Stock Code：3548

兆利科技工業股份有限公司
JARLLYTEC CO., LTD.

Handbook for the 2026 Annual Meeting of Shareholders

Date of meeting: June 16, 2026(physical shareholders meetings)

Place of meeting: No. 13, Wugong 5th Rd., Xinzhuang Dist., New Taipei City

JARLLYTEC CO., LTD.
Handbook for the 2026
Annual Meeting of Shareholders
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JARLLYTEC CO., LTD.

2026 Annual Shareholders' Meeting Agenda

Time: June 16, 2026, (Tuesday), at 9:00 a.m.

Place: No. 13, Wu-gong 5th Rd., Xinzhuang Dist., New Taipei City (the Company's staff canteen)

Meeting Type: Physical shareholders meetings

I. Call meeting to order (report of shareholding attendance)

II. Chairperson Remarks

III. Reported Matters

1. 2025 Business Report of the Company
2. 2025 Annual final accounting ledgers and statements reviewed by audit committee
3. 2025 Employees' and directors' remuneration allocation report
4. Report on the Company's indirect investment in China
5. 2025 Cash dividend distribution report

IV. Acknowledged Matters:

1. Acknowledgment of the 2025 Business Report and Annual Final Accounting ledgers and Statements
2. 2025 Earnings Distribution Proposal

V. Matters for Discussion

1. Discussion of amendments to the issuance of employee restricted stock awards.

VI. Extemporary Motions

VII. Adjournment

Reported Matters

Report NO.1

Proposal: 2025 Business report, for your approval.

Explanation: 2025 Business report, please refer to P.10-13 of the agenda (attachment 1), for your approval.

Report NO.2

Proposal: 2025 Annual final accounting books and statements audited by audit committee, for your approval.

Explanation: 2025 Annual final accounting books and statements audited by audit committee, and the audit report has been offered, for your approval.

JARLLYTEC CO., LTD.
Audit Committee's Audit Report

The board of directors prepared the Company's consolidated financial statements (including individual financial statements), business report and earnings distribution proposal of the year 2024, the consolidated financial statements (included individual financial statements) among them were audited by KPMG, and the audit report has been offered. The consolidated financial statements (including individual financial statements), business report and earnings distribution proposal mentioned above were reviewed and determined to be correct and accurate by the audit committee. The report was made in accordance with Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, for your examination.

Faithfully
2026 Annual Shareholders' Meeting of the Company

JARLLYTEC CO., LTD.
Convener of the audit committee: Yang, Shang-Hsien

May 6, 2026

Report NO.3

Proposal: 2025 Employees' and directors' remuneration allocation report, for your approval.
Explanation:

1. The Company's profit of the year 2025 was NT$ 138,107,856 (means benefits before employees' and directors' remuneration allocated was deducted from net income before tax), according to the Company Act and the Company's Articles of Incorporation, directors' remuneration allocation was NT$ 2,071,618, and employees' remuneration allocation was NT$ 8,286,471.
2. 2025 Employees' and directors' remuneration allocation proposal was approved by the compensation committee and board of directors.

Report NO.4

Proposal: reported on the Company's indirect investment in China, for your approval.
Explanation: Reported on related statements about 2025 reinvestment in Mainland China.
Information on overseas branches and representative offices:

1. The names of investees in Mainland China, the main businesses and products, and other information

Unit: NT$ thousand

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment (note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows: Outflow	Investment flows: Inflow	Accumulated outflow of investment from Taiwan as of December 31, 2025	Net income (losses) of the investee	Percentage of ownership	Highest Percentage of ownership	Invest income (losses) (note 2 and note 4)	Book value (note4)	Accumulated remittance of earnings in current period
Jarlly Technology (Shanghai) Co., Ltd.	sale and produce special-purpose material of component equipment	567,717	(2)	289,297	-	-	289,297	309,355	100.00%	100.00%	309,388	1,942,001	-
Fu Qing Jarlly Electronics Co., Ltd.	sale and produce Precision Hinge	240,658	(2)	27,370	-	-	27,370	51,380	100.00%	100.00%	54,362	662,806	-
Dong Guan Jarlly Electronics Co., Ltd.	sale and produce Precision Hinge	81,466	(2)	81,466	-	-	81,466	(37,510)	100.00%	100.00%	(37,232)	85,285	15,366
Kunshan Jarlly Electronics Ltd.	sale and produce Precision Hinge	71,906	(2)	65,369	-	-	65,369	12,292	100.00%	100.00%	12,278	251,418	-
Jarlly Electronics Technology (Shanghai) Co., Ltd.	sale and produce Precision Hinge	473,450	(2)	386,330	-	-	386,330	5,128	100.00%	100.00%	5,128	496,381	-
Xiamen Jarlly Electronics Co., Ltd.	sale and produce Precision Hinge	43,801	(2)	29,281	-	-	29,281	12,171	100.00%	100.00%	11,411	130,645	-
Jarlly Technology (Chongqing) Co., Ltd.	sale and produce Precision Hinge	61,722	(2)	29,500	-	-	29,500	112,559	100.00%	100.00%	112,449	734,043	-
ZheJiang Zhaowang Precision Technology Co. Ltd.	Sale and produce Powder metallurgy and other metal products	312,038	(2)	154,013	-	-	154,013	(110,266)	100.00%	100.00%	(110,174)	79,828	-
Kunshan Liang Precision Mold Technology Co., Ltd.	Production molds	43,800	(3)	-	-	-	-	(421)	51.00%	51.00%	(215)	22,707	-

Note 1: Investments are made through one of three ways:

(1) Direct investment from Mainland China
(2) Indirect investment from third party country
(3) Others

Note 2: The basis for recognition of investment income or loss was, for certain subsidiaries, the financial statements audited by the Taiwan parent company's independent auditors.

Note 3: On November 11, 2025, the Company's Board of Directors resolved to establish KunSan LiAng Precision Mold Technology Co., Ltd. through Jarlly Technology (Shanghai) Co., Ltd., a wholly owned investee, together with Kunshan Juang Electronics Technology Co., Ltd. The registered capital of KunSan LiAng Precision Mold Technology Co., Ltd. is RMB15,000 thousand, of which Jarlly Technology (Shanghai) Co., Ltd., contributed 51%, or RMB7,650 thousand.

Note 4: Except for the investment accounted for using the equity method in KunSan LiAng Precision Mold Technology Co., Ltd., the remaining transactions had been eliminated in the preparation of the consolidated financial statements.

2. Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of December 31.2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
NT$1,062,626 (US$33,434)	NT$ 1,459,421 (US$46,434)	NT$ 3,716,249

Report NO.5

Proposal: 2025 Cash dividend distribution report, for your approval.

Explanation:

1. According to Article 22-1 of the Company's Articles of Incorporation, authorizing board of directors to approve that all or part of dividends and bonus were provided in cash, and reported to a shareholders' meeting.
2. Appropriating NT$ 67,744,175 of shareholder dividends as cash dividends, allotment per share was NT$ 1 (means allotment per thousand shares was NT$ 1,000), cash dividends shall be calculated to dollar, with amounts of less than NT$ 1.00 unconditionally rounded down. The fractional sum of less than NT$ 1.00 was recognized in other income.
3. The proposal was approved by a resolution of board of directors, and authorizing the chairman to set the ex-dividend date, the issuance date and other related matters; when the Company's number of outstanding common shares varied, the payout ratio was changed hereafter, and authorizing the chairman to discretionarily adjust.

Acknowledged Matters

ONE　　Proposed by board of directors

Proposal: Acknowledgment of the 2025 Business Report and Annual Final Accounting ledgers and Statements, for your approval.

Explanation:

1. 2025 Annual financial statements and consolidated financial statements were made, and audited by the accountants Hung, Shih Kang and Chen, Pei Chi of KPMG, and to issue an auditors' report that includes opinions, together with the business report and earnings distribution statements, were audited by the Company's audit committee, and approved by a resolution of board of directors, for your examination.
2. 2025 Business report, CPA's audit report and financial statements, please refer to P.10-13 (attachment 1) and P.14-30 (attachment 2) of the agenda.

Resolution:

TWO　　Proposed by board of directors

Proposal: 2025 Earnings distribution proposal, for your approval

Explanation:

1. 2025 Earnings distribution proposal was approved by a resolution of board of directors, and submitted to the audit committee for approval.
2. Offering 2025 earnings distribution statement is as follows. For your approval.

Resolution:

JARLLYTEC CO., LTD.

Earnings distribution statement

2025

Unit: NTD

		Subtotal	Sum
Beginning of period undistributed earnings			2,560,929,335
Add:	2025 Net profit after tax	150,739,695	
Minus:	2025 Measure on defined benefit plans	(311,000)	
Minus:	Designated legal reserve	(15,042,870)	
Distributable earnings			2,696,315,160
Distributed items:			
	Stock dividend to shareholders	0	
	Cash dividend to shareholders (per share NT$ 1)	(67,744,175)	
Accumulated undistributed earnings			2,628,570,985

Chairman: Chang, Tai-Yuan Managerial officer: Chang, Tai-Yuan Accountant in charge: Chen, Ying-Syuan

Matters for Discussion

ONE Proposed by board of directors

Proposal: Discussion of amendments to the issuance of employee restricted stock awards, for your approval

Explanation:

1. The Annual Shareholders'meeting approved the issuance of employee restricted stock awards on 2024/06/18.
2. Amendment to attract and retain key talents, motivating colleagues to jointly create higher company and shareholder value, so as consider the overall economic and environmental variables of the market. The comparison of amended articles, please refer to P.31-34 (attachment 3), for your approval.

Resolution:

Extemporary Motions

Adjournment

Attachment 1 Business Report

2025 Business Report

I. *Annual Summary and Future Outlook*

In 2025, global geopolitical tensions continued to escalate, while U.S. tariff issues and significant fluctuations in the Forex exchange rate added further volatility to the industry environment. Despite these headwinds, Jarllytec still achieved growth in certain product lines. Upholding its strategic focus on cost reduction and efficiency enhancement, the Company further increased investment in upgrading fully automated equipment at its Taipei plant. In addition, it remained focused on flexibly optimizing its product mix and continued to advance in-depth R&D for the Group’s new product lines. In 2025, Jarllytec’s annual revenue reached NT$9.405 billion, achieving the year’s operating target for all shareholders.

The key operating highlights for Jarllytec in 2025 were the strong growth of its notebook hinge and other product lines, while its 3C hinge product line also maintained stable shipment momentum.

Revenue from notebook hinges recorded double-digit growth year over year, primarily benefiting from the launch of a new form factor, the “foldable laptop,” by a major customer and globally leading consumer electronics brand. Jarllytec secured the exclusive hinge supply order for this product. In addition to its innovative design stimulating end-market demand, the unit price of the hinge is significantly higher than that of conventional notebook products, making it an important driver of the Company’s revenue.

As for the 3C hinge product line, both the Company’s principal end markets and major customers continued to grow. According to IDC statistics, shipments of foldable smartphones in China exceeded 10 million units for the first time in 2025. One of the Company’s key customers also posted strong double-digit growth in both shipments and market share, demonstrating that its position in China’s foldable smartphone market has been further consolidated. As one of its principal hinge suppliers, Jarllytec is expected to benefit accordingly.

With respect to other product lines, revenue from fiber-optic products recorded triple-digit growth year over year, mainly due to stronger customer demand for certain models of precision fiber-optic connectors. Given Jarllytec’s close cooperation with its customers, the Company also benefited from this round of inventory replenishment demand. With the rapid revenue growth of fiber-optic products, their contribution to the Group’s revenue rose to approximately 7%, which is of strategic significance to the Company’s future product mix optimization.

In addition to the business highlights of its existing product lines, Jarllytec placed greater emphasis this year on manufacturing process optimization and the R&D expansion of the Group’s new product lines. The Company not only deployed large-scale fully automated assembly equipment and production lines for notebook hinges dedicated to serving major customers at its Taipei plant, but also strengthened its R&D capabilities in the field of mechatronic hinges for automotive displays, proactively positioning itself for the future trend and opportunities arising from the proliferation of multiple displays in intelligent vehicles.

Looking ahead to 2026, Jarllytec expects its operations to flourish across multiple fronts, with a more diversified and balanced product portfolio aimed at mitigating the market volatility of consumer electronics products. In the 3C hinge segment, foldable smartphone hinges will remain one of Jarllytec’s key pillars. The Company will continue to serve as a close partner in helping its customers reinforce their market leadership and jointly capture the consumer trend toward the broader adoption of foldable products.

In the notebook and LCD hinge segments, Jarllytec will continue to leverage the deep product development experience it has accumulated over several decades by participating in the hinge design of various high-end gaming laptops and monitors for customers, thereby enhancing product competitiveness and expanding its customer base.

In fiber-optic products, Jarllytec will increase investment in its existing optical communication components business. The Company has already commenced R&D collaboration with major customers on precision structural components for optical communications, targeting the trend toward upgraded high-speed optical transmission in AI-dedicated servers. In the long run, this is expected to make a significant contribution to the optimization of the Company's product portfolio.

While driving business growth, Jarllytec has also continued to make proactive efforts in ESG (environmental, social and governance) matters and compliance, delivering three major achievements in 2025.

First, the Group adopted the GHG Protocol for its greenhouse gas inventory for the first time, and expects to obtain a third-party verification statement in 2026.

Second, the Group significantly increased its procurement of renewable energy, representing more than a fourfold increase compared with 2024.

Third, in the proactive evaluation of occupational health and safety performance disclosed in its sustainability report, Jarllytec received the rating of "Outstanding Enterprise." Jarllytec has received numerous honors and recognitions in corporate governance and ESG, while also fulfilling its social responsibilities through concrete actions, all of which reflect our firm commitment to sustainable development.

Jarllytec sincerely thanks all shareholders, customers and business partners for their support and trust. In the coming year, we will continue to spare no effort in creating long-term outstanding results together.

II. Business Results

(1) Financial Performance

In 2025, consolidated revenue amounted to NT$9.405 billion, representing a decrease of approximately 2% from the previous year. Net income for the current period declined to NT$151 million, down 73% from the previous year, mainly due to the impact of exchange rate fluctuations and other factors. Basic earnings per share were NT$2.23.

(2) Budget Execution

Jarllytec did not publicly disclose financial forecasts for 2025, so there is no budget achievement status to report.

(3) Financial Income/Expense and Profitability Analysis

Unit：NT$ Thousand；%

Item		Year 114	Year 113
Financial Income/Expense	Operating Revenue	9,405,433	9,578,170
	Gross Profit	1,124,170	1,586,125
	Operating Expenses	872,675	1,035,899
	Profit before Tax	268,512	812,697
	Net Profit	150,740	576,762
Profitability	Return on Assets (%)	1.63	5.52
	Return on Equity (%)	2.49	10.34
	Pre-Tax Profit to Paid-in Capital Ratio (%)	39.63	122.96

Item		Year 114	Year 113
	Net Profit Margin (%)	1.60	6.02
	Earnings Per Share (NT$)	2.23	8.73

Note：The data in this table is based on Jarllytec's consolidated financial statements.

(4) Research and Development (R&D) Status

In 2025, Jarllytec invested NT$246,726 thousand in product research and development expenses, representing approximately 2.6% of annual revenue, a decrease of NT$21,329 thousand from NT$268,055 thousand in 2024. At the current stage, Jarllytec primarily focuses on notebook hinges, all-in-one PC stands, LCD monitor stands, as well as hinges for foldable smartphones and foldable laptops.

At the same time, the Company is actively investing in innovative products such as POS terminal stands, VR/AR/XR hinges, electric expandable-display hinges, dual-rigid-display hinges, and rollable-display hinges.

In the notebook hinge segment, Jarllytec focuses on high-unit-price gaming hinges, as well as dual-rigid-display hinges newly introduced by brand customers in recent years.

In the LCD monitor stand segment, Jarllytec is focused on products for new major brand-name customers. In the foldable smartphone hinge segment, Jarllytec continues to work closely with its major long-term customers to meet their design collaboration needs.

As for other innovative products, including POS terminal stands, VR/AR/XR hinges, rollable-display hinges, and electric expandable-display hinges, Jarllytec's R&D team has already accumulated mass production experience in certain products and will continue to conduct product demonstrations and validations with customers while deepening its technological capabilities.

In addition to conventional hinges and stand-related mechanical components, the R&D team has also recruited electrical engineering talent to develop motorized hinges. By integrating hardware and software control with mechanical design, these hinges are capable of automatic opening and closing, as well as enabling lifting, expansion, and other movements of displays, thereby realizing new functions for motorized hinge applications.

Jarllytec's R&D team maintains close collaboration with customers in product development and regularly conducts product discussions with them to ensure sufficient technology reserves and stay at the forefront of consumer electronics trends, which serve as guidance for the Company's internal R&D direction.

Internally, the R&D division regularly holds seminars on new technologies to encourage innovative research and new product development, and promptly files patent applications for new technologies in order to establish a comprehensive intellectual property protection network and strengthen product competitiveness.

Equally important, in response to the growing global emphasis on environmental protection, Jarllytec continues to introduce new materials with higher recycled content. By increasing the use of recycled materials in its products, the Company aims to reduce product carbon emissions and fulfill its corporate social responsibility.

III. Business Plan

(1) Key Operating Policies

1. Provide high-quality service, meticulous management, continuous improvement, and pursue sustainable operations.

2. Deepen the development of high-precision, high-value-added key components and technologies in Taiwan.
3. Flexibly adjust and diversify production and supply to ensure uninterrupted operational capacity.
4. Implement budget management, control expenditures, and effectively utilize corporate resources.
5. Continue investing in R&D to create differentiated, premium products, improve operational efficiency, and advance toward strategic value addition.
6. Leverage big data analytics for decision-making to achieve smart production processes.
7. Fulfill sustainable operation goals.

(2) Expected Sales Volume and Basis

Jarllytec did not publicly disclose financial forecasts for 2025, so expected sales volume and its basis are not provided.

IV. Impact of External Competitive Environment, Regulatory Environment, and Overall Business Environment

(1) Regulatory Environment

Jarllytec conducts all operations in compliance with relevant laws and regulations, and thus, the regulatory environment has not significantly impacted the company.

(2) Competitive Environment

Supported by a sound financial position, sufficient funding, and solid creditworthiness, Jarllytec has consistently maintained smooth supply from its suppliers and earned a strong track record of priority allocation. The Company also maintains inventory at favorable safety levels, enabling it to respond adequately to urgent orders and unexpected situations while reducing material preparation costs and lead time. Leveraging its existing customer base together with new technologies and patents, Jarllytec continues to expand diversified market opportunities. In addition to its steady notebook and monitor hinge businesses, the Company also continues to pursue innovative R&D in emerging technology fields such as foldable smartphones, foldable laptops, foldable tablets, new precision fiber-optic connectors, and automotive mechatronic integrated hinges.

(3) Overall Business Environment

Jarllytec assesses the current notebook market inventory levels as healthy. In 2025, the emergence of edge AI trends and Microsoft’s end of support for Windows 10 in October are expected to drive demand for AI PC replacements, maintaining stable notebook shipments throughout the year. According to TechInsights, Jarllytec’s key clients demonstrated strong competitiveness in the global foldable smartphone market in 113, securing a leading position. In 114, Jarllytec is expected to continue benefiting significantly from its major clients’ growth momentum while achieving success in new foldable product categories.

We sincerely thank all shareholders for their support and trust in Jarllytec. We will continue to uphold corporate governance, pursue sustainable operations, and create value for customers, shareholders, employees, and society.

Chairman: Chang, Tai-Yuan
Managerial officer: Chang, Tai-Yuan
Accountant in charge: Chen, Ying-Syuan

Attachment 2 CPA’s Audit Report and various financial statements

Independent Auditors’ Report

To the Board of Directors of Jarllytec Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Jarllytec Co., Ltd. and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024 the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters we judge that shall be communicated in the audit report are as follows:

1. Revenue recognition

   Please refer to Note 4(m) “Revenue recognition”

   Description of key audit matter:

   The major business of the Group is the development and manufacturing of various hinges which applied in computer, communication and consumer electronics, etc. The Operating Revenue is the main indicator for the investor to evaluate the financial and business performance of the Group. Therefore, it has been identified as a key audit matter.

   How the matter was addressed in our audit:

   Our principal audit procedures included:

   (1) Understanding the design and implementation of internal controls over revenue recognition and verifying the compliance of accounting policy.

   (2) Testing the manual control of sales and collection cycle.

   (3) Analyzing the changes in sales revenue from top ten clients and comparing them with those of the same period in the previous year to confirm whether or not there are significant exceptions or irregular transactions exist.

   (4) Examining the vouchers to determine the appropriate cut offs for revenue recognition within selected periods before and after the balance sheet date to evaluate whether the revenue was recorded in the appropriate period.

2. Impairment evaluation of accounts receivable

   Please refer to Note 4(g)(i)(1) “Financial assets measured at amortized cost”; Note 5(a) Significant accounting assumptions and judgments, and major sources of estimation uncertainty, and Note 6(c) Notes and accounts receivables.

   Description of key audit matter:

   The Group measured its accounts receivable by the recoverable amounts due to the provision of bad debt allowance that is subject to the management’s judgement. Therefore, it has been identified as a key audit matter.

   How the matter was addressed in our audit:

   Our principal audit procedures included:

   (1) Assessing the rationality of the provision policy and verifying the compliance of provision policy for accounts receivable allowance.

   (2) Examining the aging analysis table and checking the amount of receivables received after the balance date, as well as discussing with the management to assess the whether or not the provision is reasonable.

   (3) Evaluating the adequacy of the Group’s disclosure for bad debt allowance.

3. Inventory valuation

   Please refer to Note 4(h) “Inventories”; Note 5(b) “Significant accounting assumptions and judgments, and major sources of estimation uncertainty”, and Note 6(e) “Inventories”.

   Description of key audit matter:

   Inventories are measured at the lower of cost and net realizable value in the financial statements. However, with the rapid development of the consumer market and the volatility of sales, that may result in the cost of inventory and may exceed its net realizable value. Therefore, it has been identified as a key audit matter.

   How the matter was addressed in our audit:

   Our principal audit procedures included:

   (1) Examining the inventory aging report and analyzing the trends of inventory aging.

   (2) Evaluating the rationality of the provision policy and verifying the compliance of provision policy for inventory valuation.

   (3) Assessing the adequacy of the Group’s disclosure for inventories.

Other Matter

Jarllytec Co., Ltd. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2025 and 2024, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Group’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Hung, Shih-Kang and Chen, Pei-Chi.

KPMG

Taipei, Taiwan (Republic of China)
March 11 , 2026

<u>Notes to Readers</u>

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

JARLLYTEC CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2025		December 31, 2024	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (Note 6(a))	$ 4,209,246	36	3,275,344	29
1110	Current financial assets at fair value through profit or loss (Note 6(b))	30,181	-	91,752	1
1170	Notes and accounts receivables, net (Note 6(c) and (u))	2,610,782	22	3,622,782	31
1200	Other receivables, net (Note 6(d))	50,797	-	54,764	-
1220	Current income tax assets	2,970	-	1,960	-
130X	Inventories (Note 6(e))	844,313	7	894,239	8
1410	Prepayments and other current assets (Note 6(f))	154,745	2	129,074	1
	Total current assets	7,903,034	67	8,069,915	70
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (Note 6(b) and (n))	750	-	1,200	-
1517	Non current financial assets at fair value through other comprehensive income (Note 6(b))	85,538	1	101,036	1
1550	Investments accounted for using the equity method (Note 6(g))	22,707	-	-	-
1600	Property, plant and equipment (Note 6(h) and 8)	3,064,248	26	2,795,061	24
1755	Right-of-use assets (Note 6(i))	221,591	2	288,093	3
1780	Intangible assets (Note 6(j))	26,505	-	24,553	-
1840	Deferred income tax assets (Note 6(r))	157,479	2	60,553	-
1915	Prepayments for equipment	90,310	1	144,061	1
1990	Other non-current assets, others (Note 6(f))	122,260	1	42,226	1
	Total non-current assets	3,791,388	33	3,456,783	30
	Total assets	**$ 11,694,422**	**100**	**11,526,698**	**100**

		December 31, 2025		December 31, 2024	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings (Note 6(k) and 8)	$ 44,960	1	$ 522,390	5
2170	Notes and accounts payables	1,995,069	17	2,631,231	23
2200	Other payables (Note 6(l))	860,146	8	1,194,454	11
2230	Current tax liabilities	40,557	-	53,841	-
2280	Current lease liabilities (Note 6(o))	33,758	-	41,773	-
2322	Long-term borrowings, current portion (Note 6(m) and 8)	10,827	-	13,995	-
2399	Other current liabilities	28,292	-	47,475	-
	Total current liabilities	3,013,609	26	4,505,159	39
	Non-Current liabilities:				
2500	Non-current financial liabilities at fair value through profit or loss (Notes 6(b) and (n))	20,513	-	-	-
2530	Bonds payable (Note 6(n))	2,158,863	19	765,936	7
2540	Long-term borrowings (Note 6(m) and 8)	31,578	-	54,815	-
2570	Deferred income tax liabilities (Note 6(r))	191,874	2	181,762	2
2580	Non-current lease liabilities (Note 6(o))	44,630	-	93,548	1
2640	Net defined benefit liability, non-current (Note 6(q))	37,611	-	37,541	-
2670	Other non-current liabilities, others	1,995	-	3,278	-
	Total non-current liabilities	2,487,064	21	1,136,880	10
	Total liabilities	5,500,673	47	5,642,039	49
	Equity attributable to owners of the parent (Note 6(n)(s)):				
	Share capital				
3110	Ordinary share	677,442	6	660,914	6
3200	Capital surplus	2,154,364	18	1,866,597	16
	Retained earnings:				
3310	Legal reserve	565,006	5	506,588	4
3320	Special reserve	-	-	101,311	1
3350	Unappropriated retained earnings	2,711,359	23	2,666,744	23
	Total retained earnings	3,276,365	28	3,274,643	28
	Other equity:				
3410	Exchange differences on translation of foreign financial statements	74,340	1	61,442	1
3420	Unrealized gain or loss on financial assets at fair value through other comprehensive income	11,238	-	21,063	-
	Total other equity	85,578	1	82,505	1
	Total equity	6,193,749	53	5,884,659	51
	Total liabilities and equity	**$ 11,694,422**	**100**	**$ 11,526,698**	**100**

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

JARLLYTEC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		2025		2024	
		Amount	%	Amount	%
4000	**Operating revenue (Note 6(u))**	$ 9,405,433	100	$ 9,578,170	100
5000	**Operating costs (Note 6(e)(q))**	8,281,263	88	7,992,045	84
	Net gross profit	1,124,170	12	1,586,125	16
	Operating expenses (Note 6(c)(o)(q)(v)):				
6100	Selling expenses	172,796	2	247,867	3
6200	Administrative expenses	450,292	4	523,455	5
6300	Research and development expenses	246,726	3	268,055	3
6450	Expected credit loss (gain)	2,861	-	(3,478)	-
	Total operating expenses	872,675	9	1,035,899	11
	Net operating income	251,495	3	550,226	5
	Non-operating income and expenses (Note 6(b)(g)(n)(o)(w)):				
7010	Other income	89,739	1	130,063	1
7020	Other gains and losses, net	(87,949)	(1)	85,074	1
7050	Finance cost	(48,128)	(1)	(28,382)	-
7060	Share of profit or loss of associates and joint ventures accounted for using the equity method	(215)	-	-	-
7100	Interest income	63,570	1	75,716	1
	Total non-operating income and expenses	17,017	-	262,471	3
	Profit from continuing operations before tax	268,512	3	812,697	8
7950	Less: Income tax expenses (Note 6(r))	117,772	1	235,935	2
	Profit	150,740	2	576,762	6
8300	**Other comprehensive income:**				
8310	**Components of other comprehensive income (loss) that will not be reclassified to profit or loss**				
8311	Remeasurements of defined benefit plans (Note 6(q))	(311)	-	(941)	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income (Note 6(s))	(9,825)	-	2,633	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss	(10,136)	-	1,692	-
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements(Note 6(s))	12,898	-	189,547	2
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss	12,898	-	189,547	2
8300	**Other comprehensive income, net of tax**	2,762	-	191,239	2
8500	**Total comprehensive income**	**$ 153,502**	**2**	**$ 768,001**	**8**
	Profit attributable to:				
8610	Shareholders of parent	**$ 150,740**	**2**	**$ 576,762**	**6**
	Other comprehensive income attributable to:				
8710	Shareholders of parent	**$ 153,502**	**2**	**$ 768,001**	**8**
	Earnings per share (NT dollars) (Note 6(t))				
9750	Basic earnings per share	**$ 2.23**		**8.51**	
9850	Diluted earnings per share	**$ 2.04**		**8.18**	

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

JARLLYTEC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent								
				Retained earnings			Other equity		
	Ordinary shares	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
Balance at January 1, 2024	$ 648,153	12,761	1,715,423	453,672	47,179	2,487,018	(128,105)	26,794	5,262,895
Profit	-	-	-	-	-	576,762	-	-	576,762
Other comprehensive income	-	-	-	-	-	(941)	189,547	2,633	191,239
Total comprehensive income	-	-	-	-	-	575,821	189,547	2,633	768,001
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	-	52,916	-	(52,916)	-	-	-
Special reserve	-	-	-	-	54,132	(54,132)	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(297,411)	-	-	(297,411)
Changes in other capital surplus:									
Arising from the recognition of the equity component — stock warrants — upon issuance of convertible bonds	-	-	151,174	-	-	-	-	-	151,174
Conversion of convertible bonds	12,761	(12,761)	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	-	-	-	8,364	-	(8,364)	-
Balance at December 31, 2024	660,914	-	1,866,597	506,588	101,311	2,666,744	61,442	21,063	5,884,659
Profit	-	-	-	-	-	150,740	-	-	150,740
Other comprehensive income	-	-	-	-	-	(311)	12,898	(9,825)	2,762
Total comprehensive income	-	-	-	-	-	150,429	12,898	(9,825)	153,502
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	-	58,418	-	(58,418)	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(132,184)	-	-	(132,184)
Stock dividends of ordinary share	16,523	-	-	-	-	(16,523)	-	-	-
Reversal of special earnings reserve	-	-	-	-	(101,311)	101,311	-	-	-
Changes in other capital surplus:									
Due to recognition of equity component of convertible bonds issued	-	-	287,657	-	-	-	-	-	287,657
Conversion of convertible bonds	5	-	110	-	-	-	-	-	115
Balance at December 31, 2025	**$ 677,442**	**-**	**2,154,364**	**565,006**	**-**	**2,711,359**	**74,340**	**11,238**	**6,193,749**

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

JARLLYTEC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from operating activities:		
Profit before tax	$ 268,512	$ 812,697
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	413,575	360,301
Amortization expense	35,346	32,972
Expected credit loss (gain)	2,861	(3,478)
Net loss (gain) on financial assets at fair value through profit or loss	8,899	(12,382)
Interest expense	48,128	28,382
Interest revenue	(63,570)	(75,716)
Dividend revenue	(16,005)	(20,059)
Share of loss of associates and joint ventures accounted for using the equity method	215	-
Loss from disposal of property, plant and equipment	1,014	8,001
Gain (loss) on disposal of intangible assets	(831)	-
Total adjustments to reconcile profit (loss)	429,632	318,021
Changes in operating assets and liabilities:		
Current financial assets at fair value through profit or loss	59,714	(66,090)
Non-current financial assets at fair value through profit or loss	-	3,000
Notes receivables	(727)	(1,101)
Accounts receivables	1,009,815	(599,556)
Other receivables	2,029	(15,341)
Inventories	49,926	(27,299)
Prepayments	11,095	(20,735)
Other current assets	(33,375)	(3,298)
Notes payables	1	-
Accounts payables	(636,163)	199,851
Other payables	(465,021)	37,631
Other current liabilities	(19,183)	17,995
Net defined benefit liability	(241)	(667)
Total changes in operating assets and liabilities	(22,130)	(475,610)
Total adjustments	407,502	(157,589)
Cash inflow generated from operations	676,014	655,108
Interest received	65,508	74,343
Interest paid	(8,172)	(12,605)
Income taxes paid	(217,085)	(267,946)
Net cash flows from operating activities	516,265	448,900
Cash flows used in investing activities:		
Disposal of financial assets at fair value through other comprehensive income	-	15,171
Proceeds from refund of paid-up capital of financial assets at fair value through other comprehensive income	5,758	9,616
Acquisition of financial assets at fair value through profit or loss	(1,979,139)	(2,685,233)
Disposal of financial assets at fair value through profit or loss	1,988,297	2,685,233
Acquisition of equity-method investments	(22,338)	-
Acquisition of property, plant and equipment	(178,146)	(315,374)
Disposal of property, plant and equipment	6,952	15,107
Acquisition of intangible assets	(13,891)	(12,928)
Increase in other non-current assets - others	(103,324)	39,936
Increase in prepayments for equipment	(258,932)	(277,783)
Dividends received	16,005	20,059
Net cash flows used in investing activities	(538,758)	(506,196)
Cash flows from financing activities:		
Increase in short-term borrowings	(477,520)	(111,950)
Issuance of bonds	1,645,246	899,237
Repayments of long-term borrowings	(26,405)	(186,111)
Payment of principal of lease liabilities	(54,736)	(50,015)
Increase in other non-current liabilities - others	(1,283)	286
Cash dividends paid	(132,184)	(297,411)
Net cash flows used in financing activities	953,118	254,036
Effect of exchange rate changes on cash and cash equivalents	3,277	111,408
Net increase in cash and cash equivalents	933,902	308,148
Cash and cash equivalents at beginning of period	3,275,344	2,967,196
Cash and cash equivalents at end of period	$ 4,209,246	$ 3,275,344

See accompanying notes to financial statements.

Independent Auditors' Report

To the Board of Directors of Jarllytec Co., Ltd.:

Opinion

We have audited the financial statements of Jarllytec Co., Ltd. ("the Company"), which comprise the balance sheets as of December 31, 2025 and 2024, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters we judge that shall be communicated in the audit report are as follows:

1. Revenue recognition

   Please refer to Note 4(m) "Revenue recognition"

   Description of key audit matter:

   The major business of the Group is the development and manufacturing of various hinges which are applied in computer, communication and consumer electronics, etc. The Operating Revenue is the main indicator for the investor to evaluate the financial and business performance of the Group. Therefore, it has been identified as a key audit matter.

How the matter was addressed in our audit:

Our principal audit procedures included:

(1) Understanding the design and implementation of internal controls over revenue recognition and verifying the compliance of accounting policy.

(2) Testing the manual control of sales and collection cycle.

(3) Analyzing the changes in sales revenue from top ten clients and comparing them with those of the same period in the previous year to confirm whether or not there are significant exceptions or irregular transactions exist.

(4) Examining the vouchers to determine the appropriate cut offs for revenue recognition within selected periods before and after the balance sheet date to evaluate whether the revenue was recorded in the appropriate period.

2. Impairment evaluation of accounts receivable

Please refer to Note 4(f)(i)(1) “Financial assets measured at amortized cost”; Note 5(a) “Significant accounting assumptions and judgments, and major sources of estimation uncertainty”, and Note 6(c) “Notes and accounts receivables”.

Description of key audit matter:

The Company measured its accounts receivable by the recoverable amounts due to the provision of bad debt allowance that is subject to the management’s judgement. Therefore, it has been identified as a key audit matter.

How the matter was addressed in our audit:

Our principal audit procedures included:

(1) Assessing the rationality of the provision policy and verifying the compliance of provision policy for accounts receivable allowance.

(2) Examining the aging analysis table and checking the amount of receivables received after the balance date, as well as discussing with the management to assess the whether or not the provision is reasonable.

(3) Evaluating the adequacy of the Company’s disclosure for bad debt allowance.

3. Inventory valuation

Please refer to Note 4(g) “Inventories”; Note 5(b) “Significant accounting assumptions and judgments, and major sources of estimation uncertainty”, and Note 6(e) “Inventories”.

Description of key audit matter:

Inventories are measured at the lower of cost and net realizable value in the financial statements. However, with the rapid development of the consumer market and the volatility of sales that may result in the cost of inventory may exceed its net realizable value. Therefore, it has been identified as a key audit matter.

How the matter was addressed in our audit:

Our principal audit procedures included:

(1) Examining the inventory aging report and analyzing the trends of inventory aging.

(2) Evaluating the rationality of the provision policy and verifying the compliance of provision policy for inventory valuation.

(3) Assessing the adequacy of the Company's disclosure for inventories.

Responsibilities of Management and Those Charged with Governance for the parent company only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of **parent company only** financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Hung, Shih-Kang and Chen, Pei-Chi..

KPMG

Taipei, Taiwan (Republic of China)
March 11, 2026

Notes to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

JARLLYTEC CO., LTD.

Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2025		December 31, 2024	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (Note 6(a))	$ 938,427	10	724,829	9
1110	Current financial assets at fair value through profit or loss (Note 6(b))	30,181	-	60,082	1
1170	Notes and accounts receivables, net (Note 6(c)(s))	848,520	9	918,740	11
1180	Accounts receivables – related parties, net (Note 6(c)(s),7)	3,740	-	2,070	-
1200	Other receivables, net (Note 6(d))	17,796	-	36,047	-
1210	Other receivables 0 related parties (Note 6(d),7)	29,273	-	33,112	-
1220	Current tax assets	2,338	-	1,730	-
130X	Inventories (Note 6(e))	376,451	4	343,667	4
1410	Prepayments and other current assets	57,704	1	38,624	-
	Total current assets	2,304,430	24	2,158,901	25
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (Note 6(b),(l))	750	-	1,200	-
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(b))	42,524	-	50,834	-
1550	Investments accounted for using equity method (Note 6(f))	5,483,268	58	4,970,578	57
1600	Property, plant and equipment (Note 6(g),8)	1,533,116	16	1,489,131	17
1755	Right-of-use assets (Note 6(h))	15,086	-	204	-
1780	Intangible assets	11,159	-	11,752	-
1840	Deferred income tax assets (Note 6(p))	99,256	1	57,876	1
1915	Prepayments for equipment	56,153	1	27,108	-
1990	Other non-current assets, others	5,350	-	6,502	-
	Total non-current assets	7,246,662	76	6,615,185	75
	Total assets	$ 9,551,092	100	8,774,086	100

		December 31, 2025		December 31, 2024	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings (Note 6(i) and 8)	$ -	-	500,000	6
2170	Notes and accounts payables	174,211	2	167,622	2
2180	Accounts payables - related parties(Note 7)	366,227	4	429,852	5
2200	Other payables (Note 6(j))	330,205	4	704,245	8
2220	Other payables - related parties (Note 7)	7,761	-	240	-
2230	Current income tax liabilities	3,698	-	-	-
2280	Current lease liabilities (Note 6(m))	7,040	-	204	-
2322	Long-term borrowings, current portion (Note 6(k) and 8)	10,827	-	13,995	-
2399	Other current liabilities	15,310	-	33,519	-
	Total current liabilities	915,279	10	1,849,677	21
	Non-Current liabilities:				
2500	Non-current financial liabilities at fair value through profit or loss (Notes 6(b) and 6(l))	20,513	-	-	-
2531	bonds payables (Note 6(l))	2,158,863	23	765,936	9
2540	Long-term borrowings (Note 6(k) and 8)	31,578	-	54,815	1
2570	Deferred income tax liabilities (Note 6(p))	185,346	2	181,458	2
2640	Net defined benefit liability, non-current (Note 6(o))	8,153	-	-	-
2670	Other non-current liabilities, others	37,611	-	37,541	-
	Total non-current liabilities	2,442,064	25	1,039,750	12
	Total liabilities	3,357,343	35	2,889,427	33
	Equity (Note 6(l)(q)):				
	Share capital:				
3110	Ordinary share	677,442	7	660,914	8
3200	Capital surplus	2,154,364	23	1,866,597	21
	Retained earnings:				
3310	Legal reserve	565,006	6	506,588	6
3320	Special reserve	-	-	101,311	1
3350	Unappropriated retained earnings	2,711,359	28	2,666,744	30
	Total retained earnings	3,276,365	34	3,274,643	37
	Other equity:				
3410	Exchange differences on translation of foreign financial statements	74,340	1	61,442	1
3420	Unrealized gain or loss on financial assets at fair value through other comprehensive income	11,238	-	21,063	-
	Total other equity	85,578	1	82,505	1
	Total equity	6,193,749	65	5,884,659	67
	Total liabilities and equity	$ 9,551,092	100	8,774,086	100

See accompanying notes to financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

JARLLYTEC CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		2025		2024	
		Amount	%	Amount	%
4000	**Operating revenue (Note 6(s) and 7)**	$ 2,562,230	100	2,499,881	100
5000	**Operating costs (Note 6(e)(o) and 7)**	2,429,639	95	2,343,889	94
	Gross profit	132,591	5	155,992	6
5910	Unrealized loss (profit) from sales	(299)	-	76	-
	Net gross profit	132,292	5	156,068	6
	Operating expenses (Note 6(c)(m)(o)(t)):				
6100	Selling expenses	51,573	2	81,302	3
6200	Administrative expenses	181,280	7	230,896	9
6300	Research and development expenses	133,516	5	131,923	6
6450	Expect credit loss (gain)	(927)	-	(2,171)	-
	Total operating expenses	365,442	14	441,950	18
	Net operating income (loss)	(233,150)	(9)	(285,882)	(12)
	Non-operating income and expenses:				
7010	Other income (Note 6(u) and 7)	99,235	4	150,137	6
7020	Other gains and losses, net (Note 6(b)(v) and 7)	(53,769)	(2)	54,410	2
7050	Finance costs (Note 6(l)(m)(u))	(43,246)	(2)	(21,451)	(1)
7070	Share of profit of associates accounted for using equity method	326,920	13	649,164	26
7100	Interest income (Note 6(u))	31,760	1	41,014	2
	Total non-operating income and expenses	360,900	14	873,274	35
7900	**Profit from continuing operations before tax**	127,750	5	587,392	23
7950	Less: Income tax expenses (benefits) (Note 6(p))	(22,990)	(1)	10,630	-
	Profit	150,740	6	576,762	23
8300	**Other comprehensive income:**				
8310	**Components of other comprehensive income (loss) that will not be reclassified to profit or loss**				
8311	Remeasurements of defined benefit plans (Note 6(o))	(311)	-	(941)	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	(2,552)	-	(4,829)	-
8330	Share of other comprehensive income of subsidiaries accounted for using equity method – items that will not be reclassified to profit or loss	(7,273)	-	7,462	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss	(10,136)	-	1,692	-
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	12,898	1	189,547	8
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss	12,898	1	189,547	8
8300	**Other comprehensive income, net of tax**	2,762	1	191,239	8
8500	**Total comprehensive income**	$ 153,502	7	$ 768,001	31
	Earnings per share (NT dollars) (Note 6(r))				
9750	Basic earnings per share	$ 2.23		8.51	
9850	Diluted earnings per share	$ 2.04		8.18	

See accompanying notes to financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

JARLLYTEC CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

				Retained earnings			Other equity		
	Ordinary shares	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
Balance at December 31, 2024	$ 648,153	12,761	1,715,423	453,672	47,179	2,487,018	(128,105)	26,794	5,262,895
Profit	-	-	-	-	-	576,762	-	-	576,762
Other comprehensive income	-	-	-	-	-	(941)	189,547	2,633	191,239
Total comprehensive income	-	-	-	-	-	575,821	189,547	2,633	768,001
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	-	52,916	-	(52,916)	-	-	-
Special reserve	-	-	-	-	54,132	(54,132)	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	297,411)	-	-	(297,411)
Reversal of special reserve	-	-	-	-	(29,306)	29,306	-	-	-
Changes in other capital surplus:									
Arising from the recognition of stock warrants as the equity component upon issuance of convertible bonds	-	-	151,174	-	-	-	-	-	151,174
Conversion of convertible bonds	12,761	(12,761)	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	-	-	-	8,364	-	(8,364)	-
Balance at December 31, 2024	660,914	-	1,866,597	506,588	101,311	2,666,744	61,442	21,063	5,884,659
Profit	-	-	-	-	-	150,740	-	-	150,740
Other comprehensive income	-	-	-	-	-	(311)	12,898	(9,825)	2,762
Total comprehensive income	-	-	-	-	-	150,429	12,898	(9,825)	153,502
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	-	58,418	-	(58,418)	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(132,184)	-	-	(132,184)
Stock dividends of ordinary share	16,523	-	-	-	-	(16,523)	-	-	-
Reversal of special reserve	-	-	-	-	(101,311)	101,311	-	-	-
Changes in other capital surplus:									
Due to recognition of equity component of convertible bonds issued	-	-	287,657	-	-	-	-	-	287,657
Conversion of convertible bonds	5	-	110	-	-	-	-	-	115
Balance at December 31, 2024	**$ 677,442**	**-**	**2,154,364**	**565,006**	**-**	**2,711,359**	**74,340**	**11,238**	**6,193,749**

See accompanying notes to financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

JARLLYTEC CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from operating activities:		
Profit before tax	$ 127,750	$ 587,392
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	144,546	138,418
Amortization expense	15,255	11,768
Expected credit loss (gain)	(927)	(2,171)
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	16,361	558
Interest expense	43,246	21,451
Interest revenue	(31,760)	(41,014)
Dividend revenue	(12,064)	(14,792)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method	(326,920)	(649,543)
Gain from disposal of property, plant and equipment	(2,811)	(203)
Unrealized loss (gain) from sales	299	(76)
Total adjustments to reconcile profit (loss)	(154,775)	(535,604)
Changes in operating assets and liabilities:		
Current financial assets at fair value through profit or loss	29,740	(60,000)
Notes receivables	835	(1,102)
Accounts receivables	70,312	(212,777)
Accounts receivables-related parties	(1,670)	(1,363)
Other receivables	17,864	(14,166)
Other receivable-related parties	3,839	48,805
Inventories	(32,784)	(74,920)
Prepayments	(4,672)	(6,058)
Other current assets	(14,408)	(4,628)
Notes payables	1	-
Accounts payables	6,588	42,030
Accounts payables-related parties	(63,625)	29,960
Other payables	(380,134)	(14,730)
Other payables-related parties	7,521	(8,708)
Other current liabilities	(18,209)	19,705
Net defined benefit liability	(241)	(667)
Total changes in operating assets and liabilities	(379,043)	(258,619)
Total adjustments	(533,818)	(794,223)
Cash inflow generated from operations	(406,068)	(206,831)
Interest received	32,147	41,321
Interest paid	(3,309)	(5,576)
Income taxes paid	(11,412)	(22,294)
Net cash flows from operating activities	(388,642)	(193,380)
Cash flows used in investing activities:		
Proceeds from refund of paid-up capital of financial assets at fair value through other comprehensive income	5,758	7,198
Acquisition of investments accounted for using equity method	(191,460)	(415,865)
Acquisition of property, plant and equipment	(60,433)	(45,004)
Disposal of property, plant and equipment	6,438	1,029
Acquisition of intangible assets	(4,974)	(5,518)
Net cash receipts from acquisitions of subsidiaries and other business units	-	38,669
Increase in prepayments for equipment	(148,451)	(40,131)
Increase in other non-current assets - others	(8,536)	(6,722)
Dividends received	23,080	16,690
Net cash flows used in investing activities	(378,578)	(449,654)
Cash flows from financing activities:		
Increase in short-term borrowings	(500,000)	-
Issuance of corporate bonds	1,645,246	899,237
Repayments of long-term borrowings	(26,405)	(186,111)
Payment of principal of lease liabilities	(5,839)	(303)
Cash dividends paid	(132,184)	(297,411)
Net cash flows from financing activities	980,818	415,412
Net increase (decrease) in cash and cash equivalents	213,598	(227,622)
Cash and cash equivalents at beginning of period	724,829	952,451
Cash and cash equivalents at end of period	**$ 938,427**	**$ 724,829**

See accompanying notes to financial statements.

Attachment 3 Comparison of Amendment of Articles of issuance of employee restricted stock awards

Amended articles	Current articles	Revised explanation
Article 5 Restrictions on the Conditions for Obtaining New RSA by Employees and Limitations on Shareholders' Rights 1. Omitted 2. Omitted 3. Vesting conditions: 1. For employees who receive restricted stock awards (RSA), from the Grant Date (i.e., Capital Increase Base Date), they must remain in service and provide labor on the expiry date of each vesting period . The actual proportion and number of shares vested on each vesting date will be determined based on the results of individual performance evaluations. Calculations are rounded down to the nearest whole share Individual Performance Indicators: From the date of receiving RSA, employees whose previous year's performance rating is B (inclusive) or above, and whose work performance meets the individual standards set by the Company, as agreed between the Company and the individual employee. 2. The RSA will be paid in two installments. The maximum vesting ratios on each annual vesting date are: From the Grant Date: 50% One year from the Grant Date: 50% The allocation of shares is based on vested units 4. Treatment of Unfulfilled Conditions for Employees: 1. For employees subject to newly allocated RSA who voluntarily resign, are dismissed or laid off by the Company, retire, or are transferred to related companies on their own initiative after receiving RSA, the Company shall reclaim the stocks not vested by the employees at no cost. 2. For employees subject to newly allocated RSA who are granted leave	Article 5 Restrictions on the Conditions for Obtaining New RSA by Employees and Limitations on Shareholders' Rights 1. Omitted 2. Omitted 3. Vesting conditions: 1. For employees who receive restricted stock award (hereinafter referred to as "RSA") and have completed one year since the grant date, and who are still employed and providing services on the anniversary of each vesting period, the number of restricted rights stocks granted for that year will be determined based on the company's overall performance indicators and further adjusted based on individual performance evaluations of employees. (i) Company's Overall Performance Indicators: A. The proportion of entitlement for the year will be determined based on EPS as follows, using the most recent fiscal year's audited consolidated financial statements at the end of the vesting period: EPS > NTD 8 : 100% of allocation, EPS > NTD 7 : 70% of allocation, EPS > NTD 5 (inclusive): 50% of allocation, EPS < NTD 5 : 0% of allocation. B. If significant changes in the international economic situation occur unexpectedly, causing significant impacts on the company's operations, the Compensation Committee may propose adjustments to the performance indicators or allocation ratios, which shall be decided by the board of directors and applied accordingly. (ii) Employee individual performance indicators are distributed restricted stock rights to employees. The vesting periods are respectively one year, two years, and three years. The individual annual	To consider the overall economic and environmental variables of the market

Amended articles	Current articles	Revised explanation
without pay approved by the Company within after receiving RSA, if they are not in service on the day of vesting expiration, the stocks for that period shall be reclaimed and canceled by the Company. 3. In the event of job adjustments such as promotion or transfer to other positions, the Chairman of the Company shall reassess the number of shares to be allocated and the conditions for acquisition for the new position within the range of unvested shares allocated to employees based on the responsibilities and future contribution potential of the new position. 5~7 Omitted 8. Restrictions on Rights of Employees Granted New Shares Prior to Fulfillment of Vesting Conditions are as follows:(1) Prior to the fulfillment of vesting conditions, employees granted new shares are restricted from selling, pledging, transferring, gifting to others, setting, or disposing of such restricted employee rights shares, except for inheritance. (2) Before fulfilling the vesting conditions after being granted new shares, employees shall have rights regarding shareholder matters—such as attendance, proposal submission, speaking, voting, and election—that are identical to those of the company's issued common shares. These rights shall be exercised in accordance with the trust custody agreement. (3) Except as provided in the trust agreement, other rights of employees granted restricted employee rights shares under these regulations, prior to the fulfillment of vesting conditions, including but not limited to: dividends, bonuses, rights to capital surplus distribution, and subscription rights to cash increases in capital, are identical to those of the ordinary shares issued by the Company. The relevant operational methods shall be executed in accordance with the trust custody agreement. (4) During the vesting period, if the company conducts a	performance indicators of employees in the same year as the company's overall performance indicators are evaluated. Individual performance is rated as A+ (excellent) in the final performance assessment of the year, they will receive 100% of the allocation. Those rated as A (meeting targets) will be eligible to receive 80% of the allocated shares for that year. Those rated as B (partially meeting) or below will immediately forfeit the qualification to receive the allocated shares for the current year. 2. The maximum percentage of newly allocated RSA that can be vested on each anniversary date is as follows: Upon completion of one year: 33%, upon completion of two years: 33%, upon completion of three years: 34%. The allocation of shares is based on vested units. 4. Treatment of Unfulfilled Conditions for Employees: 1. For employees subject to newly allocated RSA who voluntarily resign, are dismissed or laid off by the Company, retire, or are transferred to related companies on their own initiative within three years, the Company shall reclaim the stocks not vested by the employees at no cost. 2. For employees subject to newly allocated RSA who are granted leave without pay approved by the Company within three years, if they are not in service on the day of vesting expiration, the stocks for that period shall be reclaimed and canceled by the Company. 3. In the event of job adjustments such as promotion or transfer to other positions, the Chairman of the Company shall reassess the number of shares to be allocated and the conditions for acquisition for the new position within the range of unvested shares allocated to employees based on the responsibilities and future contribution potential of the new position. 4.During the vesting period, if the Company undergoes a reduction of	

Amended articles	Current articles	Revised explanation
capital reduction that is not due to a statutory reduction, such as a cash capital reduction, restricted employee shares shall be canceled in proportion to the capital reduction. In the case of a cash capital reduction, the refunded cash must be entrusted to a trust and can only be transferred to the employee after meeting the vesting conditions. However, if the vesting conditions are not met, the company will reclaim the cash. 9. Other Important Agreements: (1) Upon issuance, the Restricted Stock Awards (RSA) shall be promptly and directly delivered for trust custody, and any allocated derivative interests shall also be considered trust assets. The Company or a person designated by the Company shall act as the full proxy for the employees to conduct (including but not limited to) the negotiation, execution, amendment, extension, rescission, and termination of the trust custody agreement with the stock trust custodian, and to provide instructions for the delivery, utilization, and disposal of the trust custody assets. (2) From the date of cessation of free allotment of shares by the Company, the date of cessation of cash dividends, the date of cessation of subscription for cash increases in capital, the period of suspension of transfer specified in Article 165, Paragraph 3 of the Company Act, or other legally specified periods of suspension of transfer occurring due to factual circumstances until the rights allocation record date, during which employees meeting the vested conditions shall have their vested shares released from restrictions in accordance with the terms and procedures of the trust custody agreement.	capital for reasons other than statutory capital reduction, such as a cash capital reduction, the Restricted Stock Awards (RSA) shall be canceled in proportion to the capital reduction. In the case of a cash capital reduction, the cash returned as a result must be delivered for trust custody and may only be delivered to the employee upon fulfillment of the vesting conditions; however, if the vesting conditions are not met, the Company shall reclaim such cash. 5~7 Omitted 8. Restrictions on Rights of Employees Granted New Shares Prior to Fulfillment of Vesting Conditions are as follows: (1) Prior to the fulfillment of vesting conditions, employees granted new shares are restricted from selling, pledging, transferring, gifting to others, setting, or disposing of such restricted employee rights shares, except for inheritance. (2) Before fulfilling the vesting conditions after being granted new shares, employees shall have rights regarding shareholder matters—such as attendance, proposal submission, speaking, voting, and election—that are identical to those of the company's issued common shares. These rights shall be exercised in accordance with the trust custody agreement. (3) Except as provided in the trust agreement, other rights of employees granted restricted employee rights shares under these regulations, prior to the fulfillment of vesting conditions, including but not limited to: dividends, bonuses, rights to capital surplus distribution, and subscription rights to cash increases in capital, are identical to those of the ordinary shares issued by the Company. (4) During the vesting period, if the company conducts a capital reduction that is not due to a statutory reduction, such as a cash capital reduction, restricted employee shares shall be canceled in proportion to the capital reduction. In the case of a cash capital reduction, the refunded cash must be	

Amended articles	Current articles	Revised explanation
	entrusted to a trust and can only be transferred to the employee after meeting the vesting conditions. However, if the vesting conditions are not met, the company will reclaim the cash. 9. Other Important Agreements: (1) Upon issuance of new RSA, the shares shall be promptly delivered for direct custody under trust after the issuance. The allocated equity also falls under trust assets, and the trust agreement shall be signed by the Company or individuals designated by the Company with the stock trust custodian on behalf of the employees. (2) From the date of cessation of free allotment of shares by the Company, the date of cessation of cash dividends, the date of cessation of subscription for cash increases in capital, the period of suspension of transfer specified in Article 165, Paragraph 3 of the Company Act, or other legally specified periods of suspension of transfer occurring due to factual circumstances until the rights allocation record date, during which employees meeting the vested conditions shall have their vested shares released from restrictions in accordance with the terms and procedures of the trust custody agreement.	

Appendix 1

Articles of Incorporation
OF
JARLLYTEC CO., LTD.

Section I – General Provisions

Article 1 The Company shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be 兆利科技工業股份有限公司 in the Chinese language, and JARLLYTEC CO., LTD. in the English language.

Article 2 The scope of business of the Company shall be as follows:

a) CA02030 Screw, Nut and Rivet Manufacturing
b) CA02040 Metal Spring Manufacturing.
c) CA02990 Other Fabricated Metal Products Manufacturing
d) CA05010 Powder Metallurgy
e) CB01081 Guns , Ammunition Major Component Parts Manufacturing
f) CB01990 Other Machinery Manufacturing
g) CC01020 Electric Wires & Cables Manufacturing
h) CC01040 Lighting Equipment Manufacturing
i) CC01060 Wired Communication Equipment and Apparatus Manufacturing
j) CC01080 Electronic Parts and Components Manufacturing
k) CC01110 Computers and Computing Peripheral Equipment Manufacturing
l) CD01030 Motor Vehicles and Parts Manufacturing
m) CD01050 Bicycles and Parts Manufacturing
n) CP01010 Hand Tools Manufacturing
o) CQ01010 Die Manufacturing
p) F119010 Wholesale of Electronic Materials
q) F219010 Retail Sale of Electronic Materials
r) F401010 International Trade
s) F401091 Export and Import of Guns, Ammunition and Knives
t) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

Article 3 If the Company is a limited liability shareholder of other Company, the total amount of its investment shall not be subject to the restriction of not more than 40% of the paid-in share capital as provided in Article 13 of the Company Law.

Article 4 The Company shall have its head quarter in New Taipei City, Taiwan, Republic of China, and shall be free, upon approval of Board of Directors, to set up branch offices at various locations within and without the territory of the Republic of China.

Article 5 Public announcements of the Company shall be made in accordance with the provisions of Article 28 of the Company Law of Republic of China.

Section II – Capital Stock

Article 6 The total capital stock of the Company shall be in the amount of 1,200,000,000 New Taiwan Dollars, divided into 120,000,000 shares, at ten New Taiwan Dollars each, authorized Board of Directors deems it necessary to carry out any or all of its activities and may be paid-up in installments. (Which retains employee stock vouchers to subscribe for shares of 5 million shares)

When the Company buys back its shares, issues share subscription warrant and restricted stock awards, reserves the share subscription rights for employees when issues new shares in accordance with the laws, the employees who are entitled to receive the aforementioned stock or rights may include the employees of parents or subsidiaries of the Company meeting certain specific requirements.

Article 7 The Company's shares are collectively signed or stamped by director representing the Company, in accordance with provisions of the Law, the Company may issue shares without printing share certificate(s) but should register at Centralized Securities Depository Enterprises institutions.

Article 8 Registration for transfer of shares shall be suspended sixty days immediately before the date of regular meeting of shareholders, and thirty days immediately before the date of extraordinary general meeting, or within five days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Article 8-1 All stock transaction conducted by shareholders of the Company shall follow the "Guidelines for Stock Operations for Public Companies" unless specified otherwise by law and securities regulation.

Section III – Shareholders' Meetings

Article 9 Shareholders' meetings of the Company are of two types, namely regular meetings and special meetings. Regular meetings shall be convened at least once per year, and by the Board of Directors, within six months after the close of each fiscal year. Special meetings shall be convened in accordance with the relevant law, rules and regulations of the Republic of China. The shareholders' meeting shall be convened by the Board of Directors and presided over by the Chairman of the Board of Directors, in his absence, either he may appoint one of the Directors, or if none, Directors may recommend one to preside.

Article 9-1 After the resolution of the Board of Directors, the Company's shareholders' meeting can be held at a hybrid shareholders meeting (to be distributed on-site at the meeting and shared on the virtual meeting platform), virtual-only shareholders meeting or other methods specified by the central competent authority. The conditions, operating procedures and other matters to be complied with by the Company shall be handled in accordance with the regulations of the securities competent authority.

Article 10 The Company shall be convened a regular meeting by controlling shareholder, may propose to the company a proposal for discussion at a regular shareholders' meeting, provided only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. All related operations are in accordance with the Company Law and related regulations.

Article 11 If a shareholder is unable to attend a meeting, he/she/it may appoint a proxy to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy, in accordance with the Company Law and provision of government authorities in charge issued "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".

Article 12 Each share of the stock shall be entitled to one vote, except the Company has the occurrence of non-voting shares under Article 179 of the Company Act.

Article 13 Unless otherwise stipulated by the relevant laws, rules and regulations, the resolutions of the shareholders' meetings shall be attended by shareholders in person of more than one half of the total issued and outstanding capital stock of the Company, with the consent of more than one half of the attended shareholders.

Article 14 When the shareholders of the Company are only on legal person shareholder, the terms of reference of the shareholders' meeting of the Company shall be exercised by the Board of Directors and shall not apply to the provisions of the relevant shareholder's meeting of this Articles of Incorporation.

Section IV – Directors & Audit Committee

Article 15 The Company shall have seven to nine directors, shall be elected by adopting candidates' nomination system, shareholders shall be selected from the list of candidates for directors. The nomination of directors and related announcement shall comply with the relevant regulations of the Company Law and the Securities and Exchange Law, for a term of three years and eligible for re-election. The total proportion of all its directors shall be in accordance with the relevant provisions promulgated by the government authorities in charge.
After the election, the Company shall purchase the liability insurance for the directors.
The cumulative voting method shall be used for election of the directors of the Company. Each share will have voting rights in number equal to the directors to be elected and may be cast for a single candidate or split among multiple candidates.

Article 15-1 The number of independent directors in the Company shall not be less than three and shall be elected by adopting candidates' nomination system. The independent directors and non-independent directors shall be elected together, but in separately calculated numbers. The professional qualifications, shareholding, part-time restrictions, nomination and election methods and other matters to be followed of the independent director shall be handled in accordance with the relevant provisions of the securities authorities.

Article 15-2 The Company establishes an Audit Committee and may establish the kinds of other

functional committees.
The Audit Committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be the convener, and at least one of whom shall have accounting or financial expertise.

Article 16 The directors shall constitute the Board of Directors and shall elect one Chairman of the Board from among themselves by a majority at a meeting attended by at least two-thirds of the directors, and also elect a vice chairman of the board in the same manner. The chairman shall externally represent the Company, to carry out all matters of the Company in accordance with the resolutions, the articles of incorporation, the shareholder's meeting and the resolutions of the board of directors.

Article 16-1 The convening of the board of directors of the Company shall inform the directors seven days in advance with specified reason. But in case of an emergency, may be convened at any time. The convening of the Board of Directors of the Company may be made in writing, by e-mail (E-mail) or by fax.

Article17 In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, a delegate shall be appointed in compliance with Article 208 of the Company Act. In case the directors cannot attend board meetings, a delegate shall be appointed in compliance with Article 205 of the Company Act.

Article 18 The Audit Committee shall be responsible for performing the Supervisors' duties as stipulated in the Company Act, Securities and Exchange Act and other relevant laws and regulations as well as complying with applicable laws, regulations and rules and regulations of the Company.

Article 19 Remuneration of directors of the Company shall be determined by the shareholders' meeting and may be paid at such level as generally adopted by the enterprises of the same industry, no matter whether the Company is in a loss or not.

Section V – Managerial Officials

Article 20 The Company have one general manager. Appointment, discharge and the remuneration of the managerial officials shall be in compliance with Article 29 of the Company Act.

Section VI – Accounting

Article 21 After the close of each fiscal year, the Board of Directors shall prepare the following reports and forward the same to the Annual General Meeting of shareholders for acceptance in accordance with the legal procedures:
(1) Business report
(2) Financial statements
(3) Proposal concerning appropriation of net profits or making up losses

Article 22 If there is profit at the end of each fiscal year, a ratio of no less than 2% of profit of the current year distributable as employees' compensation <u>(The allocated compensation for non-executive employees shall not be less than 20% of the total allocated employee compensation)</u> and no higher than 2% as directors' compensation shall be appropriated. However, the Company's accumulated losses shall have been covered first.

The employees and <u>non-executive employees</u> mentioned above are paid to the stock or cash, including the eligible employees.

Article 22-1 If the Company had earnings at the end of the fiscal year, the Company shall first pay its tax, offset its losses in previous years and set aside a legal capital reserve at 10% of the earning left over, until the accumulated legal capital reserve has equaled the total capital of the Company. As the Company operation needs and provision of regulation shall set aside a special capital reserve, if there is surplus and unallocated surplus at the same period, it shall be allocated from 0% to 90% for shareholder dividends, by the board of directors to prepare a surplus distribution proposal submitted to the resolution of the shareholders' meeting.

When the Company sets aside special reserve according to the law, the insufficiency shall be allocated from the cumulative amount of net increase of investment properties at fair value in the preceding periods and the cumulative amount of net decrease in other equities in the preceding periods. If there remains any insufficiency, allocate it from the amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that are included in the undistributed earnings of the period.

According to Article 240, paragraphs 5 of Company Act, the distributable dividends and bonus in whole or in part or the legal reserve and capital reserved in whole or in part which are brought in Article 241, paragraphs 1 of Company Act may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The future dividend policy of the Company will be expanded with the Company's business development, taking into account the future capital expenditure budget and capital requirement of the Company, the interests of shareholders, balancing dividends and long-term financial planning of the Company, such as cash dividends or stock dividends, only the cash dividend issued each year shall not be less than 10% of the total dividend distributed in the current year.

Article 23 In the event that the Company is proposing to issue employee stock vouchers at a price lower than the market price (net asset value of each share), the Company shall, in accordance with Article56-1 and 76 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, through the resolution of the shareholders' meeting, could be issued.

Article 24 If the Company intends to transfer the shares of the Company to the employees at an average price lower than the actual purchase price, the Company shall, after the resolution of the latest shareholders' meeting, start the transfer.

Section VII – Supplementary Provisions

Article 25 The Company deems it necessary or advisable to carry out any or all of its activities may provide endorsement and guarantee and act as a guarantor.

Article 26 When the Company's stock is proposed to be withdraw from public offering, it should submit a resolution to the board of directors and does not change this provision during the period of emerging stock and over the counter.

Article 27 The important internal organization rules, regulations of the Company and the detailed procedures and methods shall be determined by the board of directors.

Article 28 In regard to all matters not provided for in these Articles of Incorporation, the Company Law and other relevant rules and regulations shall govern.

Article 29 The Articles of Incorporation shall become effective upon the resolution of the shareholders' meeting

Article 30 The Articles of Incorporation is concluded on June 25, 2004
The 1st amendment on December 3, 2004
The 2nd amendment on June 30, 2005
The 3rd amendment on May 30, 2006
The 4th amendment on June 30, 2006
The 5th amendment on June 13, 2007
The 6th amendment on June 19, 2008
The 7th amendment on June 19, 2009
The 8th amendment on June 18,2010
The 9th amendment on June 6, 2012
The 10th amendment on June 10,2013
The 11th amendment on June 21,2016
The 12th amendment on June 21,2018
The 13th amendment on June 18,2019
The 14th amendment on June 19,2020
The 15th amendment on July 7,2021
The 16th amendment on June 21,2022
The 17th amendment on June 13,2023
The 18th amendment on June 18,2024
The 19th amendment on June 19,2025

Jarllytec Company Limited
Chairman of the board, Chang, Tai-Yuan

Appendix 2

JARLLYTEC CO., LTD.
Rules of Procedure for Shareholders Meetings

Article 1
To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2
The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

(Convening shareholders meetings and shareholders meeting notices)
Article 3
Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.
After the Company’s status as a public company started, the reasons for convening a regular shareholders meeting shall inform all shareholders before 30 days before the date of a regular shareholders meeting, for shareholders who hold less than 1,000 registered shares, may upload them to the MOPS before 15 days of the date of the regular shareholders meeting; the reasons for convening a special shareholders meeting shall inform all shareholders before 15 days before the date of a special shareholders meeting, for shareholders holding less than 1,000 registered shares, may upload them to the MOPS before 15 days before the date of the special shareholders meeting.
The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement; with the consent of the addressee, the meeting notice may be given in electronic form.
Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1, Article 26-1 and Article 43-6 of Securities and Exchange Act, and Article 56-1 and Article 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting, none of the above matters may be raised by an extraordinary motion; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the corporation, and such website shall be indicated in the above notice.
Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.
The Company shall hold a hybrid shareholders meeting (to be distributed on-site at the meeting and shared on the virtual meeting platform) or virtual-only shareholders meeting in accordance with the relevant laws and regulations promulgated by the competent authority.

Article 4
A shareholder holding one percent or more of the total number of issued shares may submit to this Company a written proposal for discussion at a regular shareholders meeting, the number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting age. However, a shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of

directors. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda; the shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.
Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals, and the location and time period for their submission, the period for submission of shareholder proposals may not be less than 10 days; prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

(Delegation of attending a shareholders' meeting and authorization)
Article 5
For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.
A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.
After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

(Principles determining the time and place of a shareholders' meeting)
Article 6
The Company shall specify in its shareholders meeting notices the place of a shareholders' meeting, the time during which shareholder attendance registrations will be accepted, and other matters for attention. The place shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting, the meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences; the place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

(Preparation of documents such as the attendance book)
Article 7
The Company may furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
The Company shall furnish the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials, where there is an election of directors, pre-printed ballots shall also be furnished.
Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance, the Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.
In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 7-1

To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
   (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
   (2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
   (3) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
   (4) Actions to be taken if the outcome of all proposals has been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

(The chair and participants of a shareholders meeting)

Article 8

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the directors shall be appointed to act as chair, where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.
When a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.
If a shareholders’ meeting is convened by the board of directors, the chairperson shall chair the meeting, and the meeting shall be attended by a majority of the directors, the attendance shall be recorded in the meeting minutes. If a shareholders’ meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting, when there are two or more such convening parties, they shall mutually select a chair from among themselves.
The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders’ meeting in a non-voting capacity, and may respond related questions in the proceeding agenda.

(Documentation of a shareholders meeting by audio or video)
Article 9
The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.
The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.
Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.
The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.
In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

(Calculation of voting shares and call a meeting)
Article 10
Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.
The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.
However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.
If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 11
The chair shall call the meeting to order at the appointed meeting time, and announce related information, such as the number of nonvoting rights and the number of shares in attendance, etc., at the same time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act, and all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.
When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

(Discussion of proposals)
Article 12
If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors, the meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.
The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.
The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting; if the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting. After the meeting was declared to adjourn, shareholders shall not elect another chair or resume the meeting at another venue.

(Shareholder speech)
Article 13
Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words.
As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 14
Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes, if the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor, the chair shall stop any violation.

Article 15
When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

Article 16
After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders, when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

(Calculation of voting shares and recusal system)
Article 17
Voting at a shareholders meeting shall be calculated based the number of shares.
With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.
When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority. When one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

(Proposal voting, votes monitoring and counting methods)
Article 18
A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

Article 19
Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda), except as otherwise provided by the Company Act and the articles of incorporation, by agreement of a majority of the votes represented by the attending shareholders. When the Company holds a shareholder meeting, it may adopt exercise of voting rights by writing or electronic means and may adopt exercise of voting rights by correspondence; when voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. But to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting, it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.
When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 19-1
When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting. In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.
When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 20
Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting.
Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

(Election matters)
Article 21
The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of those directors and supervisors who failed to be elected and the numbers of votes with which they gained.
The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year.
If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

(Meeting minutes and signature matters)
Article 22
Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes, the meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting.
The meeting minutes may be produced and distributed in electronic form.
The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company.
The resolution method mentioned in the preceding paragraph, after the chair solicited shareholders' opinions, and shareholders have no objection, shall specify that adopting vote method and passed by the number of voting rights and the right number ratio.
An attendance book (or a sign-in card) of attending shareholders and the proxy of authorized attending shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 22-1
In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes

and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

(Public disclosure)
Article 23
After the Company's status as a public company started, on the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.
After the Company listed on centralized trading floor or over the counter trading places, if matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation or Gre Tai Securities Market regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.
In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.
During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

Article 23-1
In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.
In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.
For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.
For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postponed or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.
During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.
When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.
For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 23-2
When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

(Maintaining order at the meeting place)
Article 24
Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."
At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.
When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

(Recess and resumption of a shareholders meeting)
Article 25
When a meeting is in progress, the chair may announce a break based on time considerations. If a force major event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed. If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue. A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 26
Unsettled matters in the rules shall be conducted in accordance with the Company Act, Articles of Incorporation and other related regulations.

Article 27
These Rules shall take effect after having submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Article 28
These Rules were drawn up on October 1, 2005.
The 1st amendment was made on June 10, 2011.
The 2nd amendment was made on June 6, 2012.
The 3rd amendment was made on June 18, 2014.
The 4th amendment was made on June 18, 2015.
The 5th amendment was made on June 21, 2018.
The 6th amendment was made on June 19, 2020.
The 7th amendment was made on July 7, 2021.
The 8th amendment was made on June 21, 2022.

Appendix 3

JARLLYTEC CO., LTD.
Directors' Shareholding Statement

1. As of April 18, 2026, the Company's paid-in capital was NT$ 677,441,750, and the distributed share were 67,744,175.
2. The minimum legally held shares held by the Company's shareholders: 5,419,534 shares.
3. Directors' shareholding statement is as follows:

April 18, 2026

Title	Name	Inauguration date	Shareholding number as elected	As of April 21, 2025, shareholding number registered in the shareholders roster	
			Number of shares	Number of shares	Shareholding ratio
Chairman	Dellson Investment Co., Ltd. Representative: Chang, Tai-Yuan(Note 1)	June 18, 2024	3,864,000	3,960,600	5.85%
Director	Young Win Assets Management Co., Ltd. Representative: Liu, Kuang-Hua (Note 2)	June 18, 2024	1,550,000	1,588,750	2.35%
Director	Sunrise Investment Co., Ltd. Representative: Liu, Bo-Liang (Note 3)	June 18, 2024	6,100,000	6,252,500	9.23%
Independent director	Wu, Sou-Shan	June 18, 2024	-	-	-
Independent director	Yang, Shang-Hsien	June 18, 2024	-	-	-
Independent director	Lee, Chien-Ming	June 18, 2024	-	-	-
Independent director	Lee, Hsing-Chin	June 18, 2024	-	-	-
Sum of directors' shareholding			11,514,000	11,801,850	17.43%

Note 1: The representative himself holds 732,075 shares.
Note 2: The representative himself holds 1,321,866 shares.
Note 3: The representative himself holds 0 shares.

Appendix 4

The influence of the Company’s operational performance, earnings per share and shareholders’ return on investment caused by the bonus shares:

The bonus share was not programed to distribute at a regular shareholders’ meeting of the Company, so it’s not applicable.