAs for 2025.
- (13) Approved the change of both certifying CPAs for the Company's financial statements since the first quarter of 2026 to comply with the internal rotation of CPAs.
- (14) Approval of the independence and suitability evaluation of CPAs for 2026.
- (15) Approved the process and general policy of non-assurance service prior to the agreement of the non-assurance service by Ernst & Young and its affiliates.
- (16) Approved the Company's cash capital increase for the subsidiary Vietnam FCS to strength working capital and business expansion.
- (17) Approved the Company's cash capital increase for the subsidiary India FCS to strength working capital and business expansion.

(XI) In the most recent year and during the current year up to the date of publication

of the annual report, if the directors have expressed dissenting opinions with respect to important resolutions passed by the board of directors, and said dissenting opinions have been recorded or prepared as a written declaration, the main content thereof:

2nd meeting of the 13th term of the Board of Directors: (August 8, 2025)

Content of motion: Review of the Company's financial statements for Q2 2025.

Summary of the speech:

Chung-Hui Huang: 1. Is there any update on the operation of PT Xin Sheng in Batam, Indonesia?

2. The Company's debt-to-asset ratio is high on the balance sheet, and accounts receivable and inventory have increased. What improvement or strengthening measures will be made?

Alan Wang: Currently, the primary reason for the inventory increase is a large volume of orders from major electric vehicle manufacturers. We have received a 30% deposit and have procured the necessary materials, but shipment delays have led to a significant rise in inventory levels. We are gradually reselling deferred orders and strengthening accounts receivable management. Currently, overdue amounts remain within a manageable range. Accounts receivable are generally high across the industry, and the Company has continued its efforts to reduce them.

Po-Hsun Wang: Batam XinSheng is currently leased. The original rental income covered the interest payments, but the US interest rate increases have created a negative spread. We have engaged a real estate agent to sell the property, but offers received so far have been below our expectations, and we are looking for other potential buyers.

Chung-Hui Huang: Has the US \equivalent tariffs affected the Company?

Po-Hsun Wang: Direct exports to the U.S. represent only about 1% of the total, so the impact is limited. Chinese factories, however, have been more significantly affected.

Chun-Chieh Wang: 1. About half of the inventory consists of finished vehicles, allowing for quick delivery - a key competitive advantage. Although major electric vehicle manufacturers have announced shipment delays which has created short-term financial and logistical pressures, the models ordered can be easily resold, making sales risk low. We also

negotiating with suppliers to lower costs, and the gross profit margin for reselling to other customers is higher than originally anticipated.

2. The US-China trade tensions have affected market investment confidence, leading to delayed or canceled client orders, shorter lead times, and an increase in short-notice orders. To avoid losing orders, the Company has adjusted its inventory management to ensure shipping flexibility. Resolution: The proposal was unanimously approved by all directors present at the meeting. The proposing unit is requested to provide more detailed projected financial information after the meeting.

Implementation status: The proposal was approved without objection following consultation by the chairperson and with all directors present.

III. Information About CPA Fees

Currency: NT\$ thousand

Name of Accounting Firm	Name of CPA	Duration of audit	Audit expenditure	Non-audit expenditure (1)	Total	Remarks
EY Taiwan	Fang-Wen Lee	2025	2,893	1,016	3,909	
	Mink Hu					

(I) Non-audit fees involved mainly the taxation-related certification fee (including the transfer pricing report) of NT\$632 thousand, business registration service charge of NT\$173 thousand, and audit-related travel expenses\ of NT\$211 thousand.

(II) When the accounting firm is changed and the audit public expenditure in the year of replacement is reduced compared to that in the preceding year, the amount, ratio, and cause of the reduction in audit public expenditure: This did not happen.

(III) When the audit public expenditure is reduced by more than 10% from the preceding year, the value reduced, the ratio, and the cause shall be disclosed: None.

IV. Information about Replacement of CPAs: None.

V. Chairman, General Manager, Financial or Accounting Manager Who Has Served in the Firm that the CPAs Belong to or Any of Its Affiliates in the Most Recent Year: None.

VI. During the Most Recent Fiscal Year and Up to the Date of Publication of the Annual Report, changes in shareholding and pledge of shares by directors, executive officers, and shareholders with more than 10% ownership:

1. Changes in shareholdings of directors, managers and major shareholders

Unit: Share

Title	Name	2025		As of April 20, 2026	
		Increase/ Decrease in the number of shares held	Increase/ Decrease in the number of shares pledged	Increase/ Decrease in the number of shares held	Increase/ Decrease in the number of shares pledged
Chairman and Group President and shareholder with more than 10% shareholding	Po-Hsun Wang	24,000 (27,000)	0	0 (263,000)	0
Vice Chairman and Chairman and President of Ningbo Branch	Chun-Chieh Wang	72,000	0	0	0
Director and CEO	Alan Wang	0	0	0	0
Director	Feng Wei Investment Co., Ltd. Representative: Po-Feng Wang	0	0	0	0
Director	Hans Wang	10,000	0	0	0
Director	Suzhen Zhang	0	0	0	0
Director	Fei-Ju Chen	0	0	0	0
Independent director	Chung-Hui Huang	0	0	0	0
Independent director	Chih-Mao Lin (date of assuming office: June 20, 2025)	0	0	0	0
Independent director	Ya-Fen Hsu (date of assuming office: June 20, 2025)	0	0	0	0
Independent director	Ling-Sung Su (date of assuming office: June 20, 2025)	0	0	0	0
Deputy General Manager	Jane Wang	3,000	0	0	0
General Manager of Ningbo Hangzhou Bay New Zone	Sam Kao	20,000 (32,000)	0	0	0
Assistant Vice President, Main Office Chief Corporate Governance Officer	Nichole Chang	16,000	0	0 (22,000)	0
Assistant Vice President and Deputy General Manager at the Ningbo Branch	Sally Gao	24,000	0	0	0
Assistant Vice President	Shu-Chuan Cheng	24,000	0	0	0
Assistant Vice President	Tsung-Yen Lin (date of assuming office: March 4, 2025)	10,000 (11,000)	0	0	0

Title	Name	2025		As of April 20, 2026	
		Increase/ Decrease in the number of shares held	Increase/ Decrease in the number of shares pledged	Increase/ Decrease in the number of shares held	Increase/ Decrease in the number of shares pledged
Assistant Vice President	Hung-Mao Chuang (date of assuming office: April 28, 2025)	0	0	0	0
Head of Finance Department Head of Accounting Department	Chung-Ching Liu	9,000	0	0	0
Group Vice President	Chia-Miao Chiu	3,000 (9,000)	0	0 (36,000)	0
Director	Tsung-Cheng Wu (date of relief of duty: June 20, 2025)	0	0	0	0
Independent director	Wen-Pin Tsai (date of relief of duty: June 20, 2025)	0	0	0	0
Independent director	Ying-Fang Huang (date of relief of duty: June 20, 2025)	0	0	0	0
Independent director	Bo-Wen Kreng (date of relief of duty: June 20, 2025)	0	0	0	0
Chief Operating Officer	Sheng-Tsung Tsai (date of relief of duty: February 11, 2026)	0 (67,000)	0	0 (7,000)	0
Director	Chia-Miao Chiu (date of relief of duty: June 20, 2025)	3,000 (9,000)	0	0 (36,000)	0

2. The counterparts of transferred or pledged shares are related parties:

- (1) The counterpart of the equity transfer is a related party: Not applicable.
- (2) The counterpart of the equity pledge is a related party: Not applicable.

VII. Shareholders ranked at top ten in terms of shareholding ratio, who are related to or the spouse of each other or are relatives within the second degree of kinship:

April 20, 2026 Unit: share

Name (Note 1)	by the shareholder Shares held		Shares held by the spouse or any underage child		Shareholding under the title of a third party		The title or name and relationship among Top 10 shareholders who are related to or the spouse of each other, or relatives within the second degree of kinship (Note 3)		Remarks
	Number of shares	Shareho lding	Number of shares	Sharehold ing	Number of shares	Sharehol ding	Name	Relation	
Po-Hsun Wang	11,452,766	6.84%	7,021,570	4.19%	—	—	Fu Chun Shin Machinery Manufacture Co., Ltd.	Chairman	
							Wang-Lee, Xiu-Xia Chun-Chieh Wang Alan Wang Suzhen Zhang	Husband and wife Father and son Father and son Sister-in-law	
Wang-Lee, Xiu-Xia	7,021,570	4.19%	11,452,766	6.84%	—	—	Po-Hsun Wang Chun-Chieh Wang Alan Wang Suzhen Zhang	Husband and wife Mother and Son Mother and Son Younger brother-in-law and his wife	
Chun-Chieh Wang	6,793,055	4.06%	1,828,017	1.09%	—	—	Fu Chun Shin Machinery Manufacture Co., Ltd.	Vice Chairman	
							Po-Hsun Wang Wang-Lee, Xiu-Xia Alan Wang	Father and son Mother and Son Brothers	
Alan Wang	6,365,105	3.80%	1,310,282	0.78%	—	—	Fu Chun Shin Machinery Manufacture Co., Ltd.	CEO	
							Po-Hsun Wang Wang-Lee, Xiu-Xia Chun-Chieh Wang	Father and son Mother and Son Brothers	
Suzhen Zhang	3,318,084	1.98%	20,000	0.01%	—	—	Feng Wei Investment Co., Ltd.	Person in charge	
							Po-Hsun Wang Wang-Lee, Xiu-Xia Ching-Yi Wang Ching-Wen Wang	Husband's brother Elder brother-in-law and his wife Mother and Daughter Mother and Daughter	

Feng Wei Investment Co., Ltd.	3,306,503	1.97%	—	—	—	—	—	—	—
Corporate representative: Suzhen Zhang	Same as above.	Same as above.	Same as above.	Same as above.	—	—	Same as above.	Same as above.	
Jung-Chin Wu	2,600,000	1.55%	—	—	—	—	—	—	
Ching-Yi Wang	2,387,558	1.43%	439,620	0.26%	—	—	Xinwei Investment Co., Ltd.	Person in charge	
							Suzhen Zhang Ching-Wen Wang	Mother and Daughter Sister	
Ching-Wen Wang	2,133,722	1.27%	—	—	—	—	Suzhen Zhang Ching-Yi Wang	Mother and Daughter Sister	
Xinwei Investment Co., Ltd.	2,071,523	1.24%	—	—	—	—	—	—	
Corporate representative: Ching-Yi Wang	Same as above.	Same as above.	Same as above.	Same as above.	—	—	Same as above.	Same as above.	

Note 1: All Top 10 shareholders shall be listed. When a director is a corporation, the name of the corporate shareholder and its representative shall be listed, separately.

Note 2: The shareholding ratio calculated includes the shares held in one's own name, by the spouse or underage child, or in someone else's name.

Note 3: Shareholders listed in the foregoing include corporations and natural persons. Their relations with one another shall be disclosed as required by the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

VIII. The number of shares held by the Company, the Company's directors, supervisors and managers as well as the businesses directly or indirectly controlled by the Company in the same one investment business, and the consolidated comprehensive shareholding ratio.

December 31, 2025 Unit: Thousand shares;%

Re-invested business (Note 1)	Investment made by the Company		Investment by the directors, supervisor, manager, and directly or indirectly controlled business		Comprehensive investment	
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage
The British Virgin Islands FU CHUN SHING CO., LTD.	17,985	100.00%	—	—	17,985	100.00%
SHING FUH TAI TECHNOLOGY CORP.	—	85.71%	—	14.29%	—	100.00%
JUNG SHEN TECHNOLOGY CO., LTD. (Note 8)	1,125	30.00%				
JUST NANOTECH CO., LTD.	450	45.00%	—	—	450	45.00%
Dongguan Fu Chun Shin Plastic Machinery Manufacture Co., Ltd. (Note 2)	—	100.00%	—	—	—	100.00%
Fu Chun Shin (Ningbo) Machinery Manufacture Co., Ltd. (Note 2)	—	90.50%	—	—	—	90.50%
Jin Pei Wang (Tianjin) Packaging Materials Co., Ltd. (Note 3)	—	52.84%	—	27.91%	—	80.75%
PT.FUCHUNSHIN TECHNOLOGY INDONESIA	—	92.00%	—	—	—	92.00%
PT. SHIN PREFORM PLASTIC	—	99.00%	—	1.00%	—	100.00%
FCS MACHINERY (THAILAND) CO.,LTD.	—	100.00%	—	—	—	100.00%
FCS RG PLASTIC PTE. LTD (Note 7)	—	76.03%	—	0.72%	—	76.75%
PT.FCS RGP PLASTIC(Note 4)	—	100%	—	—	—	100%
FU CHUN SHIN (VIETNAM) COMPANY LIMITED	—	100.00%	—	—	—	100.00%
FCS MACHINERY(INDIA) PRIVATE LIMITED	—	99.99%	—	0.01%	—	100.00%
FCS MANUFACTURING (INDIA)PRIVATE LIMITED (Note 5)	—	99.99%	—	0.01%	—	100.00%
FCS PLASTIC MACHINERY(THA ILAND) CO.,LTD. (Note 6)	—	100%	—	—	—	100.00%
Fu Chun Shin (Ningbo) Precision Technology Co., Ltd. (Note 2)	—	90.50%	—	—	—	90.50%
FCS DO BRASIL LTDA. (Note 9)		100.00%				100.00%

Note 1: Re-invested business is the investment of the Company adopting the equity method.

Note 2: To invest in Mainland China companies through a company invested in and established in a third area (BVI FCS).

Note 3: Jin Pei Wang (Tianjin) is currently being liquidated.

Note 4: The subsidiary re-invested in 100% through the subsidiary FCS RG PLASTIC PTE LTD. by the Company.

Note 5: FCS PLASTIC MACHINERY(THAILAND) CO.,LTD. was established in June 2020; the holding ratio obtained was 100%.

Note 6: Subsidiary FU CHUN SHIN CO., LTD. (BVI) acquired 0.01% of the equity of CS MANUFACTURING (INDIA) PRIVATE LIMITED in May 2022, and the Group holds the entire equity in aggregate.

Note 7: On February 20, 2024, the Company subscribed to 854 thousand shares of FCS RG PLASTIC PTE. LTD. from other shareholders for SG\$133, thousand (NT\$3,099 thousand), and the subscription was ratified at the Board of Directors' meeting on March 15, 2024. The shareholding ratio changed to 76.03%, and the Group holds a total of 76.75% of the shares.

Note 8: The board of directors of the subsidiary, SHING FUH TAI TECHNOLOGY CORP., resolved to approve the investment in JUNG SHEN TECHNOLOGY CO., LTD. on November 10, 2022, and the establishment was completed in October 2022, with an investment amount of NT\$11,250 thousand. As a result, it held 30.00% of said company's shares.

Note 9: The Company's Board of Directors resolved on December 20, 2024 to set up and invest in FCS DO BRASIL LTDA. The said company was incorporated in August 2025, with the Company's investment amount NT\$5,235 thousand (BRL965 thousand), and acquisition of 100.00% of shareholding.

Three. Fund-raising Status

I. Capital and Shares

(1) Source of share capital

The Company's total capital size is set to be NT\$5,000,000,000, consisting of 500,000,000 shares. Up to the moment, the paid-in capital is NT\$1,674,429,460 and the total number of shares is 167,442,946. The sources of the paid-in capital are as follows:

April 30, 2025

MM/YYYY	Issue price (NT\$)	Approved share capital		Paid-in share capital		Remarks		
		Number of shares (thousand shares)	Amount (thousand)	Number of shares (thousand shares)	Amount (thousand)	Source of share capital	Using assets other than cash to pay for the stock price	Others
1991.07	10	12,000	120,000	12,000	120,000	Created in cash	None	None
1991.08	10	15,000	150,000	15,000	150,000	Capital increase in cash worth NT\$30,000 thousand	None	None
1994.09	10	16,500	165,000	16,500	165,000	Capital increase in cash worth NT\$15,000 thousand	None	None
1994.12	10	18,000	180,000	18,000	180,000	Capital increase in cash worth NT\$15,000 thousand	None	None
1997.07	10	25,100	251,000	25,100	251,000	Capital increase in cash worth NT\$45,000 thousand, capital reserve-transferred capital increase worth NT\$26,000 thousand (Note 1)	None	None
1998.04	30	30,000	300,000	30,000	300,000	Capital increase in cash worth NT\$49,000 thousand (Note 2)	None	None
1998.08	10	44,500	445,000	36,000	360,000	Earnings-transferred capital increase worth NT\$30,000 thousand, capital reserve-transferred capital increase worth NT\$30,000 thousand (Note 3)	None	None
1999.09	10	44,500	445,000	40,320	403,200	Earnings-transferred capital increase worth NT\$43,200 thousand (Note 4)	None	None
2000.01	22	44,500	445,000	44,500	445,000	Capital increase in cash worth NT\$41,800 thousand (Note 5)	None	None
2000.08	10	66,000	660,000	50,000	500,000	Earnings-transferred capital increase worth NT\$27,500 thousand, capital reserve-transferred capital increase worth 27,500 thousand (Note 6)	None	None
2003.07	10	66,000	660,000	53,000	530,000	Earnings-transferred capital increase worth NT\$30,000 thousand (Note 7)	None	None
2004.06	10	100,000	1,000,000	57,240	572,400	Earnings-transferred capital increase worth NT\$42,400 thousand (Note 8)	None	None
2004.10	10	100,000	1,000,000	60,042	600,416	Convertible corporate bonds-transferred capital increase worth NT\$28,016 thousand (Note 9)	None	None
2005.01	10	100,000	1,000,000	60,053	600,530	Convertible corporate bonds-transferred capital increase worth NT\$114 thousand (Note 10)	None	None
2005.12	6.50	100,000	1,000,000	68,053	680,530	Private placement of common stock shares for capital increase in cash worth NT\$80,000 thousand (Note 11)	None	None
2006.07	10	100,000	1,000,000	70,203	702,035	Convertible corporate bonds-transferred capital increase worth NT\$21,505 thousand (Note 12)	None	None
2006.10	10	100,000	1,000,000	71,218	712,183	Earnings-transferred capital increase worth NT\$3,383 thousand, capital reserve-transferred capital increase worth 6,765 thousand (Note 13)	None	None
2008.09	10	100,000	1,000,000	74,067	740,671	Earnings-transferred capital increase worth NT\$28,487 thousand (Note 14)	None	None
2009.09	10	100,000	1,000,000	77,750	777,504	Capital reserve-transferred capital increase worth NT\$36,833 thousand	None	None

MM/YYYY	Issue price (NT\$)	Approved share capital		Paid-in share capital		Remarks		
		Number of shares (thousand shares)	Amount (thousand)	Number of shares (thousand shares)	Amount (thousand)	Source of share capital	Using assets other than cash to pay for the stock price	Others
						(Note 15)		
2010.08	10	100,000	1,000,000	83,165	831,650	Capital reserve-transferred capital increase worth NT\$54,145 thousand (Note 16)	None	None
2011.09	16.5	150,000	1,500,000	99,665	996,650	Capital increase in cash worth NT\$165,000 thousand (Note 17)	None	None
2011.11	10	150,000	1,500,000	106,641	1,066,415	Capital reserve-transferred capital increase worth NT\$69,765 thousand (Note 18)	None	None
2012.08	10	150,000	1,500,000	111,974	1,119,736	Capital reserve-transferred capital increase worth NT\$53,321 thousand (Note 19)	None	None
2013.04	10	150,000	1,500,000	111,524	1,115,236	Write-off of treasury stock for capital reduction worth NT\$4,500 thousand (Note 20)	None	None
2013.08	10	150,000	1,500,000	114,869	1,148,693	Capital reserve-transferred capital increase worth NT\$33,457 thousand (Note 21)	None	None
2014.08	10	150,000	1,500,000	117,167	1,171,667	Capital reserve-transferred capital increase worth NT\$22,974 thousand (Note 22)	None	None
2015.10	10	150,000	1,500,000	119,510	1,195,100	Capital reserve-transferred capital increase worth NT\$23,433 thousand (Note 23)	None	None
2016.09	10	150,000	1,500,000	123,011	1,230,113	Earnings-transferred capital increase worth NT\$35,013 thousand (Note 24)	None	None
2017.06	10	150,000	1,500,000	123,385	1,233,855	Convertible corporate bonds-transferred capital increase worth NT\$3,742 thousand (Note 25)	None	None
2017.08	10	150,000	1,500,000	128,194	1,281,940	Earnings-transferred capital increase worth NT\$48,085 thousand (Note 26)	None	None
2017.12	10	150,000	1,500,000	129,437	1,294,370	Convertible corporate bonds-transferred capital increase worth NT\$12,430 thousand (Note 27)	None	None
2018.03	10	150,000	1,500,000	137,322	1,373,220	Convertible corporate bonds-transferred capital increase worth NT\$78,849 thousand (Note 28)	None	None
2018.06	10	150,000	1,500,000	142,322	1,423,219	Convertible corporate bonds-transferred capital increase worth NT\$49,999 thousand (Note 29)	None	None
2018.08	10	150,000	1,500,000	145,130	1,451,304	Earnings-transferred capital increase worth NT\$28,085 thousand (Note 30)	None	None
2018.08	10	150,000	1,500,000	145,956	1,459,560	Convertible corporate bonds-transferred capital increase worth NT\$8,256 thousand (Note 31)	None	None
2018.12	10	150,000	1,500,000	146,509	1,465,088	Convertible corporate bonds-transferred capital increase worth NT\$5,528 thousand (Note 32)	None	None
2019.03	10	150,000	1,500,000	146,696	1,466,964	Convertible corporate bonds-transferred capital increase worth NT\$1,876 thousand (Note 33)	None	None
2019.05	10	150,000	1,500,000	146,825	1,468,247	Convertible corporate bonds-transferred capital increase worth NT\$1,283 thousand (Note 34)	None	None
2019.08	10	180,000	1,800,000	147,042	1,470,419	Convertible corporate bonds-transferred capital increase worth NT\$2,172 thousand (Note 35)	None	None
2019.12	10	180,000	1,800,000	147,567	1,475,665	Convertible corporate bonds-transferred capital increase worth NT\$5,247 thousand (Note 36)	None	None
2020.04	10	180,000	1,800,000	147,649	1,476,488	Convertible corporate	None	None

MM/YYYY	Issue price (NT\$)	Approved share capital		Paid-in share capital		Remarks		
		Number of shares (thousand shares)	Amount (thousand)	Number of shares (thousand shares)	Amount (thousand)	Source of share capital	Using assets other than cash to pay for the stock price	Others
						bonds-transferred capital increase worth NT\$823 thousand (Note 37)		
2020.06	10	180,000	1,800,000	148,709	1,487,085	Convertible corporate bonds-transferred capital increase worth NT\$10,597 thousand (Note 38)	None	None
2021.11	10	180,000	1,800,000	149,439	1,494,388	Earnings-transferred capital increase worth NT\$7,303 thousand (Note 39)	None	None
2022.06	10	500,000	5,000,000	149,439	1,494,388	Applied for an increase in the rated overall capital size (Note 40)	None	None
2022.09	10	500,000	5,000,000	152,408	1,524,078	Earnings-transferred capital increase NT\$29,690 thousand (Note 41)	None	None
2023.04	10	500,000	5,000,000	152,414	1,524,135	Convertible corporate bonds-transferred capital increase worth NT\$57 thousand (Note 42)	None	None
2023.10	10	500,000	5,000,000	156,986	1,569,859	Earnings-transferred capital increase NT\$45,724 thousand (Note 43)	None	None
2024.11	10	500,000	5,000,000	165,478	1,654,778	Convertible corporate bonds-transferred capital increase worth NT\$84,919 thousand (Note 44)	None	None
2025.03	10	500,000	5,000,000	165,640	1,656,401	Convertible corporate bonds-transferred capital increase worth NT\$1,623 thousand (Note 45)	None	None
2025.06	10	500,000	5,000,000	167,221	1,672,206	Convertible corporate bonds-transferred capital increase worth NT\$15,805 thousand (Note 46)	None	None
2025.11	10	500,000	5,000,000	167,443	1,674,429	Convertible corporate bonds-transferred capital increase worth NT\$2,223 thousand (Note 47)	None	None

Note 1: 1997.7.21; (86) Letter referenced Tai-Cai-Zheng-(I)-No. 52349
Note 3: 1998.8.10; (87) Letter referenced Tai-Cai-Zheng-(I)-No. 67441
Note 5: 2000.1.13; (89) Letter referenced Tai-Cai-Zheng-(I)-No. 113962
Note 7: 2003.7.28; Letter referenced Tai-Cai-Zheng-Zi No. 0920133818
Note 9: 2004.10.15; Letter referenced Jin-Shou-Shang-Zi No. 09301196980
Note 11: 2005.12.13; Letter referenced Jin-Shou-Shang-Zi No. 09401256260
Note 13: 2006.10.14; Letter referenced Jin-Shou-Shang-Zi No. 09501229060
Note 15: 2009.09.04; Letter referenced Jin-Shou-Shang-Zi No. 09801202730
Note 17: 2011.09.09; Letter referenced Jin-Shou-Shang-Zi No. 1000129580
Note 19: 2012.08.22; Letter referenced Jin-Shou-Shang-Zi No. 10101172850
Note 21: 2013.08.26; Letter referenced Jin-Shou-Shang-Zi No. 10201171180
Note 23: 2015.10.06; Letter referenced Jin-Shou-Shang-Zi No. 10401204320
Note 25: 2017.06.05; Letter referenced Jin-Shou-Shang-Zi No. 10601069870
Note 27: 2017.12.06; Letter referenced Jin-Shou-Shang-Zi No. 10601163330
Note 29: 2018.06.07; Letter referenced

Note 2: 1998.4.20; (87) Letter referenced Tai-Cai-Zheng-(I)-No. 33128
Note 4: 1999.9.28; (88) Letter referenced Tai-Cai-Zheng-(I)-No. 85014
Note 6: 2000.8.04; (89) Letter referenced Tai-Cai-Zheng-(I)-No. 67511
Note 8: 2004.6.18; Letter referenced Tai-Cai-Zheng-Zi No. 0930127630
Note 10: 2005.1.19; Letter referenced Jin-Shou-Shang-Zi No. 09401009530
Note 12: 2006.07.26; Letter referenced Jin-Shou-Shang-Zi No. 09501158200
Note 14: 2008.09.12; Letter referenced Jin-Shou-Shang-Zi No. 09701236440
Note 16: 2010.08.30; Letter referenced Jin-Shou-Shang-Zi No. 09901196880
Note 18: 2011.11.04; Letter referenced Jin-Shou-Shang-Zi No. 10001254210
Note 20: 2013.04.03; Letter referenced Jin-Shou-Shang-Zi No. 10201061510
Note 22: 2014.08.05; Letter referenced Jin-Shou-Shang-Zi No. 10301194840
Note 24: 2016.09.30; Letter referenced Jin-Shou-Shang-Zi No. 10501232550
Note 26: 2017.08.08; Letter referenced Jin-Shou-Shang-Zi No. 10601110840
Note 28: 2018.04.03; Letter referenced Jin-Shou-Shang-Zi No. 10701035190
Note 30: 2018.08.17; Letter referenced

Jin-Shou-Shang-Zi No. 10701062190
 Note 31: 2018.08.28; Letter referenced
 Jin-Shou-Shang-Zi No. 10701104120
 Note 33: 2019.04.09; Letter referenced
 Jin-Shou-Shang-Zi No. 10801034410
 Note 35: 2019.08.28; Letter referenced
 Jin-Shou-Shang-Zi No. 10801119670
 Note 37: 2020.04.23; Letter referenced
 Jin-Shou-Shang-Zi No. 10901062130
 Note 39: 2021.11.02; Letter referenced
 Jin-Shou-Shang-Zi No. 11001198430
 Note 41: 2022.09.14; Letter referenced
 Jin-Shou-Shang-Zi No. 11101174730
 Note 43: 2023.10.02; Letter referenced
 Jin-Shou-Shang-Zi No. 11230183680
 Note 45: 2025.03.31; Letter referenced
 Jin-Shou-Shang-Zi No. 11430041060
 Note 47: 2025.11.17; Letter referenced
 Jin-Shou-Shang-Zi No. 11430181980

Jin-Shou-Shang-Zi No. 10701102740
 Note 32: 2018.12.05; Letter referenced
 Jin-Shou-Shang-Zi No. 10701147680
 Note 34: 2019.05.28; Letter referenced
 Jin-Shou-Shang-Zi No. 10801062070
 Note 36: 2019.12.02; Letter referenced
 Jin-Shou-Shang-Zi No. 10801174510
 Note 38: 2020.06.04; Letter referenced
 Jin-Shou-Shang-Zi No. 10901092440
 Note 40: 2022.06.09; Letter referenced
 Jin-Shou-Shang-Zi No. 11101096730
 Note 42: 2023.04.19; Letter referenced
 Jin-Shou-Shang-Zi No. 11230059910
 Note 44: 2024.11.28; Letter referenced
 Jin-Shou-Shang-Zi No. 113302086000
 Note 46: 2025.06.06; Letter referenced
 Jin-Shou-Shang-Zi No. 11430074290

April 20, 2026 Unit: share

Type of share	Approved share capital				Remarks	
	Shares already issued			Shares yet to be issued		Total
	TPEX-listed	Yet to be TPEX-listed	Total			
Common stock	167,442,946	-	167,442,946	332,557,054	500,000,000	Note

- (2) List of major shareholders: If there are fewer than ten shareholders that hold at least 5% of the equity, the name, the number of shares held, and the holding ratio of Top 10 shareholders in terms of the equity ratio shall be disclosed.

List of Major Shareholders

April 20, 2026

Shares	Shares held (shares)	Shareholding percentage(%)
Name of major shareholder		
Po-Hsun Wang	11,452,766	6.84%
Wang-Lee, Xiu-Xia	7,021,570	4.19%
Chun-Chieh Wang	6,793,055	4.06%
Alan Wang	6,365,105	3.80%
Suzhen Zhang	3,318,084	1.98%
Feng Wei Investment Co., Ltd.	3,306,503	1.97%
Jung-Chin Wu	2,600,000	1.55%
Ching-Yi Wang	2,387,558	1.43%
Ching-Wen Wang	2,133,722	1.27%
Xinwei Investment Co., Ltd.	2,071,523	1.24%

(3) Dividend Policy and Implementation Status

1. The Company's dividend policy:

- (1) For the sake of growing corporate operations and to protect the rights of shareholders as investors, in the distribution of the Company's dividends, as is required by the Company Act, the Board of Directors is to take into consideration the profitability and future operational demand at the end of each year while preparing the Earnings Distribution Proposal and submitted it during the shareholders' meeting for a final decision prior to implementation. Distribution of the Company's dividends is done in three ways that may be combined, namely, earnings-transferred capital increase, capital reserve-transferred capital increase, and cash dividends. Depending on the future developments of the Company, for profits that may be increased as part of the required investment plan, on the other hand, it is done through earnings-transferred capital increase or capital reserve-transferred capital increase while distribution of cash dividends is adopted when capital expansion will impact the dividend level.
- (2) Distribution criteria and timing: If the Company has surplus earnings in the annual final settlement, it shall first legally pay all taxes and dues and cover the any accumulated losses, and then set aside 10% as legal surplus reserve, unless the amount of such legal surplus reserve has reached the Company's total paid-in capital. Additionally, the special reserves set aside or reversed in accordance with applicable laws or the competent authority's requirements shall be stated as current earnings which, together with the undistributed earnings at the beginning of the period, shall be regarded as the distributable earnings, and the Board of Directors shall draft a proposal for distribution and then submit the proposal to a shareholders' meeting for resolution.

As the Company is engaged in the precision machinery industry, the dividend policy, including amount, category and ratio of shareholder bonus, shall be prepared subject to the current and future investment environment which the Company is in, the Company's funding needs, domestic/foreign competition status and capital budget, and by taking into account the shareholders' interest, balanced dividends and the Company's long-term financial planning. The total distributable dividends shall be no more than 80% of the annual distributable earnings, including the cash dividends no less than 20% of the distributable dividends.

2. Implementation status:

(1) Dividend distribution over the years:

Unit: NTD/share

Year \ Item	Cash dividends	Free share assignment	
		Stock dividend with earnings	Stock dividend with capital reserve
1999	—	NT\$0.62	NT\$0.62
2000	NT\$0.50	—	—
2001	NT\$0.30	—	—
2002	NT\$0.40	NT\$0.60	—
2003	NT\$0.40	NT\$0.80	—
2004	NT\$0.60	—	—
2005	NT\$0.05	NT\$0.05	NT\$0.10
2006	—	—	—
2007	NT\$0.1003239	NT\$0.40129601	—
2008	—	—	NT\$0.50
2009	—	—	NT\$0.70
2010	NT\$0.95872069	—	NT\$0.83888067
2011	NT\$0.5019392	—	NT\$0.5019392
2012	NT\$0.11	—	NT\$0.30
2013	NT\$0.20	—	NT\$0.20
2014	NT\$0.40	—	NT\$0.20
2015	NT\$0.10	NT\$0.30	—
2016	NT\$0.30	NT\$0.40	—
2017	NT\$0.30	NT\$0.40	—
2018	NT\$0.60	NT\$0.20	—
2019	NT\$0.50	—	—
2020	NT\$0.10	—	—
2021	NT\$0.05	NT\$0.05	—
2022	NT\$0.30	NT\$0.20	—

Year \ Item	Cash dividends	Free share assignment	
		Stock dividend with earnings	Stock dividend with capital reserve
2023	NT\$0.30	NT\$0.30	—
2024	NT\$0.15	—	—
2025	NT\$0.30	—	—
2026 (Note)	NT\$0.40	—	—

Note: The 2025 dividend distribution was based on the resolution of the board meeting on March 13, 2026. The proposed distribution is as follows: NT\$33,207,989 from the undistributed retained earnings as of 2025 will be distributed as cash dividend, equivalent to NT\$0.20 per share. From the capital surplus at the end of 2025, the Company plans to allocate NT\$33,207,989 for the distribution of cash dividends, with a dividend of NT\$0.20 per share. Upon approval by the 2026 general shareholders' meeting, the Board of Directors is authorized to set the record date for the dividend distribution.

(2) Distribution of 2025 earnings proposed at the current general shareholders' meeting:

2025 Earnings Distribution Table Unit: NT\$

Summary	Amount	Remarks
I. Undistributed earnings at the beginning of the period	407,685,792	
II. Add: others	(1,102,658)	Note 1
III. Net income for this period	100,473,935	
IV. Provision of legal reserve (10%)	(9,937,128)	
V. Distributable earnings for this period	497,119,941	
VI. Distributable items:		
Shareholder bonus - cash dividend (NT\$0.2 per share)	(33,207,989)	Note 2
VII. Undistributed earnings at the end of the period	463,911,952	

Note:

- I. Including the actuarial gains (losses) on defined benefit plan, NT\$(729,194), and transfer of treasury stock to employees, NT\$(373,464).
- II. Earnings distribution will first be allocated from undistributed earnings prior to 2025 and 2024.
- III. As of February 28, 2025, the number of outstanding shares eligible for distribution is 166,039,946 shares (total issued shares of 167,442,946 shares minus 1,403,000 treasury shares).
- IV. The amount of cash dividend was truncated to the nearest dollar. Fractional amounts were summed up and stated into the Company's other revenue.

- (4) The influence of the stock dividend proposed at the shareholders' meeting on the Company's operating performance and earnings per share:

Unit: NTD Thousand, except EPS that is in NTD

Item	Year	2026 (estimated)	
Paid-in capital, beginning		1,674,430	
Stock or cash dividend for this year	Cash dividend per share (NT\$) (Note 1)	NT\$0.40	
	Number of shares allotted per share for capitalization of earnings (Note 1)	—	
	Number of shares allotted per share for capitalization of capital surplus (Note 1)	—	
Changes in operating performance	Operating income	Not applicable (Note 2)	
	Increase (decrease) in operating income YoY		
	Net income after tax		
	Increase (decrease) in net profit after tax YoY		
	Earnings per share (NT\$)		
	Increase (decrease) in earnings per share YoY		
Pro forma earnings per share and price-earnings ratio	If the capitalization of earnings is replaced with payout of cash dividends	Imputed earnings per share (NT\$)	Not applicable (Note 2)
		Pro forma annual average return on investment	
	If the capitalization of capital surplus is not conducted	Imputed earnings per share (NT\$)	
		Pro forma annual average return on investment	
	If the capitalization of capital surplus is not conducted and the capitalization of earnings is replaced with payout of cash dividends	Imputed earnings per share (NT\$)	
		Pro forma annual average return on investment	

Note 1: The estimated 2025 stock dividend distribution is based on the earnings distribution proposal approved by the Board of Directors on March 13, 2026.

Note 2: The Company didn't release a 2026 financial forecast, but followed the letter (91) Tai-Cai-Zheng-(I)-Zi No. 002534 from the Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan.

- (5) Remuneration to employees and directors:

1. Percentage or range of remuneration to employees and that to directors as stated in the Articles of Incorporation:

The Company shall distribute no less than 3% of the annual profit, if any, as the remuneration to employees, and no more than 3% of the annual profit as the remuneration to directors, provided that profits must first be taken to compensate any cumulative loss. The annual profit mentioned in the preceding paragraph refers to the pre-tax profit before the remuneration to employees and directors are deducted for the year. Receivers of the

remuneration to employees paid in the form of stock or in cash shall include employees of the Company's associates who meet certain conditions.

2. Accounting measures adopted in case of any difference between the basis for estimating the amount of remuneration to employees and that to directors, basis for calculating the number of shares included in the distribution of remuneration for employees, and the actual value distributed and their estimates of the current term:

The basis for estimating and allocating the amounts of the remuneration to employees and that to directors for 2024 took into consideration the fact that there were no accumulated deficits that needed to be offset for 2025. Therefore, the pre-tax profit of 2024 before the remuneration to employees and that to directors and the percentage defined in the Articles of Incorporation is adopted as the basis for the estimation and allocation. The operating cost or operating expenditure for the current year is recognized. Should there be differences between the actual amount distributed and the amount that had been estimated and approved by the shareholders' meeting, such differences will be recognized as gains or losses in the next fiscal year.

3. Remuneration distribution approved by the Board of Directors:

- (1) Amount of remuneration to employees and that to directors assigned in cash or shares: In cases of differences from the estimated amounts for the year when the fees are recognized, the differences, causes, and how they are addressed shall be disclosed:

The proposal for the distribution of remuneration to employees and directors for 2025 was reviewed and approved at the 3rd meeting of the 6th term of the Remuneration Committee, and was submitted to and approved by the Board of Directors on March 13, 2026. The proposed distribution approved by the Board of Directors is as follows: The Company's profit for 2025 is NT\$139,508,012 (i.e., the pre-tax profit before deducting the remuneration to employees and directors; accumulated losses, if any, shall be deducted first). The employee remuneration in cash at 5.66%, totaling NT\$7,900,886, and the director remuneration at 1.89%, totaling NT\$2,633,629, will be distributed entirely in cash.

The amounts of the remuneration to employees and that to directors as approved by the Board of Directors is the same as what was estimated and listed in the Annual Financial Statements.

- (2) Ratio of employee bonus in shares to Net Profit After Tax in current individual financial statements and total employee bonus: Not applicable. No shares are assigned to be the remuneration to employees by the Company.

4. The actual distribution of remuneration to employees, directors, and supervisors in the previous year (including the number of shares, amount, and price of the shares distributed), and any discrepancy between the actual distribution and the recognized remuneration to employees, directors, and supervisors, the reason for the discrepancy, and treatment of such

discrepancy: Description of the actual distribution in 2024 is shown in the table below:

Unit: NTD

2024	Distribution approved by the Board of Directors	Distribution approved at the general shareholders' meeting	Actual distribution	Difference	Cause of difference and how it is processed
1. Cash remuneration to employees	6,965,627	6,965,627	6,965,627	0	—
2. Remuneration to Directors	2,321,876	2,321,876	2,321,876	0	—
Total	9,287,503	9,287,503	9,287,503	0	—

(6) Buyback of the Company's shares:

1. Buyback of the Company's shares (completed)

April 30, 2025

No.	1st session	2nd session	3rd session	4th session	5th session	6th session
Purpose of the buyback	Number of shares transferred to employees	Number of shares transferred to employees	To protect Company's credit and shareholder's equity	Number of shares transferred to employees	Number of shares transferred to employees	Number of shares transferred to employees
Buyback period	20050714~20050913	20080724~20080921	20120615~20120814	20150812~20151010	20181114~20190111	20240401~20240528
Buyback price range	NT\$8-12	NT\$8-15	NT\$12-23	NT\$10-16.85	NT\$10-17.30	NT\$13-21
Type and quantity of shares already bought back	Common stock 400 thousand shares	Common stock 400 thousand shares	Common stock 450 thousand shares	Common stock 3,198 thousand shares	Common stock 3,440 thousand shares	Common stock 2,949 thousand shares
Value of shares already bought back	NT\$4,276 thousand	NT\$3,562 thousand	NT\$6,982 thousand	NT\$37,394 thousand	NT\$42,781 thousand	49,969
Ratio of the number of shares already bought back to the number of shares expected to be bought back(%)	100%	100%	22.50%	91.37%	98.29%	98.30%
Quantity of shares already written off and assigned	400 thousand shares	400 thousand shares	450 thousand shares	3,198 thousand shares	3,440 thousand shares	1,546 thousand shares
Cumulative quantity of shares of the Company held	0 thousand shares	0 thousand shares	0 thousand shares	0 thousand shares	0 thousand shares	1,403 thousand shares
Ratio of total holding of the Company's shares to the total number of issued and outstanding shares (%)	0%	0%	0%	0%	0%	0.84%

- Notes:
1. First buyback of the Company's shares: All were assigned to employees on April 24, 2008.
 2. Second buyback of the Company's shares: All were assigned to employees on August 30, 2010.
 3. Third buyback of the Company's shares: All were assigned to employees on April 3, 2013.
 4. Fourth buyback of the Company's shares: All were assigned to employees on August 14, 2018.
 5. Fifth buyback of the Company's shares: All were assigned to employees on August 31, 2022.
 6. Sixth buyback of the Company's shares: On August 9, 2024, the Board of Directors approved the second transfer of 1,546 thousand treasury shares to employees. The remaining untransferred balance is 1,403 thousand shares.

II. Corporate Bonds:

Corporate Bonds

Types of corporate bonds	Fourth domestic unsecured convertible corporate bond
Date of issue	2026/5/4
Par value	NT\$100,000
Location of Issuance and Transaction	Taipei Exchange
Issue price	Issued according to the par value
Total	NT\$400,000,000
Interest rate	0%
Deadline	Three-year duration from May 4, 2026, to May 4, 2029.
Guarantee Institution	Not applicable
Trustee	Taipei Fubon Commercial Bank
Underwriting institution	President Securities Corporation
Attesting attorney	Attorney Ya-Wen Chiu, Handsome Attorneys at Law
CPA	EY Taiwan Mink Hu, Fang-Wen Lee
Repayment method	Bullet payment in cash at maturity based on the par value of the bond
Principal not yet paid.	Not yet implemented.
Terms on redemption or early repayment	Refer to the Guidelines for the Issuance and Conversion of the 4th Domestic Unsecured Convertible Corporate Bond
Restrictive terms	None
Name of the credit rating institution, date of rating, and corporate bond rating outcome	None
Other additional rights	Amounts of ordinary shares, global depository receipts, or other securities already converted into (or swapped or subscribed to) as of the printing of the annual report
	Issue and conversion (swap or subscription) guidelines
Possible dilution of shareholding by the regulations and conditions of issuance, conversion, exchange or subscription and impact on existing shareholders' equity	Not yet implemented.
Name of the depository for the swap target	None

III. Preferred Shares: Not applicable.

IV. Global Depositary Receipts: Not applicable.

V. Employee Share Subscription Warrants: Not applicable.

VI. New Shares with Restricted Employee Rights: Not applicable.

VII. Issuance of New Shares Due to M&A or Share Assignment of Other Companies: Not applicable.

VIII. Implementation of Capital Utilization Plan: Not applicable.

Four. Business Overview

I. Business Content

(I) Business Scope:

1. The Company's main businesses:

The main business of the Company includes the planning of the smart injection production line, precision injection machine for automotive components, special for semiconductor equipment, injection machine, R&D and design of high rise sustainable materials forming, production and manufacturing, and sales services.

2. Main scope of operation and the respective operational weights

Unit: NT\$ thousand

Main product \ Year	2025	
	Net operating income	Operational weight
Plastics injection molding machine	4,809,032	94.61%
Cables	132,802	2.61%
Others	141,006	2.78%
Total	5,082,840	100.00%

3. Current products (services) of the Company:

(1) Plastic Injection Molding Machines – Single Injection:

- A. FA Series - New Generation High-Efficiency Energy-Saving Injection Molding Machine
- B. LM Series - Two-Plate Precision Injection Molding Machine
- C. LN Series - Two-Plate Precision Injection Molding Machine
- D. HT Series - Servo Energy-Saving Eco-Friendly Injection Molding Machine
- E. CT-e Series - All-Electric Injection Molding Machine
- F. HT-P Series - PET Preform Injection Molding Machine
- G. SA-h PET Series - Injection Molding Machine for PET Blood Collection Tubes
- H. SA-h Series - Thin-Wall Packaging Injection Molding Machine
- I. SA-p Series - Pail/Container Injection Molding Machine
- J. SA Series - External Toggle Injection Molding Machine
- K. HT-PVC Series - PVC Injection Molding Machine
- L. BMC Series - Injection Molding Machine for Bulk Molding Compound (BMC)
- M. HN-U Series - Thermoset Injection Molding Machine (for Bakelite)
- N. Gas-Assisted Injection Molding System

(2) Plastic Injection Molding Machines - Multi-Injection:

- A. HB-R Series - Large Horizontal Rotary Table Two-Color Injection Molding Machine
- B. GW-R Series - Two-Plate Multi-Component Injection Molding Machine

- C. FB-R Series - Large Rotary Two-Color Injection Molding Machine
 - D. CT-R Series - All-Electric Two-Color Injection Molding Machine
 - E. FB-T Series - Rotary Shaft Type Two-Color Injection Molding Machine
 - F. FB-C Series - Core/Color Mixing Injection Molding Machine
 - (3) System Integration:
 - A. In-Mold Labeling (IML) Production System
 - B. Turnkey Beverage Packaging Solutions
 - C. Gas-Assisted Injection Molding System
 - D. MuCell Microcellular Foam Injection Molding
 - E. Precision Injection Molds
 - F. Turnkey Plant Planning Services
 - (4) Smart manufacturing:
 - A.iMF 4.0 Intelligent ManuFactory System
 - (5) Machine repairs and service.
 - (6) Processing and trading of magnet wires.
 - (7) Processing and Trading of Light Guide Plates and Vehicle Lamps.
 - (8) Plastic pallets.
4. New products (services) planned to be developed by the Company
- (1) Development of large-scale SA series products.
 - (2) Development of the adaptive function for recycled materials.
 - (3) AI smart switch module development project.
 - (4) Smart water flow control module development project.
 - (5) Development of the AI model computing center module project.
 - (6) Development and improvement of the intelligent machine interface project.

(II) Industrial Overview

1. Current Status and Development of the Industry

Plastic and rubber machinery is a highly fundamental and critical equipment industry within the manufacturing supply chain. Plastic machinery can be divided into final product processing machinery and raw material manufacturing machinery depending on its application. Product processing machinery includes injection molding machines, extrusion molding machines, blow molding machines, foam molding equipment, and secondary processing equipment. Raw material manufacturing machinery includes waste recycling equipment, plastic powdering machines, plastic manufacturing equipment, raw material test equipment, and raw material composite manufacturing equipment. In terms of market application and sales value, injection molding machines have remained the most representative type of plastic processing machinery, and are primarily used in mass production fields such as the vehicle part and component industry, ICT and semiconductor electronics, medical devices, food packaging, household products, optimal elements, building materials, and logistics containers. Injection molding machines are characterized by standardization, mass production capabilities, and broad cross-industry applications, and their performance has historically been closely tied to the

economic cycles, capital expenditures, and end-product demand of downstream customers.

In terms of global market size, recent research from various institutions has consistently shown that the injection molding machine market has maintained moderate growth. Grand View Research estimates that the global injection molding machine market was valued at approximately USD17.35 billion in 2025 and USD18.15 billion in 2026, and is projected to reach USD25.49 billion in 2033, representing a compound annual growth rate of about 5.0% from 2026 to 2033. Based on data from various organizations, the injection molding machine industry has demonstrated steady growth despite challenges from the overall economy, interest rates, exchange rates, energy costs, and geopolitics. This growth has been supported by demand in areas such as automotive lightweight, medical consumables, packaging automation, 3C electronics, recycled material processing, and smart manufacturing.

In terms of regional markets, Asia Pacific has remained the largest market and primary manufacturing base for the global injection molding machine industry. Grand View Research indicated that Asia Pacific accounted for about 39.7% of the global injection molding machine market revenue by 2025, with China, Japan, and India as the main contributors. Research Nester expects that Asia Pacific still maintains its largest market position through 2035, primarily driven by industrialization, consumer demand, and supportive manufacturing policies in various countries. The Mainland China market remains the center of global injection molding machine demand and supply, driven by its large-scale new energy vehicle, home appliance, electronics, and packaging industries. India has emerged as a key growth market for many international equipment manufacturers, as its automotive, medical, packaging, household goods, and electronics manufacturing supply chains continue to expand, and is expected to become even more important after 2026.

In terms of the industrial competition landscape, the main global competitors include Haitian, ENGEL, ARBURG, Milacron, Husky, KraussMaffei, Nissei, Sumitomo, JSW, Toyo, and Yizumi. The market exhibits characteristics of “concentration of high-end equipment and dispersion of regional markets”: European, Japanese, and North American brands have technological advantages in high-precision, fully electric, medical, optical, multi-material, and automation integration fields. Brands from China have continued to increase their global market share by leveraging economies of scale, a complete supply chain, price competitiveness, and rapid delivery. Taiwanese manufacturers differentiate themselves through middle-to-high end customization, dual-color/multi-color molding, large two-plate machines, turnkey solutions, and flexible overseas services. According to a report by Grand View Research, the global injection molding machine industry has been dominated by a few manufacturers with strong technology and distribution capabilities in high-tonnage, full-electric, and automated models, though regional suppliers remain highly competitive in price and customization.

Observations of major competitors over the past three years show that the restructuring of the global supply chain and overseas demand have remained key growth drivers for China's large injection machine manufacturers. Competition has shifted from single machine sales to data platforms and

production line integration. European companies, meanwhile, have continued to focus on high precision, low energy consumption, medical clean rooms, automation, and the circular economy. They are now combining full electrification, standardization, shorter lead times, and localized assembly to meet Asian customers' demands for cost reduction, efficiency gains, and smart factories. The product development direction of American counterparts has shifted from "simple energy saving" to a focus on "full-electric equipment + renewable materials processing + automatic removal + circular economy applications."

Fu Strong is Taiwan's largest supplier of plastic injection molding machines and a leading publicly listed company in the Taiwanese injection molding machine industry. The company has established a global presence with five production bases and over 70 service locations worldwide. To date, it has sold more than 50,500 machines to over 8,000 customers. Fu Strong's product range covers clamping forces from 50 to 4,000 tons and is widely used in the transportation equipment, food packaging, 3C electronics, and medical industries. FCS's strategic priorities can be summarized as "large-scale operations, full electrification, multi-color/multi-material products, smart manufacturing, and low-carbon applications".

In the K Show 2025, FCS exhibited the CT-230R full-electric dual-color machine and the CT-120e compact full-electric injection molding machine. CT-230R is equipped with a high-precision turntable and dual independent injection units, making it suitable for double-material or double-color molding applications in automotive interiors, power tools, and medical devices. The turntable achieves a positioning accuracy of $\pm 0.005^\circ$, and the servo turntable speed is 30~50% faster than traditional designs. It integrates with iMF 4.0 to enable production monitoring, energy tracking, predictive maintenance, and remote diagnostics. CT-120e is designed for clean and high-precision applications, including optics and medical consumables. At K Show, it showcased sustainable eyeglass frames molded from recycled PA6+GF material sourced from fishing nets, and highlighted high-speed injection, full servo closed-loop control, and the stability of molding with recycled materials.

In 2026, FCS will further strengthen its focus on "smart manufacturing + low-carbon transformation" at TAINANPLAS and CHINAPLAS. At TAINANPLAS in 2026, we exhibited the CT-120e full-electric low-carbon molding system and the FB-280R multi-component intelligent molding system. We also integrate machine data, energy monitoring, and production analysis with iMF 4.0 to support low-carbon manufacturing. At the same event, we shared the lightweight and low-carbon value of MuCell micro-foaming technology for footwear and electronic applications. At CHINAPLAS in 2026, we launched the SA series elbow machines, the fifth-generation FB-R multi-component machines, the CT-R full-electric multi-component machines, and the FA servo-hydraulic machines. The SA series reduces machine length by approximately 15~20% compared to traditional models. At the exhibition, the SA-350 high-speed machine was paired with the IML system to produce milk tea cups and powdered milk lids. FCS secured orders exceeding RMB36 million at CHINAPLAS 2026, with contracts spanning high-growth sectors including automotive components, precision medical devices, and smart

packaging production lines. This demonstrates strong market acceptance of their capabilities in space efficiency, multi-material applications, and comprehensive plant integration services.

In terms of technological development, the injection molding machine industry has moved beyond traditional upgrades from hydraulic machines to servo energy-saving systems and has further shifted toward full electrification, hybrid power, intelligence, digitization, renewable material adaptability, and whole-line automation. Full-electric machines, featuring high precision, low noise, cleanness, energy efficiency, and low maintenance, have rapidly penetrated the medical, optical, 3C, thin-wall packaging, and multi-color molding fields. Large two-plate injection molding machines, due to continuing demand from the automotive, logistics pallets, home appliances, and large structural parts sectors, remain the mainstay in the high-tonnage equipment market. On the other hand, multi-component, multi-material, and foam molding have reduced post-processing and enhanced product design flexibility. They also align with trends in automotive lightweight, medical consumables function integration, and consumer product differentiation, making them a key area for equipment manufacturers to increase the added value of their equipment.

AI and smart manufacturing have been among the most important structural changes in the industry in recent years. Academic research has begun to verify the practical feasibility of AI for injection molding. Deep reinforcement learning has also been introduced to real-time optimization of manufacturing process parameters of molding. Competition among injection molding machine manufacturers has expanded beyond mechanical structure, injection speed, clamping force, and energy-saving performance to include sensors, edge computing, data models, AI process recommendations, predictive maintenance, and operator knowledge assistance.

Sustainability and the circular economy are also key priorities for future industrial development. The plastics industry must balance carbon reduction, digitalization, and a commitment to social responsibility. For injection molding machine manufacturers, low carbon is no longer just about power saving; it extends to stable processing of renewable materials, foam reduction, material tracing, energy monitoring, carbon data disclosure, and recyclable product design. This also includes collaborative development with material suppliers, mold makers, and brand owners to create and implement application solutions. In recent years, FCS's exhibition themes have clearly shifted towards integrating “energy-saving equipment + digital platforms + recycled materials + automated production lines.” This indicates that when terminal customers purchase injection molding machines, they have increasingly focused on yield rate, energy consumption, scrap rate, mold change efficiency, data transparency, carbon emissions management, and overall holding costs, in addition to the unit price of the machine.

Overall, the global plastic injection-molding machine sector is showing four main trends: I. Market demand has expanded from traditional consumer goods to high value-added sectors such as new energy vehicles, medical care, electronics, optics, smart packaging, and renewable material processing; II. Equipment technology has shifted from single machine performance competition to competition in terms of intelligence, digitization, automation,

and line integration capabilities; III. The restructuring of the global supply chain and tariff risks have prompted customers to emphasize local manufacturing, local services, and short supply chains, creating opportunities for businesses that have already established overseas locations; IV. ESG, low-carbon, and circular economy principles have made full-electric, energy-saving servo, micro-foaming, renewable material adaptability, and energy management systems key to equipment upgrades. FCS continues to deepen its capabilities in large two-plate injection molding machines, multi-color/multi-material molding, full-electric machines, iMF 4.0 smart manufacturing, MuCell lightweight, overseas service networks, and turnkey solution offerings. The company has upgraded its equipment sales approach from a single machine-oriented model to one focused on “application process + data management + low-carbon solutions.” This shift has helped to improve brand differentiation, customer adhesion, and international competitiveness, and allows FCS to capitalize on the mid- and long-term growth opportunities presented by automotive lightweight, medical precision, electronic high precision, packaging high-speed manufacturing, and the circular economy.

2. Correlation among Upstream, Mid-stream, and Downstream of the Industry

The injection molding machine has earned the title of “mother of the plastics industry,” and its industrial chain encompasses everything from basic electromechanical components and system integration to the final plastic products used across diverse industries.

Analysis of the middle and downstream industries of the industrial chain:

I. Upstream: Core components and raw materials

Upstream suppliers primarily provide the mechanical structural components, power drive systems, and electronic control systems required for injection machines. The material science and processing precision of upstream parts and components directly determine the forming precision, stability, and equipment life of midstream whole machines.

1. Mechanical and metal casting industry: including large castings such as machine bases, frames, templates, as well as high-strength steel, Corinthian columns (large columns), linear slides, and bearings.

2. Plastic core component manufacturing industry: including precision screws, material tubes, and nozzles. 3. This is the core factor determining 3. the quality of plastic raw material melting, mixing, and injection volume.

4. Transmission and hydraulic components industry: including servo motors, hydraulic pumps, proportional valves, directional control valves, and other power and fluid control components.

5. Electronic control and sensing systems: including PLC controllers, industrial PCs (IPC), drivers, linear optical rulers, temperature sensors, pressure sensors, and heating coils.

II. Midstream: Equipment manufacturing and system integration

The midstream segment is the core of the industrial chain, responsible for technology research and development, mechanical assembly, and software and hardware calibration of upstream components. This results in complete machine equipment tailored to market processing needs, and the formation of a complete production line (turnkey solution) through the integration of molds and peripheral auxiliary machines.

1. Injection machine manufacturing industry:

I. Division by driving method: Full-electric injection molding machines (focusing on high precision, cleanrooms, and low energy consumption), hydraulic injection molding machines (focusing on large tonnage and high locking force), and oil-electric hybrid injection molding machines.

1.2. Based on application structure: Horizontal machines (most popular), vertical machines (suitable for covering/insert injection molding), dual-color/multi-color machines, and miniature injection machines.

2. Peripheral auxiliary machines and automation equipment: Including plastic drying machines, mold temperature machines, chillers, automatic feeding systems, and crushing and recycling machines, as well as industrial automation equipment, such as three-axis/five-axis robotic arms (responsible for pick-up or embedment), and automated conveyors.

3. Plastic mold design and manufacturing: Mold is the soul of molding, and it is usually necessary to closely cooperate with injection molding machine manufacturers and downstream processing plants for collaborative design and development.

III. Downstream: Processing and terminal applications of plastic products

The downstream customers are purchasers and actual users of injection machines, including professional plastic injection molders, OEM/ODM manufacturers, or brands' in-house production lines. The downstream industry transforms plastic granules (such as ABS, PC, and PET) into end products or key components.

I. Automobile and motorcycle industry: Car bumpers, headlamp covers, interior dashboards, and engine compartment engineering plastic parts (demand has grown for high-strength and large-scale components driven by electric vehicle and lightweight trends).

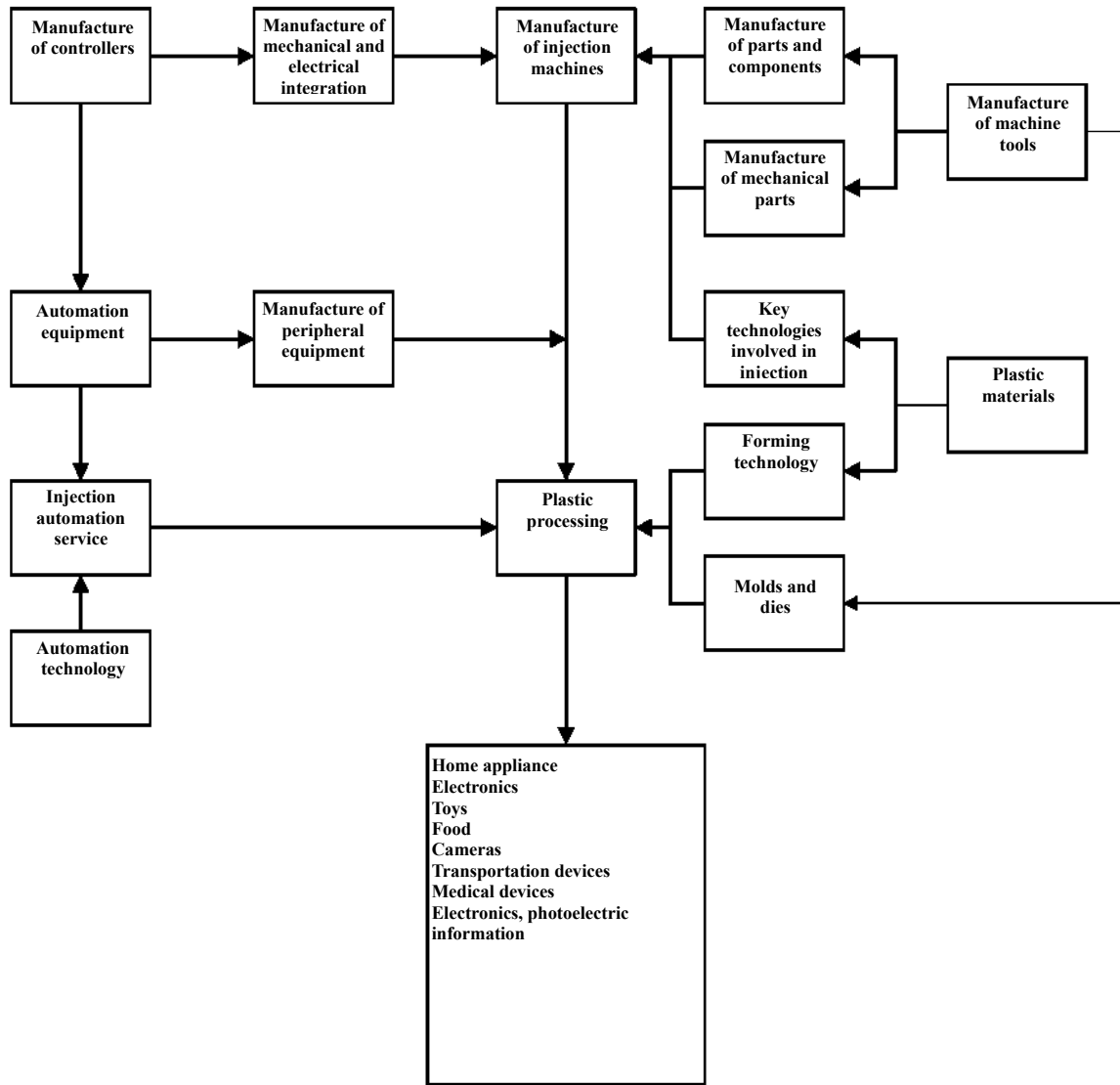
2. Electronics and telecommunications (3C) and the optical industry: Smartphone casings, notebook components, precision connectors, light guide plates, and precision optical lenses (requiring high levels of miniaturization and extreme precision).

3. Medical equipment and biotechnology: Disposable syringes, blood collection tubes, respiratory masks, and reagent test shells (manufactured to extremely high standards for fully electric injection machines and cleanroom production).

4. Consumer goods and packaging industry: Food packaging containers, PET preforms, cosmetic containers, home appliance casings, toys, and sports equipment (applications demanding high-speed molding and consistent large-scale mass production).

The correlation between the plastic injection machinery sector and its upstream and downstream is as follows:

Illustration of the correlation of plastic injection molding machine products



Source: Compiled by the ITIS project of the Mechanical and Mechatronics Systems Research Lab, ITRI

3. Respective developmental trends and competition of products

A. Various developmental trends of products

Over the past few years, injection molding machines have seen obvious developments in terms of their features and applications. The primary R&D new trends are clarified as follows:

a. Accelerated popularization of full-electric models

Full-electric injection molding machines have expanded from applications in medical, optical, and 3C electronics to now include packaging and automotive parts, owing to their energy efficiency, cleanliness, low noise levels, high precision, and reduced maintenance costs. At the 2025 K Show, FCS showcased the compact, full-electric CT-120e for applications in optics, medical care, and environmental protection. Sustainable eyewear frames were also molded from recycled PA6+GF material, demonstrating that fully electric models had become central to high-precision, low-carbon manufacturing.

b. High-speed, thin-wall, and short-cycle molding have become key trends in the packaging market

For food containers, thin-walled packaging, medical consumables, and in-mold labeling products, high-speed injection, short cycles, automated stacking, and high unit area output efficiency are required. FCS launched its SA short-body series at CHINAPLAS 2026, highlighting a fuselage length 15%~20% shorter than traditional machines in the same class, and integrating an IML system to showcase high-speed packaging applications.

c. Multi-color, multi-component, and heterogeneous molding continues to be upgraded

Multi-component injection molding allows for the completion of hard plastics, soft plastics, overmolding, inserts, and functional parts in a single process, reducing post-processing and assembly costs. At the 2025 K Show, FCS showcased its CT-230R full-electric two-color machine with a PP+TPE two-color tray, achieving an automated mass production cycle of 20 seconds and demonstrating its competitiveness in 2K, multi-material, and intelligent molding.

d. Micro-precision injection molding for medical and electronic miniaturization

Increased demand for medical diagnostics, microfluidic chips, sensors, and precision connectors has led Micro-injection to focus on small injection volume, high reproducibility, and clean manufacturing processes. ARBURA showcased LCP thin-walled PCB connectors and POM automotive parts automation molding at 2026 CHINAPLAS.

e. Expanded applications of lightweight and micro-foaming molding

The electric vehicle, shoe material, electronics, and packaging industries pursue weight reduction, noise reduction, heat insulation, and material saving have promoted the development of MuCell, physical foaming, and large-scale two-plate machines. At the 2026 TAINANPLAS show, FCS showcased its iMF4.0 and MuCell technologies, highlighting lightweight, carbon reduction, and efficient molding for shoe materials and electronics industries.

f. AI and intelligent manufacturing have shifted from monitoring to autonomous adjustment

The injection molding machine product has been upgraded from a standalone device to a smart system that combines sensors, cloud platforms, AI parameter recommendations, defect diagnosis, and predictive maintenance.

g. Recycling material processing and ESG become equipment differentiation capabilities

Because variations in recycled plastic batches can affect quality and stability, injection machines need to have closed-loop control and quality prediction capabilities. A 2025 Polymers research paper indicated that machine learning can be used to predict the input and quality of PP injection molding recycling processes. A 2026 industry article also indicates that AI closed-loop control can help reduce molding defects in renewable materials.

h. Turnkey plant integration and carbon data management have become conditions for procurement

Customers no longer focus solely on unit price when making purchasing decisions; they prioritize molds, drawing machines, testing, stacking, energy monitoring, MES integration, and after-sales service. FCS iMF4.0 integrates equipment data, energy consumption monitoring, and production analysis to support low-carbon manufacturing. Going forward, if injection molding machines can feed back energy consumption, material usage, yield rate, and carbon emissions data per molding cycle, they will better align with customer carbon inventory and low-carbon supply chain demands.

In sum, the development of injection molding machine products from 2024 to 2026 has evolved from focusing on “energy-saving, high-speed, and precision” to encompass “full electrification, intelligence, low carbon emissions, multi-material processing, renewable material adaptability, and whole-line solutions.” By continuing to deepen its capabilities in full-electrics, multi-component systems, large two-plates, MuCell, and

iMF4.0, as well as expanding its overseas service offerings, FCS has been able to capitalize on growth opportunities in the new energy vehicle, medical, 3C, smart packaging, and recycled material markets.

B. Product Competition

Plastic machinery around the world can be briefly divided into three major groups now by the quality and price range: Namely: high-priced models from Germany, Austria, and Japan are characterized by high precision, high reliability, production efficiency, and special functional design; products from China and other emerging countries are classified as a low-priced model; while those manufactured in Taiwan are categorized as mid-priced. Taiwan's plastic machinery industry continues to implement product transformation strategies, developing new models with various functions and industrial applications to comprehensively meet the needs of customers across different industries. These efforts have been well-received and recognized by the market. After many years of hard work, Taiwanese manufacturers have established a strong reputation for stable quality and competitive pricing. These factors are among the main reasons why Taiwan-made plastic machinery remains competitive and consistently achieves outstanding results in the global market.

It is worth noting the quick developments and emergence of plastic machinery over the past few years in Mainland China and in emerging countries. Despite the fact that the quality of the products is non-comparable to that of products made in Taiwan, their prices and appearances are quite competitive. Manufacturers in Taiwan need to carefully monitor their developments over the long term. Ningbo Haitian Precision Machinery Co., Ltd. in Mainland China, for example, has become one of the largest injection machine manufacturers in Asia, exemplifying the rapid growth of many Chinese plastic machinery competitors. Even the developments in the Indian market warrant attention. In 2019, the Company established its fourth production plant in India, which not only meets the substantial domestic demand but also facilitates the expansion into the South Asian and East African markets. Without proactive countermeasures and operational strategies, manufacturers in Taiwan will suffer significant impacts over the long term. In addition, European and Japanese manufacturers are following one another to set up their R&D centers or production sites in Mainland China to hopefully bring down the cost and be closer to the end market, which is expected to further ignite the competitive situation in the plastic machinery sector.

The Company is committed to serving customers and staying attuned to market trends. In addition to enhancing the R&D capabilities and quality

assurance systems at its Taiwan headquarters, the Company has also proactively established production facilities in China. It has invested in setting up factories in Dongguan (South China) and in Jiangbei, Ningbo, and Qianwan New Area (East China). Both the Dongguan Plant, the Ningbo Plant, and Qianwan New Area have been rendering impressive performances so far. The injection molding machines produced at these facilities are competitively priced against local Chinese brands, and their quality and performance have been highly acclaimed by both domestic and international customers. The adequate division of labor and integration strategies adopted by the three plants across the Taiwan Strait will signify the maximum competitive advantages of the Group while providing its enormous global customer base with instantaneous, sound, and satisfying service.

The greater remain great; it is a trend that is becoming more and more obvious in the plastic machinery market of China. By innovating jointly with users, the Company is gradually evolving from being a follower to being a leader in the industry. In the past, for example, all lenses were produced through the single-color injection machine that requires time to molding usually about 600 seconds. Now, with the dual-color or triple-color injection technology, the production cycle can be reduced by up to half. It is the unchanged insistence of the Company to take root on the multi-component dual-color market by providing customers with tailored equipment that helps add value to their products and their competitive advantages and the equipment suppliers benefit ultimately; it forms a mutual complementary and mutually conducive benign loop.

In the future, “fully electric, large machines turning two-plate-oriented, and powered injection” will become the standard in the injection machine sector of Mainland China. Generally speaking, the “one power and multiple elites” situation has taken shape on the injection molding machine markets across the Taiwan Strait, that is, the powerful Haitian and the other competitors that are elites in the industry. FCS excels in the multi-component and dual-color injection molding sector, offering the best complementary solutions. We focus on refining and perfecting our products to address the pressing pain points and gaps faced by our customers in this area. This dedication has shaped the FCS brand's unique selling points and earned the longstanding trust of our clients.

In the field for injection machines of Asia, products of FCS have been in the medium-to-high range over the years and the focus is placed on the integration of market demand and R&D. FCS started to manufacture dual-color machines in 1984. Over 40 years of accumulation and sedimentation, in large dual-color machines, in particular, abundant

database resources are available to Since 2010, in addition to selling machinery equipment, FCS has introduced knowledge-based products to its offerings. This approach has evolved into "Providing total solutions to meet customers' needs," incorporating the new concept of the "turnkey solution," an intelligent management system. We provide customers with value-added services that integrate all necessary elements of injection molding technology, including plastic materials, molding equipment, tooling technology, and even the back-end process. This comprehensive approach realizes a one-stop business model. In addition, this kind of business model not only contributes to the improvement of customer satisfaction, but also brings more stable income and long-term development potential to the Company, and creates long-term competitiveness and operating value for the Company.

(III) Overview of Technology and R&D:

1. R&D expenses in the most recent year

Unit: NT\$ thousand

Year	2025
R&D expenditure	132,517
Net revenue	5,082,840
R&D expenditure in net revenue%	2.61%

Note: As of the publication date of the annual report, the Company's consolidated financial report for the first quarter of 2026 has not been reviewed by CPAs.

2. Technologies or products successfully developed:

A. R&D patents secured over the past year:

Item No.	Year	Patent No.	Patent Title
1	2024	ZL202322545696.3 (Mainland China)	A rotary tray pipeline mechanism for injection molding machines.
2	2024	ZL202323382581.3 (Mainland China)	A clamping die cylinder mechanism for injection molding machines.
3	2025	M669539 (Taiwan)	A full-electric injection molding machine and its motor control mechanism.
4	2025	ZL201630013115.4 (Mainland China)	Protective sheet metal for injection molding machines.

B. Products developed successfully and receiving awards in the most recent year:

Item No.	Year	Content
1	2024.03	FCS GW-2200R two-platen X-type four-shot multi-component injection machine won the 2024 Plastic Industry Ringier Technology Innovation Award
2	2024.03	FCS participated in the 1st TAINANPLAS 2024
3	2024.05	Fu Chun Shin (Ningbo) received four awards of "Top 10 Strong Enterprise in 2023", "Top 10 Enterprise for Tax Payments in 2023", "2023 Development Contribution Advanced Unit", and "2023 Golden Bull Award".
4	2024.09	The Company received the honor of "Golden Quality Award" and "Aesthetics Award" of the First Term of TAIPEIPLAS AWARD
5	2024.11	FCS Group was honored as the “2024 Injection Machine Brand with Outstanding Influence”
6	2024.12	FCS Group honorably received four awards of Ningbo City Plastic Industry National Outstanding New Mini Giants Key Cultivation Enterprise, Ningbo City Plastic Industry National Single Champion Key Cultivation Enterprise, Ningbo Plastic Industry and Manufacturing Industry Top 50 Enterprises, and Ningbo City Government Plastic Industry Outstanding Enterprise.
7	2025.03	Fu Chun Shin Ningbo’s FB-R 5th-generation machine: Green Future was awarded the 2025 Ringier Technology Innovation Award.
8	2025.06	Fu Chun Shin Ningbo was named a "2025 Zhejiang Province Plastic Injection Molding Equipment Advantage Enterprise".
9	2025.08	Ningbo FCS Group won two awards at the 2025 (4th) Plastic Industry Conference and Brand Ceremony: "Injection Machine Brand with Outstanding Influence" and "Plastic Industry Innovation Product Award".
10	2025.08	Ningbo FCS Group was awarded multiple awards from the China Plastics Machinery Industry in 2025.
11	2025.11	The SA-160 intelligent elbow injection machine from FCS Group received this year’s award, and Guan-Chi Chiu, Manager of the Company’s R&D Center accepted the prize on behalf of the Group.
12	2025.11	FCS Group announced that its SA-160 intelligent elbow injection molding machine won the 34th Taiwan Excellence Award.
13	2025.12	At the 35th anniversary of the Guangdong Plastic Industry Association, FCS Group and Mr. Chun-Chieh Wang were awarded the "Leading Enterprise of Double-Colored Material Injection Molding Equipment in Guangdong Plastic Industry" and "Outstanding Contributor to Guangdong Plastic Industry" respectively.

(IV) Long/Short-Term Business Development Plan

1. Short-term business development plan

- A. Marketing strategy: Deploy prioritized channels to bring up the market share; develop quality customers for differential service; normalize the marketing system and maintain customer relations.
 - a. Create the customer relations management system to keep optimal collaborative relations with customers and to create win-win opportunities through mutual trust and interdependency.
 - b. Continue to explore the market in Mainland China and deploy a dense marketing network locally in order to reinforce the strength in strategies to cope with local counterparts and the local service.
 - c. Prepare differential sales strategies for prioritized markets, reinforce the collaboration with distributors and dealers, and deepen their service capabilities so that they can see through opportunities on their markets and quickly penetrate specific markets.
 - d. Plan products suitable for the said market and with a price-setting strategy reflective of different market attributes in order to satisfy differential needs.
 - e. Effectively take advantage of the media for promotional purposes and proactively take part in representative exhibitions to accordingly enhance the Group image and its publicity.
 - f. Create direct-sale sites overseas to provide local after-sales service and to sell locally for enhanced reacting speed and for better publicity and sales opportunities.
 - g. Add a service app to satisfy customer needs and reserve overseas sale and service momentum by setting regional service centers one by one and gradually completing the global service network.
 - h. Optimize the operational app to get back to customers in real time and to bring up the sales momentum so that the strength in promoting marketing activities may be reinforced to boost the purchasing power.
- B. Production policy: Strictly control the cost and profit and schedule deliveries steadily; being rigid about the quality assurance mechanism; and integrate the manufacturing process.
 - a. Restore the production flow by adding exclusive production jigs and tools to accordingly enhancing mass production efficiency and spontaneously take care of employee safety. Meanwhile, improve the quality approach to ensure stable quality and improve customer satisfaction.
 - b. Introduce Industry 4.0, de-construct the production procedure and technique, constantly improve process criteria, and consolidate the quality

assurance system to accordingly enhance the throughput, improve the quality level, reduce the cost, and boost competitive advantages.

- c. Continue to promote the B2B plan, strengthen supplier management, spontaneously assist suppliers, enforce rating and audits, and develop quality partnering suppliers in order to keep track of lead time for imported materials, to ensure quality of imported materials, and to make the best of the price negotiation capability to strictly control the cost of purchase at a reasonable level. The Company officially activated the “iSCM - Fu Chun Shin AI Innovative Application Program” through the “Industrial Upgrade Innovation Platform Assistance Plan” of the Industrial Development Bureau, MOEA to integrate the AI technology in the construction of a new e-system of the Company. Fulfill the efficacy of rapid response and flexible production through information streaming, penetration, resolving production and manufacture issues, improved yield, throughput, and efficiency, and the smart data analysis and application model created and introduce the value-added AI application in order to develop the smart supply chain and the smart manufacture model. Meanwhile, optimize the framework for streaming production information in the upstream and downstream of the supply chain through a reasonable procedure for comprehensive promotion of smart and lean production and for creating an efficient visualized production environment.
 - d. Define the standard working hours and realize and create a standard operating procedure to allow industrial linkage and relays. The said regulations are strictly followed at each work station and there are applicable regulations and systems for production control.
 - e. Integrate production processes, system structures, procedural control of the three plants across the Taiwan Strait so that they are consistent and standardized with precise lead time and lean manpower.
 - f. In order to resolve the issue of the lack of instantaneity in artificial paper-based worksheets and incomplete product traceability, it is planned to introduce the MES in the field of assembly for improved transparency of field production information.
 - g. Strongly execute the Group’s quality meeting system, improve the machine quality to achieve zero complaints.
 - h. Implement the Company’s “weight loss policy” (elimination of four bad issues: bad personnel, bad materials, bad debts and bad jobs); adopt a streamlined organization and the necessary personnel, and control inventories reasonably.
- C. Product Development Direction: Continue to develop second-generation machines and large two-platen dual-color machines; optimize the dual-color

- machines and the large two-platen machines; develop aggregate products on “further segmented markets”; R&D iMF smart injection molding machines.
- a. On the basis of the existing product performance strengths, be forward-looking about market dynamics and forecast the demand; continue to develop and improve new products meeting the market and customers’ needs in order to complete the product lines and to satisfy more diversified customer needs.
 - b. Through the diversified collaboration and exchange model with industrial, governmental, academic, and research institutions, make the best of governmental and non-governmental resources in the joint R&D of innovative products or professional equipment for the industry.
 - c. Spontaneously understand the needs of customers by reinforcing the cross-departmental synergistic order-taking mechanism to provide “tailored” differential services.
 - d. Proactively collect information about industrial technologies and continue to develop high-end models, innovative features, and other high value-added products or services such as total solutions to accordingly segment the market and enhance profitability.
 - e. Fu Chin Shin in Ningbo was reputed as the “State-grade High-tech Technology Enterprise” for the first time in 2009 and has been reputed so for multiple times to date. It became the first party to draft the industrial standards for “multi-component plastic injection molding machines” in China in 2018 and declared that FCS would continue with R&D and transformation of technical accomplishments into its core, autonomous intellectual property rights and grow towards being a knowledge-intensive and technology-intensive economic entity.
- D. Operational scale and finance: Adjust the distribution portfolio and boost contribution to profits; reinforce the turnover indicators and optimize return on assets; activate the wheel to reforms and put the right talent in the right place; create the learning and development center and reserve extensively talent in the sustainability bank; return to talent attainment and create happiness and satisfaction.
- a. Bring down the inventory level, reinforce the collection of accounts receivable, improve the financial structure, and minimize expenditure on interest.
 - b. Stabilize operational performance, increase the line of credit provided by banks, and make the best of capital turnover efficacy.
 - c. Prepare the forward-looking development strategies by adequately organizing fund-raising and other related activities to hopefully raise the required working capital through the open market and lay the groundwork

for long-term stable growths.

- d. Build the industrial knowledge bank and take advantage of the knowledge management system to accumulate smart capital.
- e. Gradually complete related operating procedures and eliminate the inefficiency checkpoint for enhanced procedural efficiency, operating quality, and reduced unnecessary expenditure.

2. Long-term business development plan

A. Marketing Strategy: Market segmentation and complete distribution network, advanced differential brand service

- a. The long-term strategy is to secure the presence in Taiwan, deploy in China, and reach out to the world; the focus in the global market. Taiwan is the marketing and operational center of the Group that integrates the global sales channels and policies.
- b. Strengthen the deployment of dealerships and sites on potential markets and emerging markets to answer to the comprehensive or regional market developments and to continue with more diversified internationalization.
- c. Build a complete marketing network that closely combines production, distribution, technical support, and after-sales service all in one and continue to take part in respective primary exhibitions for enhanced publicity of self-owned brands.
- d. Strictly select diversified management policies centering the core business, that is, R&D and manufacture of injection machines, in the pursuit of the Group's long-term developments.
- e. Create direct-sale sites or branch offices overseas to provide local after-sales service and to sell locally, to react quickly, to deepen market cultivation, and to facilitate management and dealerships in adjacent markets for better publicity and sales opportunities.

B. Production policy: introduce the smart lean production system, continue to optimize the supply chain system, and adhere to the idea of “big dam” for enhanced inventory control, consolidating the ISO system, and continuing to optimize the QCDS.

- a. Relocate models with mature technologies that are suitable for mass production at the plants in Mainland China applying the division-of-labor strategy for the three plants across the Taiwan Strait and the idea of a big dam module. This not only allows for a local supply and short lead time but also bring down the production cost for diversified competitive strengths.
- b. Plan adequate external purchase ratios and modularized production models to optimize the flexibility in adjusting purchase orders taken by

- sales representatives reflective of the production scale.
- c. Introduce the bulletin board real-time delivery mechanism to consolidate operational standardization at a high level and to create a dynamic mixed-line production system for significantly enhanced production efficiency and quality.
 - d. Consolidate the supply chain management system (SCM) and assist suppliers in improving their operations and management, enhancing their production technologies and turning related information about the supply chain digital so that it may be included as part of the synergistic operation of the Group, which will not only enhance the operational performance but also enable quick response.
 - e. Upgrade the supply chain information system: Besides reinforcing the cross-disciplinary information framework and integrating procedures of the three plants across the Taiwan Strait, communication software such as Line and Wechat will also be combined. The supply chain interactive technology will allow a seamless exchange of information and to minimize any delays in the supply chain as a result of message delays.
 - f. Introduce the production execution system in the field (MES): Production staff reports work through the mobile collection system to turn field production and quality information transparent and instantaneous and to boost the plant management efficiency, lower the production and inventory cost, and minimize downtime due to a shortage of materials in the field, among other things.
 - g. Introduce AI technology for production and operation: Strengthen the capability of electronic system big data analysis throughout the FCS system, apply the AI computing technology to optimize FCS sale, production, and service material reserve AI forecast momentum, minimize a shortage of materials in the field of production and in after-sales service, improve the accuracy in lead time, and optimize corporate decision-making and management efficiencies.
- C. Product developments: Take root with innovative operational practice and consolidate fundamental research.
- a. The R&D Center in Taiwan takes charge of integrating the R&D momentum at each branch site and continues to develop products meeting the trends on the market. Improved additional value and quality are the win-win situation to be prioritized for customers.
 - b. Proactively work with peripheral manufacturers in the development of high value-added and highly technical integrated products for “systematic distribution”, such as PET packages, food containers, medical devices, and IMD intra-mold ornament systems, among other total plant outputs.

- c. Recruit professional teams for respective niche sectors and develop exclusive machines for the specific sector, such as large horizontal turntable dual-color machines, TFT-LCD light guide plate machines, food container machines, medical device machines, micro-molding and micro-pore foam molding machines, and powder injection molding machines
- d. Take advantage of the technical integration capabilities and enhance the ability undertake a variety of products and the process capability in order to quickly respond to customers' dependency on and demand for integrated systematic distribution.
- e. Work with partners overseas that own advanced technologies, develop high-end models, improve the technical level and quality, and enter the market for high-end customers.
- f. The Company released its iMF 4.0 smart manufacturing plant system for the first time at the 2018 Taipeiplas. The system is developed on the basis of production cycle time management, with ideas of mold management, machine management, and material management, and the OPC-UA standard for real-time display of the overall equipment effectiveness (OEE) information. The information is tallied together with abnormal equipment and production messages so that production managers can keep track of the production status in real time, realizing Industry 4.0 mobile computing, analysis, and optimization, for enhanced efficiency and reduced squandering and to fulfill the managerial purpose quickly responding to production abnormalities. Through this system, one can be connected simultaneously to monitor the status of production line equipment around the world; it is an idea of remote production management. The demo plant is already set up at the main office in Tainan to provide customers in the injection molding sector with actual Industry 4.0 solutions.

The dawning of the 5G era expedites the smart corporation process. The PIM lab of the FCS Group, focusing on the controller for the smart injection molding machine, collects necessary information from peripheral equipment and process sensors and uploads the process data in real time to the cloud through the OPC-UA standard. The manufacturing resources database is created. The cloud iMF 4.0 (intelligent ManuFactory 4.0) converts the resources database into OEE (overall equipment effectiveness) production trends, worksheet scheduling, production abnormality automatic statistics, among other statements, realizing Industry 4.0 mobile computing, analysis, and optimization for enhanced production efficiency and reduced production squandering.

D. Operational scale and finance: Ensure the best interest for shareholders,

configure logistic resources highly effectively, innovate on cultural and organizational reforms, learn and grow, keep track of key elements, share profit, happy workplace.

- a. Evaluate appropriate locations and adequately set up marketing sites or add production sites overseas to maximize the international professional division-of-labor mechanism and to be close to the market and to accordingly continue to maximize the operational scale.
- b. Reflective of the corporate operational demand, besides continuing to enhance its own operational performance, integrate and allocate self-owned working capital and bank financing flexibly to support demand and raise short/long-term funds on the capital market and the money market.
- c. Enforce the lean human resources project and develop international managerial talent and succeeding management teams to answer to the internationalization strategy.
- d. Control and promote the operational performance of the core business and investments taking advantage of the existing R&D momentum and abundant staffing resources and adequately invest or set up plants overseas or even form strategic alliances with counterparts or cross-disciplinary strategic alliances.

II. Market, Production and Sales

(I) Market analysis

1. Where main products (services) are sold or provided

The main products of the Company are plastics injection molding machines and their related products, as well as magnet wires. These products are sold globally, including in Asia, America, Europe, and Africa. The sales amounts of the Company by region for 2023 through 2025 are as follows:

Unit: NT\$ thousand

Item \ Year	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
Taiwan	689,509	17.86	755,604	16.68	637,120	12.53
Mainland China	2,450,485	63.47	2,388,205	52.73	3,070,834	60.42
Other countries	721,011	18.67	1,385,602	30.59	1,374,886	27.05
Total	3,861,005	100.00	4,529,411	100.00	5,082,840	100.00

2. Market share and future supply and demand and growth on the market

(1) Market share

As is shown in the monthly statistics of industrial production of the Ministry of Economic Affairs, the sales value of plastics injection molding machines in Taiwan was NT\$12.484 billion in 2025. As a specialized manufacturer of plastic injection molding machines, it is estimated that the Company holds a market share of approximately 12.17%.

(2) Future supply and demand and growth on the market

Although the global plastic injection molding machine market has been affected by factors such as inflation, interest rate levels, geopolitics, supply chain restructuring, energy costs, and fluctuations in terminal consumer demand in recent years, injection molding machines remain fundamental equipment for the manufacturing industry. They have broad applications in industries including automotive components, medical consumables, food packaging, 3C electronics, home appliances, sporting goods, daily necessities, and recycled material processing. As downstream applications encompass food, clothing, shelter, transportation, education, entertainment, and healthcare, market demand is diversified across multiple industries. Therefore, while short-term economic cycles have affected customers' capital expenditures and equipment installation rates, long-term demand remains stable due to ongoing equipment replacement, production capacity expansion, and technological upgrades.

In terms of market size, research institutions have arrived at slightly different estimates due to variations in their statistical scope and product definitions, but all indicate that the injection molding machine market has maintained steady growth. Research Nester estimates that the global plastic injection molding machine market was around USD12.4 billion in 2025 and USD12.87 billion in 2026, and is expected to reach USD18.71 billion by 2035, with a compound annual growth rate of around 4.2% between 2026 and 2035; Global Market Insights estimates that the global injection molding machine market exceeded USD10.4 billion in 2024, with a compound annual growth rate of around 4.8% between 2025 and 2034, reaching USD16.5 billion by 2034; Markets and Markets estimates that the global plastic injection molding machine market was around USD11.98 billion in 2024, reaching USD14.78 billion by 2030, with a compound annual growth rate of around 3.5% between 2024 and 2030. Overall, while the market has not experienced explosive growth, it has a mid- to long-term annual growth potential of around 3.5%~5%.

From the demand side, the automotive industry remains a key source of demand for injection molding machines. New energy vehicles, electric

vehicles, and energy-saving vehicles require lightweight of the body, one-piece production of parts, and modular production, driving demand for large two-plate injection molding machines, multi-component injection molding machines, two-color machines for car lights, forming equipment for interior and exterior trim, and micro-foaming technology. Markets and Markets indicates that automakers have continued to replace metal parts with plastic parts to reduce vehicle weight, improve fuel efficiency, and increase range. As a result, the automotive industry accounts for a significant proportion of the plastic injection molding machine market. For FCS, multi-component two-color large two-plate injection machines and customized automotive parts molding solutions align with the trends of new energy vehicles and automotive lightweight, building on FCS's established foundation in the vehicle lamp, automotive, and transportation equipment supply chains.

Medical and precision electronics are also high-growth application markets for the future. Full-electric injection molding machines have gradually become the main equipment option for medical consumables, diagnostic components, microfluidic chips, optimal elements, and precision connectors due to their high precision, low pollution, low noise, good reproducibility, and suitability for clean rooms production.

In terms of supply, the global injection molding machine industry has developed into a pattern of large-scale production in China, high-end manufacturing in Europe and Japan, and specialized production in Taiwan. Mainland Chinese companies, led by Haitian International, have benefited from large-scale production capacity, a complete supply chain, price competitiveness, and established overseas service networks. It is worth noting that competition with Chinese competitors has moved beyond low-priced models. The integration of cloud data, AI defect diagnosis, first-pass parameter recommendations, process deviation warnings, and real-time monitoring indicates that China's large equipment manufacturers have transformed from single-machine manufacturers into intelligent manufacturing platform suppliers. This will intensify the competitive pressure on Taiwanese companies, as their Chinese counterparts have advantages in pricing, scale, delivery times, supply chain management, overseas services, and digital capabilities.

European and Japanese competitors have continued to maintain technological barriers in the high-end market. At K 2025, ENGEL introduced inject AI, an industrial-scale autonomous injection molding unit. The company highlighted the machine's ability to independently produce high-quality parts with AI assistance, and its use of digital tools to improve

setup, quality control, and address the shortage of skilled operators. At CHINAPLAS 2026, ARBURG also launched the ALL ROUNDER TREND electric machine, offering a standardized, full-electric solution with fast setup, easy maintenance, and improved cost-competitiveness for the Asia market. High-end brands have moved beyond simple mechanical precision and are now competing in areas such as AI, controllers, automatic threading, operating interfaces, and production line data integration capabilities.

Regarding the supply and growth opportunities of FCS, the Company has continued to strengthen its capabilities in recent years in full-electric, multi-component, large two-plate, intelligent manufacturing, and low-carbon forming technologies. FCS GW-2200R two-plate X-type four-shot multi-component injection machine won the 2024 Plastic Industry Ringier Technology Innovation Award FCS participated in more than 20 exhibitions worldwide in 2024, and has continued to expand its service locations in Southeast Asia, the Middle East, Africa, Europe, and the Americas.

During CHINAPLAS 2026, FCS showcased its SA series short-body injection machines, FB multi-component, CT full-electric, and FA precision models. The exhibition resulted in over RMB36 million in signed orders from customers in the automotive parts, precision medical, and smart packaging production lines. The SA series is designed to shorten machine length while maintaining clamping force, injection precision, and operational stability, addressing customer needs related to plant space, operating costs, and production efficiency per unit area. This demonstrates that FCS continues to secure actual orders in the mid-to-high-end customization, high-speed forming, automotive parts, and precision medical markets.

From the perspective of sustainability and the circular economy, the stable processing of renewable materials, energy-saving equipment, carbon emission monitoring, and Product Life Cycle Management have become key drivers of future supply and demand growth. The future demand for injection molding machines stemmed not only from increased production capacity but also from equipment upgrades customers made in response to ESG, low-carbon supply chains, and the growing use of recycled materials.

AI and smart manufacturing are reshaping the supply and demand structure. In 2025, Springer research proposed AI-driven cognition. By collecting data from each molding cycle through pressure sensors, a reliable molding area was established to support the production of high-quality parts. In 2026, further research has proposed multi-quality prediction by

combining AI with in-mold pressure signals. This indicates that future high-end injection molding machines must not only deliver mechanical performance but also integrate sensors, data platforms, AI models, process recommendations, quality traceability, and predictive maintenance functions. If FCS iMF4.0 continues to deepen cross-plant monitoring, energy tracking, yield analysis, AI predictive maintenance, and carbon data management, it will increase customers' willingness to introduce smart manufacturing and low-carbon processes.

In terms of regional markets, Asia Pacific remains the center for demand and supply. Reorganization of supply chains in Mainland China, India, Southeast Asia, and Taiwan has increased the importance customers place on regional manufacturing and local service capabilities. FCS has established production and service locations in Taiwan, China, and India. It serves markets in Asia, South Asia, the Middle East, Africa, and Europe and America through agents and after-sales service networks. This has helped to reduce cross-regional supply risk and improve delivery flexibility.

Based on a comprehensive assessment of supply and demand, the injection molding machine market is expected to continue growing, but the drivers of this growth have shifted from simple capacity expansion to demand for industrial upgrades. On one hand, new energy vehicles, lightweight automobiles, medical consumables, precision electronics, smart packaging, and the application of recycled materials have driven demand for new equipment; on the other hand, energy saving and carbon reduction initiatives, full-electric replacement, AI quality control, energy monitoring, carbon footprint data, and turnkey line integration are promoting the replacement of existing equipment. For FCS, it should avoid low-price homogenization competition with large Chinese competitors and continue to focus on multi-component two-color molding, large two-plate molding, full-electric machines, short-body high-speed machines, MuCell micro-foaming, iMF4.0 smart manufacturing, and whole-plant integrated services. Its core positioning should be “mid-to-high-end customization + global services + low-carbon smart manufacturing processes.”

Overall, while short-term order fluctuations remain possible due to the global economy and end demand, the long-term demand for injection molding machines has remained solid. Based on market data, industry exhibitions, and academic research observed in recent years, the market supply has continued to evolve towards high efficiency, full electrification, intelligence, low carbonization, and regionalized services. Demand has been driven by trends in automotive lightweight, medical precision, packaging speed, electronics miniaturization, and the circular economy. If

FCS can effectively leverage its multi-component technology, global production and sales network, turnkey solution experience, and smart manufacturing capabilities, it should be well-positioned to maintain a mid-to-high-end competitive position in the injection molding machine market and capitalize on growth opportunities arising from global manufacturing equipment upgrades and the shift toward low-carbon operations.

Sales volumes/values of plastics injection molding machines over the past 3 years

Year	Number of units produced	Number of units sold	Growth rate	Sales value (NT\$ million)	Growth rate
2023	4,747	5,120	-22.69%	11,710	-20.64%
2024	5,370	5,593	9.24%	11,707	-0.02%
2025	5,420	5,650	1.02%	12,484	6.63%

Source: MOEA monthly industrial production statistics

3. Competitive niche

A. Clearly positioned in the mid-to-high end with international market recognition

The global injection molding machine market has maintained steady growth. Research Nester estimates that the global plastic injection molding machine market reached approximately USD12.4 billion in 2025, USD12.87 billion in 2026, and is projected to reach USD18.71 billion in 2035, with a compound annual growth rate of about 4.2% from 2026 to 2035; Precedence Research estimates that Asia Pacific accounted for the largest global market share of about 39% in 2024. As a leading injection molding machine brand in Taiwan, FCS has long focused on the mid-to-high-end customized market. It offers superior quality and customization options compared to lower-priced Chinese brands, and greater cost and service flexibility than high-end European and Japanese brands.

B. Differentiation through multi-component, dual-Color, and large-scale machine technology

FCS has long specialized in dual-color, multi-color, and multi-component injection molding machines, particularly well-suited for automotive headlights, interior and exterior components, home appliances, medical devices, and high-end consumer products. FCS GW-2200R two-plate X-type four-shot multi-component injection machine won the 2024 Plastic Industry Ringier Technology Innovation Award Compared with standard models, multi-component machines have reduced post-processing and assembly procedures, increasing the added value of customers' products and helping FCS avoid low-price homogenization competition.

C. Layouts for full-electric and low-carbon models align with high-end

application trends

In recent years, international manufacturers have actively promoted full-electric models. At K Show 2025, FCS showcased the CT-120e compact full-electric injection molding machine, targeting optical, medical, and environmental products. The CT-230R full-electric two-color machine integrated a high-precision rotary table, two independent injection molding units, and iMF 4.0 for production monitoring, energy tracking, predictive maintenance, and remote diagnostics. FCS has expanded its business from traditional hydraulic and servo hydraulic machinery to encompass full-electric, clean, high-precision, and low-carbon forming markets.

D. iMF 4.0 Smart manufacturing system enhances product added value

The competition in the injection molding machine industry has shifted from single-machine hardware to the integration of “machine + sensor + data platform + AI analysis”. The FCS iMF 4.0 system integrates machine data, energy monitoring, and production analysis to enhance operational transparency and support low-carbon manufacturing. This capability assists customers with cross-plant management, yield analysis, predictive maintenance, and energy tracking, and serves as a key value-added tool for FCS in selling high-end equipment and turnkey solution.

E. Short body, high efficiency, and streamlined line integration address customer pain points

Faced with rising plant, labor, and automation costs, customers purchasing injection molding machines have moved beyond simply comparing individual unit prices. They now prioritize output per unit area, cycle time, energy efficiency, and line integration. At CHINAPLAS 2026, FCS launched its SA series short-body injection molding machines, reducing equipment footprint while maintaining clamping force, injection precision, and stability. The company’s complete product lineup now includes FB multi-component, CT full-electric, and FA precision models. During the exhibition, FCS secured signed orders exceeding RMB 36 million from customers in the automotive parts, precision medical, and smart packaging industries.

F. Global service and local presence enhance order acceptance and after-sales support

FCS has established distribution and service locations in Asia, Europe, and Africa, and has expanded into markets including Indonesia, Thailand, India, Vietnam, and Brazil. This global service network holds significant competitive value as supply chains have shifted to short supply chains, and customers increasingly prioritize local services and delivery flexibility. Pre-sale application evaluation, installation and debugging, after-sales maintenance, and parts support are provided through regional bases to enhance customer loyalty.

G. Compete with leading Chinese companies by differentiating its approach

and avoiding the low-price market

Chinese competitors have continued to expand their scale advantages. Hai Tian International's revenue reached RMB17.733 billion in 2025, a 10.0% increase year-over-year, with significant growth in overseas sales. Facing large competitors such as Hai Tian, FCS focused not on price competition, but on large multi-component assemblies, automotive lightweight, full-electric two-color molding, smart manufacturing, and customized production line solutions, establishing a "specialized" competitive positioning.

- H. Aiming to compete with high-end European and Japanese brands through cost-effectiveness and customization.

European companies such as ENGEL showcased their inject AI and self-regulating injection molding units at K 2025; ARBURG launched the ALLROUNDER TREND electric standard machine at CHINAPLAS 2026, emphasizing intuitive operation, short lead times, low total cost of ownership, and complete solutions. Although FCS still lags behind top European and Japanese brands in ultra-high-end control technology, it can penetrate the mid-to-high-end market for equipment upgrades by leveraging reasonable pricing, rapid customization, extensive component experience, its Asian supply chains, and flexible sales service.

- I. ESG, renewable materials, and low-carbon applications create new growth niches

Injection machine customers are increasingly focused on energy saving, carbon emissions reduction, renewable materials use, and product life cycle management. FCS has combined its experience in iMF 4.0, energy monitoring, MuCell microfoaming, and renewable materials molding to further strengthen low-carbon processes solutions.

- J. Plant planning and turnkey solution enhance long-term operational value

FCS promotes turnkey solution to integrate materials, equipment, tooling, peripheral automation, and post-processing into a one-stop solution. In recent years, customers have shifted from single-machine procurement to the delivery of entire production lines, including in-mold labeling, pick and stack, detection, MES integration, energy management, and remote maintenance. The Company also continues to integrate multi-machine sets, full-electric machines, short-body high-speed machines, iMF 4.0, and MuCell with overseas sales services to increase project values, reduce price competition for individual machines, and generate more stable long-term service income.

- K. Fulfill corporate social responsibilities and the role as global citizen -- molding the machine, mankind, and environment

Under the macro-environment of economic transformation and upgrade and restructuring, businesses are faced with harsher and harsher new requirements about environmental protection. The Company has been

valuing environmental protection. FCS gave itself a mission, that is, to use energy-saving and carbon-reducing production equipment and also materials that can be easily recycled. The corporate mission of FCS is “shape a better world”. While providing plastic production solutions, it is also devoted to assist its customers in reducing the use of plastics and energy and reducing the squandering of resources. As such, many technologies have been developed, including the fully electric energy-saving machines, PC glazing, micro-foaming technology, long fiber technology, among others, and along with the iMF 4.0 developed independently by FCS, the Company is helping customers enhance the yield and production efficiency, and reducing energy and plastics consumption to accomplish environmental protection.

In sum, FCS’s competitive niche in the injection molding machine industry has evolved from “Taiwan quality, mid-range pricing, and customization” to “multi-component expertise, full-electric and low-carbon designs, intelligent manufacturing, global service, and complete turnkey solutions”. Facing increasing competition from large-scale Chinese companies and the high-end strategies of European and Japanese brands, FCS continues to focus on the new energy vehicle, automotive lightweight, medical, 3C, smart packaging, shoe materials, and recycling materials markets. The company aims to build long-term competitive advantages through mid-to-high-end customization and turnkey solution.

4. Advantageous and Disadvantageous Factors for Future Developments and Countermeasures

A. Advantageous factors

- a. The Group has been in existence for 50 years and is a TPEX-listed company with abundant resources and enjoys high levels of brand awareness in both Taiwan and Mainland China, which is in favor of customer development and product marketing.
- b. Our product lines are both broad and deep, with strong customization capabilities. The Group is fully committed to developing iMF 4.0 smart manufacturing solutions and integrating high value-added peripheral products and systems to meet customers' dual transformation needs of digitalization and sustainability, thereby enhancing product competitiveness.
- c. In addition to our well-established operations in Taiwan, Dongguan, and Ningbo, the Group is expanding with a new plant in the Qianwan New Area. Once operational, this facility will double production capacity and support future growth and development.
- d. With a 30-year track record in Mainland China, the Group is ranked among the top 10 plastic machinery manufacturers and is one of the top five preferred brands among Chinese customers. It holds strong market reputation, especially in the automotive lighting sector, and maintains a large customer base for multi-component machines.

- e. The Group is actively expanding its global production and sales network. In addition to having comprehensive marketing and service points in Taiwan, China, and Southeast Asia, the establishment of the India plant further enhances the Group's ability to develop markets in South Asia, the Middle East, and Africa.
- f. Group-wide joint procurement of materials for injection molding machines enhances bargaining power and significantly reduces costs. Production is strategically divided among plants, allowing each site to focus on specific machine models, reducing inventory and improving operational efficiency.
- g. Reinforce target performance management, define the KPIs for the organization and respective departments, and adhere to “mission impossible” to enhance the performance.
- h. The “Organizational Learning and Development Center” is formed to be the internal training unit and the center for training external plastics processing staff; it not only satisfies customer needs and improves customer relations but also fulfills corporate social responsibilities.
- i. The Group has a robust IT infrastructure and is actively implementing the iSCM smart manufacturing system and PDM integration. It is also developing mobile applications that integrate with its ERP database, enhancing product competitiveness and improving QCDS (Quality, Cost, Delivery, Service) performance.
- j. The Group has established a comprehensive online marketing platform to support the growth of its e-commerce business.

B. Disadvantageous factors and their countermeasures

- a. The overseas subsidiaries have not yet fully made profits, and the effectiveness of overseas locations will continue to be improved:
 - a.1. The practical experience of cross-border operation is still easy to grasp, and the systems of capital management, internal control and business performance management need to be continuously refined.
 - a.2. India's tax laws and regulations are becoming more complex and difficult to manage due to the cultural differences, which makes it difficult for India's strong and high-tech businesses to manage and increases management costs.
 - a.3. Inadequate senior management and overseas sales talent, which affect the overseas deployment and the improvement of branch office performance.

Countermeasures:

Based on the ISO three-in-one standard integrated system, implement the systematic management, standardization of procedures and digitalization of operations, in order to establish the foundation for business sustainability.

Promote KPI performance target management activities, and shape the organizational culture of "high-ranking officers leading by example and engagement of all members on the team", and fulfilling our missions.

Strengthen the operational performance of Vietnam, Indonesia, Thailand, and India plants, implement management systems, recruit more businesses, and increase revenue and profit.

The headquarters reserves the management talents of overseas subsidiaries, and strengthens the performance of reinvestment and overseas investments.

Plan the Group's medium and long-term capital channels and strengthen the financial structure.

b. Low foreign trade market share

b.1. The overseas marketing channel deployment is not sufficient, except for China, the United States, and Southeast Asia, the market in Europe, South America, and the Middle East channel-density is not sufficient.

b.2. The professional knowledge of sales personnel and the overall operating efficiency of customers need to be improved continuously.

b.3. Inadequate overseas service energy

Countermeasure: Expand export markets.

Actively participate in overseas exhibitions, and develop new business opportunities.

Expand new distribution channels in Europe, Middle East and Africa to improve sales performance.

Case study is used as teaching material to strengthen business education and training.

The original engineers have been praised for their regular service and stable reputation.

c. Inadequate niche products

c.1. Inadequate niche products

c.2. Inadequate product differentiation and lack of complete solutions.

c.3. The lack of high-level electrical control talent affects the progress of the development of self-made electrical injection machines.

Countermeasures:

Actively promote and develop high-value-added models, such as large Sandwich/Interval Injection Molding Machines, iMF 4.0, MuCell, and two-plate electric models.

Strengthening key products: Double-color machines for the China market, smart manufacturing systems for the Taiwan market, and Mucell shoe machines.

Seek industrial strategic alliances and establish a strategic platform mechanism to ensure competitiveness.

Continue to recruit high-level electrical control manpower.

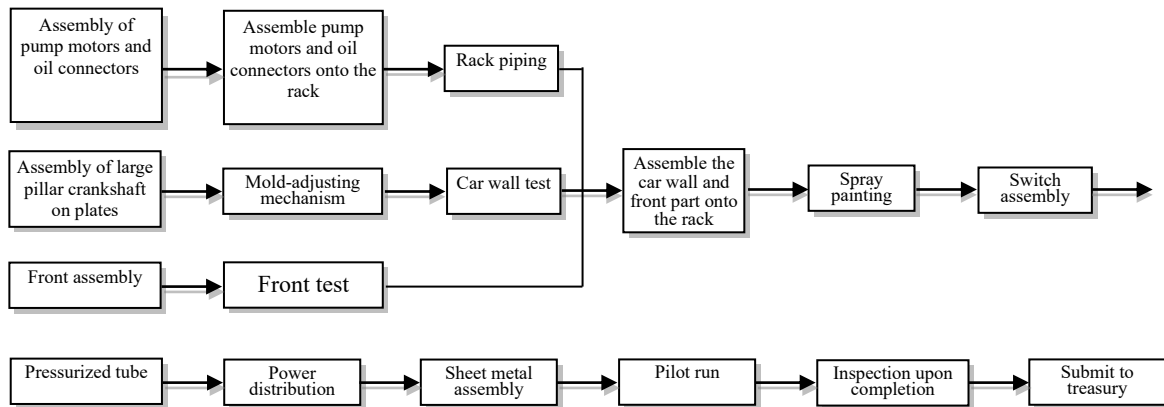
(II) Important purposes and production processes of main products

1. Important purposes of main products

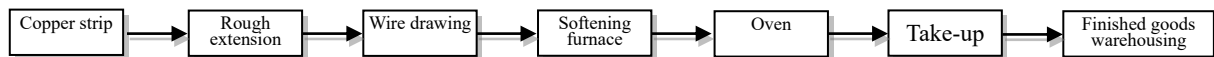
Product	Specific weight	Main function or purpose
Plastics injection molding machine	94.61%	Plastic products injection molding
Cables	2.61%	Stereo system coils, large and small motors, compressors, etc.
Others	2.78%	Solar energy power generation, other items

2. Production/Preparation processes

(1) How a plastics injection molding machine, a primary product of the Company, is manufactured is shown in the figure below:



How a magnet wire, a primary product of the Company, is manufactured is shown in the figure below:



(III) Supply of main raw materials

The Company maintains a friendly relationship with its suppliers based on a partnership attitude, so that the best price, quality and delivery service can be obtained. The main raw material supply areas are as follows:

Main raw material	Supply regions	Supply status
Rack group	Taiwan manufacturers, China	Good
Hydraulic parts, hydraulic manifold	Taiwan manufacturers, China	Good
Electric motors, Servo motors	Taiwan manufacturers, China	Good
Movable mold plate assembly, mold adjustment plate assembly	Taiwan manufacturers, China	Good
Fixed mold plate, toggle assembly, mold-clamping column	Taiwan manufacturers, China	Good
Electric control and material pipe assembly	Taiwan manufacturers, China	Good
Bar copper wire	Taiwan manufacturers, China	Good
Acrylic	Mainland China	Good

(IV) Names of Top 10 customers sold to and the amount and ratio of sales over the past two years

1. Primary suppliers over the past two years Unit: NT\$ thousand; %

Item	2024				2025			
	Name	Amount	Ratio to net purchases throughout the year [%]	Relationship with the issuer	Name	Amount	Ratio to net purchases throughout the year [%]	Relationship with the issuer
1	A	163,329	5.15	Manufacturer	A	173,347	5.10	Manufacturer
2	B	146,667	4.62	Manufacturer	B	142,825	4.20	Manufacturer
3	C	134,055	4.23	Manufacturer	D	140,766	4.14	Manufacturer
4	D	109,263	3.44	Manufacturer	C	132,272	3.89	Manufacturer
5	E	94,206	2.97	Manufacturer	K	76,166	2.24	Manufacturer
6	F	80,089	2.53	Manufacturer	E	74,961	2.20	Manufacturer
7	G	76,735	2.42	Manufacturer	G	65,398	1.92	Manufacturer
8	H	60,177	1.90	Manufacturer	L	56,907	1.67	Manufacturer
9	I	58,432	1.84	Manufacturer	M	56,766	1.67	Manufacturer
10	J	50,515	1.59	Manufacturer	N	56,353	1.66	Manufacturer
	Others	2,198,246	69.31	Manufacturer	Others	2,425,693	71.31	Manufacturer
	Net purchases	3,171,714	100.00		Net purchases	3,401,454	100.00	

Note 1: List the names of suppliers accounting for at least 10% of the total purchases over the past two years and the value and ratio of their purchases. When the names of suppliers or counterparts may not be disclosed as agreed in contracts are individuals and non-related parties, however, they may be replaced with a code.

2: No single supplier has accounted for more than 10% of total purchases in the last 2 years.

2. Information about major customers in the last two years

NT\$ thousand; %

Item	2024				2025			
	Name	Amount	Ratio to net purchases throughout the year [%]	Relationship with the issuer	Name	Amount	Ratio to net purchases throughout the year [%]	Relationship with the issuer
1	a	139,585	3.08	Customer	f	132,601	2.61	Customer
2	b	85,223	1.88	Customer	k	113,275	2.23	Customer
3	c	71,680	1.58	Customer	l	101,738	2.00	Customer
4	d	62,069	1.37	Customer	e	100,446	1.98	Customer
5	e	60,728	1.34	Customer	c	76,857	1.51	Customer
6	f	58,221	1.29	Customer	m	76,596	1.51	Customer
7	g	49,160	1.09	Customer	n	70,978	1.40	Customer
8	h	44,836	0.99	Customer	o	62,592	1.23	Customer
9	i	44,574	0.98	Customer	p	57,240	1.13	Customer
10	j	43,879	0.97	Customer	q	55,032	1.07	Customer
	Others	3,869,456	85.43	Customer	Others	4,235,485	83.33	Customer
	Net sales	4,529,411	100		Net sales	5,082,840	100	

Note 1: List the names of customers accounting for at least 10% of the total sales over the past two years and the value and ratio of their sales. When the names of customers or counterparts may not be disclosed as agreed in contracts are individuals and non-related parties, however, they may be replaced with a code.

2: There is no single customer accounting for more than 10% of the net sales in the last two years.

III. Employees

Information about employees in the last two years up to the printing date of the annual report
March 31, 2026

Year		2024	2025	As of March 31, 2026
Number of employees	Manager	89	75	70
	Direct employees	397	474	514
	Ordinary staff	483	468	456
	Total	969	1017	1040
Mean age		38.11	37.81	38
Mean years in service		6.07	5.42	5.51
Ratio of education distribution	Post-graduate school	6	4	3
	Graduate school	51	55	51
	College/university	571	579	593
	Senior high school	198	221	231
	Below senior high school	143	158	162

IV. Environmental Protection Expenditure

1. Explain how the application, payment, or setup status of those that should apply for a permit for setting up polluting facilities or discharging pollutants or pay pollution control and prevention fees or set designated units for environmental protection as required by law:

The Company currently has air pollution control equipment in place and pays an air pollution charge periodically and because electric wire and cable manufacturing is included, one Class B specialist for air pollution is configured.

2. Investments in major equipment to help prevent environmental pollution and the purposes as well as possible benefits:

The primary environmental pollution prevention and control equipment of the Company now is the air pollution equipment. Due to the fact that the Company includes the manufacture of electric wires and cables and paint spray, in order to prevent against air pollution, two sets of air pollution prevention and control equipment are in place. For electric wires and cables,

there are catalyst burning towers and for paint spray there is the activated carbon absorbing equipment. Costs of air pollution prevention and control equipment and consumables in 2025 are as follows:

Name of Equipment	Costs of replacing
Catalyst burning tower	NT\$90,000
Activated carbon absorbing	NT\$455,440
Total	NT\$545,440

The efficacy is that air pollution can be reduced and corporate social responsibilities can be fulfilled by protecting the health of residents in the surroundings.

3. How the Company improved environmental pollution over the past two years and up to the printing date of the annual report, and the handling process in case of any dispute over pollution:

The activated carbon absorbing equipment of the Company has been tested by the testing authority and the results meet the criteria of environmental protection laws and regulations and such information is declared periodically as required by law.

4. Losses suffered because of environmental pollution in the past year up to the date the annual report was printed (including compensation and violations of environmental protection laws and regulations with environmental protection audit findings; the date of punishment, punishment number, article of the law or regulation violated, description of the violation and the punishment shall be specified), and the value of fines incurred and an estimate of those likely to be incurred in the future and countermeasures. If reasonable estimates are impossible, facts about the impossible reasonable estimates shall be specified: The Company did not suffer losses caused by environmental pollution in 2025.

5. Current pollution status and the impacts of its improvement on the Company's earnings, competitive advantages, and capital expenditure and the expected major capital expenditure on environmental protection for the coming two years:

The Company did not have any significant capital expenditure for environmental protection in 2025.

V. Labor-Management Relations

1. List the Company's employee welfare measures, continuing education, training, retirement systems and their implementation status, as well as labor-management agreements, and various employee rights protection measures in accordance with the law:

(1) Employee benefits

The Company offers basic protection as required by law and has the Employee Welfare Committee in place to take charge of planning and enforcing respective employee benefits. Current benefits are summarized as follows:

- ① The Company sets aside funds for National Health Insurance, Labor Insurance, pension reserve, and past due wages.
- ② The Company particularly provides festival bonuses and performance bonuses, subsidies for weddings, child birth, and funerals, subsidies for domestic and international travel.
- ③ The Employee Welfare Committee plans festival gifts, subsidies for weddings/funerals/celebrations and emergency rescue, subsidies for club events, employee birthday celebrations, and various travels.
- ④ Employee share subscription guidelines are defined to realize the ideal of employees to own business within the Company.
- ⑤ Employee bonus guidelines are defined to realize the ideal of sharing corporate earnings.

(2) Continuing education and Training

- ① In order to inspire employees in terms of knowledge and skills and to make the best of respective functional features, related educational training criteria such as the “In-service Continuing Education Operating Standards”, the “Manpower Development and Retention Operating Standards”, the “Assembly Technique Certification Operating Standards”, the “R&D Technical Operating Standards”, and the “Large Machine Wall Assembly Technical Operating Standards”, etc. are defined.
- ② As usual, courses planned for 2025 followed the development policies of respective departments. All training resources are gathered to be highly supportive of and to fulfill departmental strategic goals and to continue to closely link training courses with target strategic developments. Besides optimal implementation efficacy, in 2025, continuous efforts were made to take advantage of governmental resources and to apply for the recharging and take-off program. The total income obtained as such as the training budget came to NT\$108,400.

- ③ The Organizational Learning and Development Center held in 2025 a total of 4 core courses that were completed by a cumulative headcount of 52 people in addition to a total of 4 orientation courses for newcomers that were completed by a cumulative headcount of 33 people. Moreover, collaboratively with the Plastics Center, external recruitment for 2025 “Plastics Industry Professional Certification” took place and a total of 5 preliminary courses on the profession of injection molding were held. All of these show that the Center is capable of organizing training for both internal and external staff and will make steady profits in the future and continuous required resources will be devoted given the steady operations so that the scope of service can reach out to the Group and external stakeholders.
- ④ For the effectiveness of strategic training results, it is important to confirm the status in the transfer of training results and the actual benefits that will continue to be adopted in the future to help examine the validity of a training course and further enrich the contents of a course.

(3) Retirement system and its implementation status

- ① The Company has the employee retirement guidelines in place, which, as is required by the “Labor Standards Act”, the retirement reserve at a certain ratio of the total salaries paid each year is set aside and deposited in the exclusive Pension Supervisory Committee account to allow allocation when needed and it was approved by the competent authority. Such retirement reserve is completely independent of the Company and hence is not included in the financial statements.
- ② The Labor Pension Act is enforced on July 1, 2005 and follows the defined contribution plan. After it was enforced, employees may choose to apply the applicable requirements about pension fund under the “Labor Standards Act” or apply the pension fund system applicable to the said act, with the years having worked prior to application of the Act retained. For employees who have applied the Act, the Company sets aside on a monthly basis 6% from the monthly salary of each employee as the “employee pension fund contribution” it is responsible for.

(4) Labor-management agreement

- ① The labor-management relations of the Company have always been harmonious and have been addressed in most cases through coordination. There are also the periodic labor-management meetings meant to help both the labor representatives and the management reach a consensus that is conducive to the promotion of respective tasks

successfully.

- ② Employee Welfare Committee meeting - Both the labor representatives and the management can discuss respective welfare measures with one another in order to reinforce mutual relations. Besides the fact it helps promote welfare policies, it is also a source for reference for administrators and managers.

(5) Maintenance of protective measures for the rights of employees

- ① The Company has prepared its employee handbook as required by law, and there are personnel management regulations in place where the attendance, leaves of absence, paid leaves, and weekends and holidays are specified. Both employees and the management follow these regulations, contributing to harmonious mutual relations.
- ② Employee personal safety, health, and working environment protection measures, and their implementation status regarding employee health, are detailed below. Specifically, the measures and results of blood pressure measurement and monitoring across the entire factory area are as follows:

A. Concrete measures:

Provider	Measures
Company and supervisors	1. Install tunnel-type blood pressure monitors.
	2. Establish a regular system for blood pressure measurement and promote a culture of monitoring.
	3. Managers assist and remind employees to upload their blood pressure readings and complete occupational health interviews.
Professional nursing	1. Measure employees' blood pressure and record the values.
	2. Collect information on prevention of high blood pressure.
	3. Conduct hypertension case management.
	4. Participate in the formulation of the Company's hypertension prevention and control plan, and establish measurement frequency and individual management standards.
	5. Assisted the Company in purchasing portable blood pressure monitors for use by employees at the Taipei and Taichung service stations.
	6. Health interviews and education: Assess the causes of elevated blood pressure, risk factors, and evaluate and educate employees on healthy lifestyle choices, including dietary recommendations, exercise precautions, encouragement to seek medical attention, reminders to take medication as prescribed, and blood pressure measurement techniques.
	7. Invite external resources to hold courses on hypertension prevention.
	8. Send knowledge about high blood pressure prevention via LINE, answer employees' questions, or provide health education.
	9. Remind employees to measure blood pressure regularly: Send reminders via LINE and email.
Employees	1. Start paying attention to blood pressure.
	2. Monitor blood pressure regularly.
	3. Improve awareness of high blood pressure prevention.
	4. Seek medical attention and show blood pressure readings to a doctor.
	5. Take medication on time.
	6. Start changing lifestyle: Pay attention to temperature changes, dress warmly when it's cold, exercise, lose weight, and reduce late nights.

B. Implementation results:

- a. A total of 242 people have uploaded statistics to the LINE official platform.
 - b. 35 people had a systolic pressure greater than 130 or a diastolic pressure greater than 85, representing an abnormal rate of 14.58%.
 - c. Compared with the 23.46% recorded in the same period last year, the abnormal rate decreased by 8.88%; the decline ratio was 60.86%.
2. Losses suffered because of labor-management disputes in the past year up to the date the annual report was printed (including violations of the Labor

Standards Act with labor inspection findings; the date of punishment, punishment number, article of the law or regulation violated, description of the violation, and the punishment shall be specified) including the current losses and likely estimated future losses and countermeasures. If reasonable estimates are impossible, state the facts why they cannot be reasonably estimated:

The Company did not suffer losses arising from labor-management disputes in 2025.

VI. Cyber Security Management

1. Specify the cyber security risk management framework, cyber security policy, substantial management plans, and resources to be devoted to cyber security management.

(1) Information and communication security risk management framework

The unit responsible for information security in the Company is the IT Center, for which there is one IT Officer and several professional IT engineers. They are responsible for defining the information security policy of the Company, planning information security measures, and enforcing related information security processes.

(2) Information and Communication Security Policy

- ① Maintain continuous operations of respective information systems
- ② Prevent against invasion and destruction by hackers and viruses
- ③ Prevent against intentional illegitimate and illegal use
- ④ Prevent against disclosure of confidential and sensitive data
- ⑤ Prevent against manned negligence and accidents
- ⑥ Maintain physical environmental safety.

(3) Specific Management Plans and Resources Devoted to Information and Communication Security Management

- ① Computer equipment security management
 - Respective servers, among other equipment, of the Company are set up in exclusive machine rooms and the machine rooms can only be accessed by someone with a pass and access records shall be retained for future reference.
 - Independent air-conditioning is available for machine rooms to keep computer equipment operative at a suitable temperature setting; the rooms are configured with CO2 fire extinguishers, too, which can be applied to general fires or electric appliances.

- Hosts in machine rooms come with the UPS and the stabilizer to avoid transient power disconnection to result in system freezes by accident or to ensure that the operation of a computer application system is not disrupted in case of an accidental power outage.
- ② Network security management
- The external network port is configured with the corporate firewall to block illegal invasion by hackers and the DMZ is set up to keep off access from outside the Company by means of an isolated network segment.
 - The internal firewall is set up for the premises. There are multiple isolated network segments to confine the scope of impacts of disasters if they do occur.
 - For site-to-site connections among Taiwan, Dongguan, Ningbo, India, and Indonesia, MPLS (Multi-Protocol Label Switching) is adopted for encrypted connections; it helps build a virtual, isolated, and safe routing exchange setting and avoid illegal access during the data transmission process.
 - Colleagues access the ERP system by accessing the Company remotely. The VPN account needs to be applied for to ensure secured access through the VPN and all records are kept for audit purpose.
 - Net surfing management and filtration equipment is configured. By monitoring and management through abnormal flows associated with DDoS attacks, the DPI, and the IPS, access to the Internet can be controlled and visits to harmful or disallowed websites (according to the Company's policy) are blocked. TLS/SSL encryption is adopted for the flow check. The third-party identity management is integrated. QoS broad-band management is imposed to reinforce network security and improper occupation of broadband resources is prevented against.
- ③ Viral protection and management
- Terminal protection software is installed in all servers and the terminal computer equipment used by colleagues. The virus signature is updated automatically to ensure that the latest virus is kept off while at the same time detecting and preventing against installation of system executable files that carry potential threats.
 - Email servers come with mail anti-virus and spam filtering mechanisms to prevent viruses or spams from entering end-user's PCs.

④ System access Control.

- Colleagues are to apply for system access according to internal requirements of the Company in order to use respective apps. Once their applications are approved by the responsible officer, the IT center will create a system account and respective system administrators give the applicants access according to that applied for.
- Account passwords to be set require suitable strengths and number of characters and must contain both numeric, alphabetic characters, and special symbols and need to be changed periodically.
- While applying for severance, colleagues must complete related procedures with the IT Center so that respective system accounts can be deleted.

⑤ Ensure sustainable operation of systems.

- System backup: Create the NAS backup system to allow daily backups. The 321 backup rule is followed; that is, 3 copies are prepared of the same data and are stored in 2 separate equipment and 1 copy is stored concurrently in a remote location offline. The multiple copies and remote storage practice help minimize chances of the data being lost completely and ensure system and data security.
- Disaster recovery drills: Drills occur once a year for each system. Once a base date for the recovery is set, data are stored back in the system host from the backup medium to ensure the accuracy and effectiveness of the backup medium.
- Two data lines are rented from the telecommunications company. Through the broadband management equipment, both lines are connected to each other in parallel to allow mutual support and to ensure non-disruption of network communications.

⑥ Information security communication and educational training

- Reminder: Colleagues are asked to periodically replace their system password to ensure the security of their account.
- Social engineering rehearsal: Two company-wide social engineering rehearsals take place periodically each year to avoid information security risk due to improper email behavior.
- New knowledge about information security: On a monthly basis internal colleagues receive an email detailing information security

throughout the Group and reminding them of the current practice against information hazards.

- Workshops: Newcomers and in-service colleagues are entitled to educational trainings on safety awareness in order to enhance their awareness of information security.

⑦ Information Security Reporting

- The reporting and processing of information security incidents follow regulations mentioned below. See Figure 1.

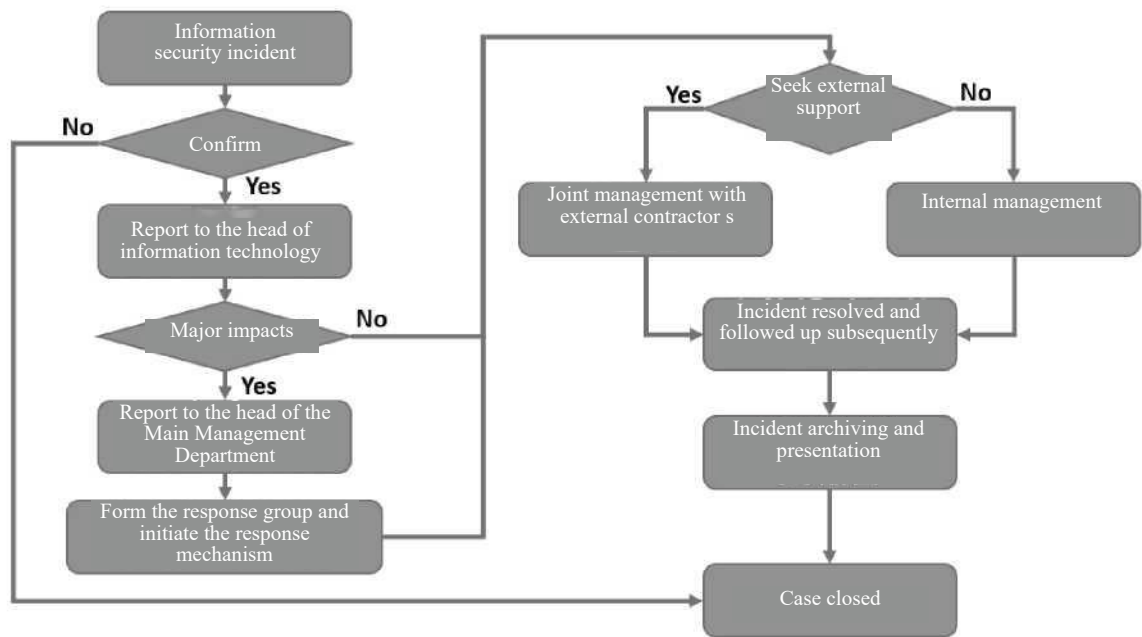


Figure 1. Information security reporting and handling procedure

2. Losses as a result of major cyber security events, their possible impacts, and countermeasures over the past year up to the date when the annual report was printed; if reasonable estimation is impossible, why it is impossible shall be specified: None.

VII. Important Contracts

As of the printing date of the annual report, effective supply and distribution contracts, technical collaboration contracts, engineering contracts, long-term borrowings contracts, and other important contracts that are sufficient to impact shareholder equities and those expired over the past year:

Nature of contract	Parties	Start/End dates of contract	Main contents	Significant restriction clause
Land and surface building leases	Retail Support International	2017.01.01~2031.12.31	The six lots in Pizitou, Guanmiao Township owned by the Company, totaling around 3502.95 pings and their surface premises of a combined floor area of around 2,100 pings were put up for lease.	No particular restrictive terms.
Land and surface building leases (new)	INFAS TECH/TRI-STAR LIMITED TAIWAN BRANCH (B.V.I.)	2026.05.01~2031.04.30	The 13 land lots in Pitouzi, Guanmiao Township owned by the Company, totaling around 8,699 square meters, and their surface premises for lease.	No particular restrictive terms.
Land and surface building leases	EATON PHOENIXTEC MMPL CO., LTD.	2022.11.01~2027.10.31	(Lease 1) Buildings 1 through 4 and the whole employee dormitory at No. 269, Baodong Road, Pitou Neighborhood, Guanmiao District owned by the Company, totaling 1,430 pings, and the square in front of the said buildings that has an area of 169 pings in total. (Lease 2) Buildings and land on the premises in Pitou Neighborhood, Guanmiao District owned by the Company, totaling around 1,873 pings, and offices with an area of around 341 pings.	No particular restrictive terms.
Land and surface building leases	Daiwa Motor Parts Corporation	2023.12.01~2028.12.31	Vacant space in the front section of Building 15, No. 269, Baodong Road, Pitou Village, Guanmiao District, Tainan City owned by the Company, with a combined floor area of around 94.2 pings, was put up for lease.	No particular restrictive terms.
Land and surface building leases	Jinlongyi Co., Ltd.	2023.10.01~2033.09.30	Vacant space in the rear section of Building 12-1, No. 269, Baodong Road, Pitou Village, Guanmiao District, Tainan City owned by the Company, with a combined floor area of around 251 pings, was	No particular restrictive terms.

Nature of contract	Parties	Start/End dates of contract	Main contents	Significant restriction clause
			put up for lease.	
Syndicated loan contract (new)	9 financial institutions, including Mega International Commercial Bank	2023.10.23~2028.12.23	Total syndicated loan facility of NT\$2 billion.	In honor of the special undertakings and matters agreed upon in the contract
Parallel solar photovoltaic power-generating system contract	Genesis Energy Technologies Inc.	2010.08.30~ Expiry date of the electricity purchase contract between FCS and Taipower	NT\$115.5 million for the 1000KW parallel solar photovoltaic power generation system project.	In honor of the special undertakings and matters agreed upon in the contract
Solar photoelectricity-generating system energy purchase/sale contract	Taiwan Operating Site of Taiwan Power Company	2010.12.30~ The contract termination date is when the power generation equipment has completed 20 years of operation	Energy generated by FCS renewable energy power-generating systems is sold to TaiPower	In honor of the special undertakings and matters agreed upon in the contract
Solar photoelectricity-generating system energy purchase/sale contract	Taiwan Operating Site of Taiwan Power Company	2016.12.30~ The contract termination date is when the power generation equipment has completed 20 years of operation	Energy generated by FCS renewable energy power-generating systems is sold to TaiPower	In honor of the special undertakings and matters agreed upon in the contract
Solar photoelectricity-generating system energy purchase/sale contract	Taiwan Operating Site of Taiwan Power Company	2017.11.20~ The contract termination date is when the power generation equipment has completed 20 years of operation	Energy generated by FCS renewable energy power-generating systems is sold to TaiPower	In honor of the special undertakings and matters agreed upon in the contract

Nature of contract	Parties	Start/End dates of contract	Main contents	Significant restriction clause
Solar photoelectricity-generating system energy purchase/sale contract	Taiwan Operating Site of Taiwan Power Company	2018.07.12~ The contract termination date is when the power generation equipment has completed 20 years of operation	Energy generated by FCS renewable energy power-generating systems is sold to TaiPower	In honor of the special undertakings and matters agreed upon in the contract

Five. Discussion and Analysis of Financial Standing and Financial Performance and Risks

I. Financial Standing:

Financial Standing Comparative Analysis Table

Unit: NTD Thousand

Item \ Year	2025.12.31	2024.12.31	Difference	
			Amount	%
Current assets	5,478,092	4,658,096	819,996	17.60%
Non-current assets	3,030,735	3,052,008	(21,273)	(0.70%)
Total assets	8,508,827	7,710,104	798,723	10.36%
Current liabilities	3,184,213	3,160,044	24,169	0.76%
Non-current liabilities	2,570,154	1,930,224	639,930	33.15%
Total liabilities	5,754,367	5,090,268	664,099	13.05%
Share capital	1,674,430	1,654,778	19,652	1.19%
Capital surplus	80,754	93,513	(12,759)	(13.64%)
Retained earnings	870,326	795,537	74,789	9.40%
Total shareholders' equities	2,754,460	2,619,836	134,624	5.14%

Note: Main reasons for the major changes (with a change ratio of 20% and above and an absolute amount involved in the change reaching NT\$10 million) in the assets, liabilities, and shareholder equity over the past two years and the impacts and countermeasures in the future:

1. Total liabilities amounted to NT\$5.754 billion, an increase of NT\$664 million, primarily due to a NT\$285 million rise in unearned revenue, a net increase of NT\$285 million in short-term/long-term borrowings (reflecting repayment of maturing ordinary and convertible corporate bonds), and a NT\$77 million increase in accounts and notes payable.
2. Total assets reached NT\$8.509 billion, up NT\$799 million, primarily driven by a NT\$228 million increase in cash and cash equivalents, a NT\$384 million rise in accounts receivable and notes receivable, and a NT\$152 million increase in inventory.

II. Operational Achievements:

(I) Management Outcome Comparative Analysis:

Management Outcome Comparative Analysis Table

Unit: NT\$ thousand

Item	2025	2024	Increased (decreased) amount	Change ratio
	Amount	Amount		
Operating revenue	5,082,840	4,529,411	553,429	12.22%
Operating cost	(3,795,423)	(3,369,271)	(426,152)	12.65%
Gross profit	1,287,417	1,160,140	127,277	10.97%
Operating expenses	(1,082,496)	(1,039,567)	(42,929)	4.13%
Net operating profit	204,921	120,573	84,348	69.96%
Non-operating income and expense	(29,197)	11,611	(40,808)	(351.46%)
Net income before tax	175,724	132,184	43,540	32.94%
Income tax (expenses)	(65,864)	(60,079)	(5,785)	9.63%
Current period net profit	109,860	72,105	37,755	52.36%
Other comprehensive income for the period (net amount after tax)	41,064	83,364	(42,300)	(50.74%)
Total comprehensive income in the current period	150,924	155,469	(4,545)	(2.92%)

Clarification:

1. The increase in gross operating profit and operating income was primarily due to the NT\$553 million increase in revenue, leading to a NT\$127 million increase in gross profit. Among the revenues, the gross profit from injection molding machines was NT\$1.203 billion, an increase of NT\$118 million year-on-year.
2. The increase in income tax expense was mainly due to the rise in profit for the current year.
3. The decrease in other comprehensive income in the current period is due to the decrease in exchange differences on the translation of the financial statements of foreign operating agencies.
4. The decrease in total comprehensive income in the current period is due to the decrease in other comprehensive income in the current period.

(II) Analysis of Changes in Gross Profit: The gross profit margin in 2025 was 25.33%, compared with 25.61% in 2024, showing a decrease of 0.28 percentage points. This was mainly due to the increase in revenue from injection molding machines, while the gross profit margin slightly declined.

III. Cash flows:

(I) Analysis of Changes in Cash Flows Over the Past Year

1. Statement of net cash flows with a change ratio of at least 50% and involving an amount changed reaching at least 5% of the paid-in capital size is as follows:

Unit: NT\$ thousand

Year \ Item	Cash flows from operating activities	Cash flows from investing activities	Cash flows from fund-raising activities	Impacts of exchange rate changes on cash and cash equivalents	Net cash flow
2025	(7,357)	(32,824)	255,163	(13,036)	228,018
2024	195,242	17,583	(13,509)	(12,483)	186,833
Amount changed	(202,599)	(50,407)	268,672	(553)	41,185
Change %	(103.77%)	(286.68%)	(1988.84%)	4.43%	22.04%
Versus the paid-in capital	(12.10%)	(3.01%)	16.05%	(0.03%)	2.46%

Clarification:

1. The paid-in capital for 2025 was NT\$1,674,430 thousand.
2. Cash flows from operating activities decreased year-on-year, mainly due to an increase in accounts receivable and inventories.
3. Cash flow from investing activities decreased year-on-year mainly due to the purchase of land, construction of plant, and purchase of equipment.
4. Cash flows from financing activities increased year-on-year, primarily due to long-term borrowings.

2. Analysis of liquidity over the past two years:

Item \ Year	December 31, 2025	December 31, 2024	Increase/Decrease ratio
	Cash flow ratio	(0.23%)	
Cash flow adequacy ratio	23.88%	22.64%	5.48%
Cash re-investment ratio	(0.97%)	3.45%	(128.12%)

Analysis of changes in the increase/decrease ratio:

The net cash inflow from operating activities in 2025 decreased compared to that at the end of 2024, resulting in a decline in the cash flow ratio and cash reinvestment ratio.

The cash flow adequacy ratio increased due to a higher net cash inflow from operating activities in the past five years.

(II) Analysis of cash liquidity in the coming year

Unit: NT\$ thousand

Balance of cash at start of term①	Expected net cash flow from operating activities throughout the year ②	Expected cash out-flows throughout the year③	Projected cash surplus (deficit) amount ① + ② - ③	Remedy for expected cash shortage	
				Investment plan	Wealth management plan
904,248	600,000	700,000	804,248	-	-

Clarification:
Based on the operating performance in 2025 and the forecast of future growth trends, and in line with the Company's funding policy, the net cash inflow from operating activities in 2026 is estimated to be approximately NT\$600,000 thousand. To meet investment needs and repay bank borrowings, cash outflows are estimated at around NT\$700,000. The projected cash balance is NT\$804,248 thousand. In the event of a cash shortfall, the Company will cope with it through bank borrowings or capital increase.

IV. Impacts of Major Capital Expenditure on Finance over the Past Year:

(I) Utilization of major capital expenditure and source of funding:

Unit: NT\$ thousand

Item	Actual or expected sources of funds	Actual or expected date of completion	Total funds	How funds are actually or planned to be utilized				
				2025	2026	2027	2028	2029
None	-	-	-	-	-	-	-	-

(II) Expected possible benefits: None.

V. Latest Reinvestment Policy, Main Reasons for Profits or Losses, Improvement Plan, and Investment Plan for the Coming Year

- (I) 2025 reinvestment policy, main reasons for profits or losses and improvement plan:
In 2025, NT\$159,011 thousand was recognized as investment income, primarily from the investment gains of subsidiaries FCS Ningbo and FCS Dongguan. However, the loss-making subsidiaries FCS RG PLASTIC PTE., LTD. (Singapore) and PT. FCS RGP Plastic (Batam) have ceased operations. At present, their land, factory buildings, and equipment are being leased out. It is expected, with the Group integrating its resources and adjusting the scope of operation as well as strict control over internal expenditure and cost, revenue and profitability should gradually return.
- (II) Investment plan for the coming year:
Depending on the expansion in operational scale and the demand for working capital of respective subsidiaries, in case of insufficiency, it shall be supported by funds taken out of the Parent Company or by funds raised on the open market.

VI. Evaluation and Analysis of Risk Matters:

- (I) Impacts of Changes in Interest Rate, Exchange Rate, and Inflation on the Company's Profits or Losses and Countermeasures in the Future:

1. Impacts of Changes in Interest Rate, Exchange Rate, and Inflation on the Company's Profits or Losses

Unit: NT\$ thousand

Item \ Year		2024			2025		
		Amount	Percentage of net operating income%	Percentage of pre-tax net profit %	Amount	Percentage of net operating income%	Percentage of pre-tax net profit %
Interest rate	Interest revenue	28,504	0.63	21.56	31,860	0.63	18.13
	Interest expenses	73,754	1.63	55.80	70,278	1.38	39.99
Exchange rate	Gains (Losses) from currency exchange	12,561	0.28	9.50	(34,567)	-0.68	-19.67

Note: The consolidated operating income of 2024 and 2025 was NT\$4,529,411 thousand and NT\$5,082,840 thousand, respectively, and the consolidated net profit before tax of 2024 and 2025 was NT\$132,184 thousand and NT\$175,724 thousand.

(1) Interest rate:

The Company's interest income for 2024 and 2025 was NT\$28,504 thousand and NT\$31,860 thousand, respectively. The increase was mainly due to interest income from wealth management products operated by the subsidiary FCS Ningbo. Interest expenses for the same periods were NT\$73,754 thousand and NT\$70,278 thousand, respectively, and the increase was attributable to higher loan amounts and rising interest rates. The ratio of interest expenses to operating revenue and pre-tax profit varies in line with changes in operating revenue and pre-tax profit.

The Company's working capital, besides the cash inflows of operating activities or sponsorship from shareholders, mainly came from borrowings from banks at an interest rate comparable to the general market range. The interest expenditure mainly came from the short-term/long-term borrowings from banks. The Company will continue to maintain optimal relations with banks and watch changes in interest rates in the market to keep the interest expenditure under control and to adequately adjust utilization of funds reflective of changes in the interest rate in order to minimize the impacts of changes in the interest rate on the gains or losses of the Company.

(2) Exchange rate:

In 2024 and 2025, the Company had incurred exchange gain of NT\$12,561 thousand and NT\$34,567 thousand, respectively. Most sales income and part of purchase expenditure of the Company are valued in foreign currencies. There were higher positions of assets in foreign currencies. Therefore, borrowings in foreign currencies were adequately increased to bring foreign currency assets and foreign currency liabilities to nearly a balance and to accomplish partial natural hedging effects. The Company also pays attention to changes in the exchange rate at all times and adequately responds to them by means of pre-sale at a forward rate or SWAP to help hedge against the exchange rate risk. Besides maintaining optimal relations with the financial institutions, on the other hand, the Company follows trends in market exchange rates and adopts the following two measures in order to reduce the impacts of fluctuating exchange rates on the Company:

A. Periodically forecast demand for and income in foreign currencies and trade or borrow foreign currencies in real time to strike a balance.

B. For products quoted in foreign currencies, take into consideration expected changes in the exchange rate in order to protect reasonable profits for the Company.

The table above shows that the impacts of changes in the exchange rate on the net operating income and net profit before tax of the Company are not significant and the impacts on the gains and losses of the Company remain limited.

(3) Inflation:

The monetary policies adopted by economic powers around the world are fairly under control; there are no material concerns about inflation for the time being. As of the printing date of the annual report, the Company has not suffered material impacts on its gains or losses as a result of inflation. Close and optimal interactive relations will be continued with suppliers and customers in the future, and changes in prices on the market

will be watched closely, so that purchase or sale prices can be adequately adjusted reflective of the fluctuations on the market to minimize impacts of changes in inflation.

(II) Policy on engaging in high-risk and high-leverage investments, lending of funds to others, endorsements/guarantees, and trading of derivatives, key profit or loss factors, and countermeasures in the future:

1. In 2025, the Company recognized a gain on evaluation of financial assets (liabilities) of NT\$640 thousand due to forex forward contracts of accounts receivable. The Company will watch changes in the exchange rate at all times and adequately takes actions such as pre-sale at a forward rate in order to avoid the exchange rate risk. The forward exchange contracts are intended to lessen the risk of changes in the foreign exchange rate for net assets or liabilities. Corresponding cash inflow or outflow will be generated upon maturity of these contracts. Besides this, the Company's working fund can afford to cover it. Therefore, no significant cash flow risk might arise. There are, however, still no needs to engage in high-risk, leverage investments, and trading of other derivatives.

2. The Company's loaning of funds to others in 2025 is detailed in the table below. All the loans to others are the subsidiaries within the Group, and there are no other loans to external parties. The Company's lending of funds to others is mainly due to the continuous expansion of the turnover or scale of operation of the invested subsidiaries, which increases the demand for funds and thus the need for business turnover. The Company followed the "Procedures for Lending Funds to Others" of the Company. The maximum amount of the Company's lending is NT\$1,027,492 thousand, and the balance of the lending approved by the Board of Directors is NT\$651,263 thousand. The actual amount used by the subsidiary was NT\$41,080 thousand.

Unit: NT\$ thousand

Borrower	Ending balance (Limit approved by the Board of Directors)	Actual balance at end of term	Limit of loan to each borrower	Maximum of funds lent
FU CHUN SHING CO., LTD. (BVI)	185,000	0	513,746	1,027,492
FCSRGPLASTICPET.LTD.	190,000	58		
FCSMACHINERY(INDIA)PRIVATE.LTD.	50,000	0		
Dongguan Fu Chun Shin Machinery Co. Ltd.	10,000	0		
Fu Chun Shin (Ningbo) Machinery Manufacture Co., Ltd.	10,000	0		
Fu Chun Shin (Ningbo) Precision Technology Co., Ltd.	10,000	0		
FCSMACHINERY(THAILAND)CO.,LTD.	40,000	0		
FUCHUNSHIN(VIETNAM)COMPANYLIMITED	77,118	27,118		
PT.FUCHUNSHINTECHNOLOGYINDONESIA	33,509	3,509		
FCSPLASTICMACHINERY(THAILAND)CO.,LTD	35,636	5,636		
SHING FUH TAI TECHNOLOGY CORP.	10,000	4,759		

Note: For the statement of funds lent to others by each of the subsidiaries, refer to what is stated in Table 1 under XIII. Other Disclosures as part of the Notes to the Consolidated Financial Statements.

3. The endorsements/guarantees provided by the Company to its subsidiaries in 2025 were primarily needed as the working capital of the subsidiaries and the requirements under the Company’s “Measures for Endorsements/Guarantees” were followed. The maximum amount of endorsements/guarantees provided by the Company is NT\$1,284,366 thousand, and the balance of the limit available for endorsements/guarantees as approved by the Board of Directors is NT\$770,619 thousand. The actual amount drawn down by the subsidiaries is NT\$316,788 thousand.

Unit: NT\$ thousand

Counterpart of endorsement and guarantee	Limits of endorsement and guarantee for a single enterprise	Maximum balance for the current period (Limit of guarantee)	Ending balance of endorsement/guarantee (Limit of guarantee)	Ending balance of endorsement/guarantee (Actually drawn down)	Amount of Endorsement/ Guarantee Collateralized by Properties	Maximum limits of endorsement and guarantee
British Virgin Islands FUCHUNSHINGCO.,LTD.	770,619	282,870	282,870	188,580	-	1,284,366
FCSMANUFACTURING(INDIA)PRIVATELIMITED.	770,619	81,922	62,860	17,792	-	
Dongguan Fu Chun Shin Machinery Co. Ltd.	770,619	674,400	674,400	77,414	-	
FCSRGPLASTICPET.LTD.	770,619	192,589	40,859	33,002	38,000	

Note: The limits for endorsements/guarantees to be provided by the subsidiary FCS Ningbo were those answering to the amount involved in current business. There were no other endorsements and guarantees provided by subsidiaries. For the statement of endorsements/guarantees provided to current customers by FCS Ningbo, refer to what is included in Table 2 under XIII. Other Disclosures as part of the Notes to the Consolidated Financial Statements.

(III) Future research and development plans and R&D expenses expected to be devoted:

In order to provide customers with best-quality products, the Company has been adhering to its beliefs regarding R&D of products, that is: “specific”, “precise”, “rapid”, “durable”, “stable”, “clean”, and “energy-efficient”. Based on this philosophy, we will continue to develop and manufacture high-quality new products. It is estimated that the R&D expenditure in 2026 will be NT\$37,400 thousand. The main R&D products and plans are as follows:

Product of R&D or title of plan	Status	Expected R&D expenditure expected to be invested back in (NTD Thousand)	Expected time to completion of mass production	Primary influential factor for the success in R&D in the future
SA series outer curve development project	25%	8,800	Q4 2026	Technology, research and development, project capabilities
Recycled Material Supplier Development Project	30%	6,800	Q3 2026	Technology, research and development, project capabilities
AI smart switch module and talent cultivation project	20%	6,500	Q4 2026	Technology, research and development, project capabilities
Intelligent Water Flow Control Module Development Project	30%	5,000	Q4 2026	Technology, research and development, project capabilities
AI Model Computing Hub Module Development Project	20%	5,500	Q4 2026	Technology, research and development, project capabilities
AI Intelligent Machine Interface Development Improvement Project	30%	4,800	Q4 2026	Technology, research and development, project capabilities

(IV) Impacts of important domestic and international policies and regulatory changes on the Company's financial performance and the countermeasures:

The Company watches closely changes in important policies and laws domestically and internationally and evaluates their impacts on the Company's financial operations. There were no material undesirable impacts on important domestic and international policies and legal changes over the past year on the financial operation of the Company.

(V) Impacts of changes in technology (including cyber security risks) and the industry on the Company's finance and business, and countermeasures:

The Company pays attention to changes in technology (including cyber security risks) and changes in the industry in which the Company operates, and assigns dedicated personnel or task forces to evaluate and study the impact on the Company's future development, finance and business. There is no significant impact on the Company's financial operations due to important technological changes (including cyber security risks) and industry changes.

(VI) Impacts of changes in the corporate image on the management of corporate risks and the countermeasures:

The Company has been devoted to maintaining its corporate image and abiding by applicable regulatory requirements. In case of any condition that will impact the corporate image or is against the law, a project team will be formed to prepare the countermeasures. As of the printing date of the annual report, no circumstances impacting the corporate image has occurred.

(VII) Expected benefits and possible risks of M&As:

Over the past year up to the date when the annual report was printed, the Company did not engage in any M&A. Should there be M&A plans in the future, they will be carefully evaluated, taking into consideration whether or not they will bring about substantial synergistic effects for the Company, in order to precisely protect the interests of the Company and those of the shareholders.

(VIII) Expected benefits and risks of expansion of manufacturing facilities:

The Company built additional workshops and put them up for lease in order to bring about rent income. Given the long-term nature of such leases and the fixed rent, no material risks are involved.

(IX) Risks associated with focused purchases or sales:

1. Purchases: For the purchases of raw materials, the Company maintains at least two suppliers in order to decentralize the risk and there is no risk of focused purchases (greater than 10%).
2. Sales: All the sales of the Company are done through dealers or directly. There is no single customer with a sales amount accounting for 10% of the net total sales of the Company and above over the past year. The Company reviews at all times upon shipment if the credit limit is exceeded, monitors payments collected, and pays attention to other interactions with suppliers and notes and letter of credit in order to bring down the risk.

(X) Impacts and risks of transfer or ratio of stock options in large quantities by directors, supervisors or heavyweight shareholders holding more than 10% of all shares on the Company:

No transfer or exchange of equities in large quantities by directors, supervisors, or heavyweight shareholders holding more than 10% of all shares in the Company had occurred.

(XI) Impacts and risks of the change in the management on the Company:

The Company had not experienced change in its management.

(XII) Litigation or non-litigation events, any material litigation, non-litigation or administrative litigation for which judgment has been made or is pending for judgment related to the company and its directors, supervisors, general managers, actual responsible persons, and shareholders holding more than 10% of the Company's shares and, if the result thereof may have significant influence on shareholders' rights and interests or the price of securities, the fact, object amount, litigation commencement date, main parties involved and the settlement condition as of the publication date of the annual report shall be specified: None.

(XIII) Other important risks: None.

VII. Other Important Matters: None.

Six. Special Notes

I. Information About Affiliates

(I) 2025 Consolidated Business Report of Affiliates:

1. Index Path (New MOPS): Please refer to Market Observation Post System (MOPS) > Single Company > Electronic Documents Download > Affiliated Enterprises – Three Statements Section.
2. Website: https://mopsov.twse.com.tw/mops/web/t57sb01_q10 °

(II) Consolidated Financial Statement of Affiliates:

1. Index Path (New MOPS): Please refer to Market Observation Post System (MOPS) > Single Company > Electronic Documents Download > Financial Reports.
2. Website: https://mops.twse.com.tw/mops/#/web/t57sb01_q1 °

(III) Affiliation Businesses Report: Not applicable.

II. Private placement securities in the most recent year and up to the printing date of the annual report: None.

III. Other matters requiring supplementary information: None.

Seven. Matters with Important Impacts on Shareholders' Equity or Securities Prices

I. Matters with important impacts on shareholders' equity or prices of securities as indicated in Subparagraph 2, Paragraph 2, Article 36 of the Securities and Exchange Act in the past year up to the printing date of the annual report: None.