

YULON NISSAN

YULON NISSAN MOTOR CO., LTD ANNUAL REPORT 2025



Printed on May13 2026

TWSE:mops.twse.com.tw

Official Website:<http://new.nissan.com.tw/nissan>



I N F I N I T I



I. Name, title, and phone of the spokesperson:

Name: Chao-Yen Liang
Title: Vice President
Tel.: 886-37-875881 Ext. 1601
E-mail: yulon-nissan.ir@yulon-nissan.com.tw

Deputy Spokesperson: Chi-Jen Hung
Title: Senior Manager
Tel.: 886-37-875881 Ext. 1540
E-mail: rocky.hung@yulon-nissan.com.tw

II. Address, phone and website of headquarter and branch:

Headquarters: No. 39-2, Bogongkeng, Xihu Village, Sanyi Town, Miaoli County, Taiwan
Tel.: 886-37- 875881
Official Website: <http://new.nissan.com.tw/nissan>
Taipei Branch: 18F, No. 2, Sec. 2, Dunhua S. Road, Da'an Dist, Taipei City
Tel.: 886-2- 25156421
Official Website: <http://new.nissan.com.tw/nissan>

III. Name, address, and phone of the stock transfer agency:

Name: Yulon Motor Co., Ltd. Stock Affairs Office
Address: 1F, No. 3, Sec. 3, Zhongxing Road, Xindian Dist, New Taipei City
Tel.: 886-2- 25156421
Official Website: <http://new.nissan.com.tw/nissan>

IV. Name, Firm, address, and phone of the acting independent auditors:

2025 Independent Auditors: Chien-Hsin Hsieh and Wan-I Liao
CPA Firm: Deloitte & Touche
Address: 20F, No. 100, Songren Road, Xinyi Dist, Taipei City
Tel.: 886-2-2725-9988
Official Website: <http://www.deloitte.com.tw>

V. Overseas securities exchange corporation listing: None.

VI. Corporate Website: <http://new.nissan.com.tw/nissan>

| Contents |

I. Letter to Shareholders	1
1. 2025 Operating Performance.....	3
2. Highlights of Business Operation Plans for 2026.....	4
3. Future Development Strategy of The Company.....	5
4. Impact of External Environment (including competitors, regulations, macroeconomics and other factors).....	6
 II. Corporate Governance Report	
1. Information of Directors, President, Senior Vice President, Vice President and General Manager.....	7
(1) Directors Information	7
(2) Information of President, Senior Vice President, Vice President and General Manager.....	17
(3) Payment of Remuneration to Directors, President and Senior Vice President.....	23
(4) Analysis and description of the net profits macro or individual financial report after payment of remuneration made out to Directors, President, and Senior Vice President in the last 2 years.....	28
2. Operation of Corporate Governance.....	29
(1) Operational Status of the Board of Directors.....	29
(2) Operational Status of the Audit Committee.....	31
(3) The Difference in Contrast to the Operation of Corporate Governance and the Listed / OTC Company's Corporate Governance Codes of Practice and Reasons	34
(4) Remuneration Committee.....	42
(1) Data of Remuneration Committee Members.....	42
(2) Operational Status of Remuneration Committee.....	43
(3) Resolution result and discussion items of Remuneration Committee in 2025	43
(5) The state of the company's promotion of sustainable development, any variance from the sustainable Development Best Practice Principles for the Listed/OTC Companies, and the reason for any such variance.....	44
(6) Climate-Related Information of TWSETPEX Listed Company.....	60
(7) The Difference in Contrast to the Status of Honest Operation Implemented and the Listed / OTC Company's Corporate Status of Honest Operation Implemented Codes of Practice and Reasons.....	65
(8) Inquiry Method of Governance Codes, Important Information for enhancing realization of Operation of Corporate Governance and Relevant Regulations Established by the Company.....	68

(9) Execution Status of Internal Control System.....	69
1. Statement of Internal Control System.....	69
2. Project Examination Report of CPAs' Internal Control System.....	69
(10) Major Resolutions made by the Shareholders Meeting and Board of Directors Meeting in Fiscal year 2025 and prior to the Publication Date of Annual Report.....	70
(11) Major Issues on Record or Written Statements Made by any Director which Specified his/her Dissent to Important Resolutions Passed by the Board of Directors Meeting in Fiscal year 2025 and Prior to the Publication Date of the Annual Report	71
3. Information on CPA Audit Fees.....	72
(1) Information on CPA Audit Fees	72
(2) The Change of CPA Firms and the Audit Fees after change is Lower than that before change, the Reduced Amount, Proportion and Reason	72
(3) The Audit Fees after Change is More than 10% lower than that before Change, the Reduced Fee Amount, Proportion and Reason	72
4. Information on Change of CPAs	72
(1) Information of the Previous CPAs.....	72
(2) Information of the Successive CPAs	72
(3) Previous CPAs' Reply of Article 10-5-1 and 10-5-2-3 of Guidelines Governing the Preparation of Financial Reports by Securities Issuers	72
5. Upon the Company's Chairman, President, General Manager or Financial / Accounting Manager Employed by the Verifying CPA Firm within one year, the Name, the Position, and Time Period in the CPA firm or its Affiliates should be Disclosed.....	72
6. Changes of Share and Share Collateralizing for Directors, Managers and Shareholders with over 10% of Shares Held During the 2025 Fiscal year and Prior to the Publication Date of the Annual Report	73
(1) Changes of Share for Directors, Managers and Major Shareholders	73
(2) Information of Share Changes	75
(3) Information of Share Collateralizing	75
7. Information on the top-10 shareholders who are affiliates or related as spouse or second cousins.....	76
8. The Number of Shares held by the Company, the Company's Directors, Managers and its Directly or Indirectly Controlled Business Toward the same Investment Businesses, as well as the Combined Calculated Shareholding Percentage	77

III. Capital Raising Status

1. Capital and Shares	78
(1) Source of Share Capital	78
(2) List of Major Shareholders	78
(3) Dividend Policy and Execution Status.....	79
(4) The Effect of the Distribution of Stock Dividend as Proposed by this Shareholders Meeting on Operation Performance and Earning per Share.....	79
(5) Compensation of the Employee and Directors.	79
(6) Status of Company's Repurchased Treasury Shares.....	80
2. Corporate Bonds issued.....	80
3. Preferred Stock issued	80
4. GDR (Global Depositary Receipt) Issued	80
5. Employee Stock Options Issued.....	80
6. Restricted Stock Dividends of Employee Issued.....	80
7. New Shares Issued for Merger or Acquisition	80
8. Recorded up to the Previous one quarter of the Date of the Report is in Printing, Previously Issued or Privately Raised Marketable Securities that are still not Completed or the Completed and Planned Benefits but not shown over the Recent 3 years	80

IV. Highlights of Operations

1. Business Content	81
(1) Business Scope	81
(2) Industry Summary	81
(3) Technology, Research and Development (R&D)	83
(4) Long, Short term Business Development Plan	85
2. Market, Production & Sales Review	87
(1) Market Analysis.....	87
(2) The major usage and production processes of main products.....	90
(3) Supplies of main raw materials.....	90
(4) List of Major Suppliers and Clients Over the Recent 2 Fiscal Years.....	90
3. Employee Data for the Recent Two Years and as of the Publication Date of Annual Report	91
4. Expenditures on Environmental Protection	91
(1) Losses and Disposal caused by environmental pollution over the recent years.....	91
(2) Probable environmental expenditures.....	91

5. Labor-Capital Relationship	91
(1) Current Prominent Labor-Capital Agreements, Employee Benefits and Their Implementation	91
(2) Labor Dispute	93
6. Intellectual Property Management Program.....	94
(1) Intellectual Property Management Policy.....	94
(2) Intellectual Property Management Overview	94
(3) Intellectual Property Management Improvement Plan	95
(4) Current Intellectual Property Achievements.....	95
7. Cyber security management	95
(1) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management ...	95
(2) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.....	98
8. Prominent Contracts	99

V. Review and Analysis of Financial Conditions and Operation Performance and Risk Management

1. Financial Conditions.....	100
2. Financial Performance.....	101
(1) Comparison and Analysis of Financial Performance.....	101
(2) Gross Profit Analysis	101
3. Cash Flow Analysis.....	101
(1) Cash Flow Analysis for the Recent 2 Years	101
(2) Cash Flow Analysis for the Next Year	102
4. Influence on Financial Condition caused by Prominent Capital Expenditures in Fiscal year 2025 ...	102
(1) The Use and Capital Source of Prominent Capital Expenditure	102
(2) Anticipated Benefits	102
5. Investment Policy in Fiscal Year 2025, Major Reasons for Profit and Loss, Its Improvement Plan and Next Year's Investment Plan.....	102
6. Risk Management and Evaluation.....	103
(1) Influence of the Interest Rate, Foreign Exchange Rate and Rate of Inflation on Company's Profit / Loss and Plans to Encounter these Risks in the Future.....	103

(2) Policy on High Risk, High Leverage Investment, Capital Loans to Others, Endorsement and Trade on Derivatives, Major Reason for Profit/Loss and plans to encounter these risks in the future.....	103
(3) Future Research/Development Plans and Estimated Investing R&D Expenditure.....	103
(4) Important Changes of Local and Foreign Government Policies and Regulations and Their Influence Over Company's Financial Condition and Plans to Encounter these Risks in the Future.....	103
(5) Changes on Technology and Industrial Change Influence toward the company's Finance Business and Coping Strategies.....	103
(6) Changes on Corporate Image that Influence Company's Risk Management and Contingency Plans.....	104
(7) Benefit Anticipated and Possible Risks of Merge and Acquisition	104
(8) Benefit Anticipated and Possible Risks of Plant Site Expansion.....	104
(9) Risks of having Purchase or Sales Centralization.....	104
(10) The Impact and the Risk of having a big Volume of Transferring or Changes of Shareholders Equity of the Directors or Shareholders who Hold more than 10% Shares, Except for the Releasing of Shares.....	104
(11) The Impact and Risk of Changing Operating Rights of the Company	104
(12) Litigation/Non-Litigation Events.....	104
(13) Other Important Risks and Actions to be Taken.....	104
7. Other Important Items	104

VI. Special Noted Items

1. Affiliates Information.....	105
(1) Affiliates Consolidated Operation Statement	105
(2) Affiliates Consolidated Financial Report.....	107
(3) Consolidated Report of Public Companies and their Affiliates	107
2. Fiscal Year 2025 and Prior to the Publication Date of the Annual Report, The Status of Issuing Private Placement Securities	107
3. Other Necessary Supplementary Notes	107
4. Any Events that had Significant Impacts on Shareholders' Right or Securities Prices as Stated in Section 3 Paragraph 2 in Article 36 of the Securities Transaction Law for Fiscal year 2025 and Prior to the Publication date of the Annual Report.....	107

I. Letter to Shareholders

Dear Shareholders,

Last year (2025), due to changes in tariff policies and rising geopolitical uncertainties, the global economic outlook turned conservative, and the consumption momentum of Taiwan's automotive market weakened accordingly. The annual light vehicle sales totaled 405,000 units, representing a 9.7% decline compared to the previous year. The Company's new vehicle sales reached 13,117 units, securing a market share of 3.2%. Consolidated operating revenue stood at NT\$15.132 billion, income before income tax was NT\$528 million, and earnings per share (EPS) after tax were NT\$1.30.

Amid industry shifts, the Company has consistently enhanced its brand value and product competitiveness. The NISSAN brand enhanced the pure electric driving experience for consumers with its electric vehicle (EV) products and exclusive e-POWER technology. Among these, the EV model ARIYA was honored as the "Car of the Year" at the 2025 Taiwan Car Of The Year Awards. In 2025, special-edition models for X-TRAIL, KICKS, and SENTRA were also launched to drive sales momentum with high-value product configurations, thereby stabilizing the foundation of market competitiveness. The luxury brand INFINITI also continued to upgrade its product and powertrain technologies, launching the 2025 versions of QX60 and QX50 to enhance its brand performance further.

Regarding investments in Mainland China, Dongfeng Nissan launched the brand-new EV model N7, driving annual sales to 600,000 units and maintaining its competitive momentum in the market.

In terms of sustainable development, the Company continued to deepen its ESG efforts. In 2025, the Company received multiple accolades, including the 23rd Golden Peak Award, the TCSA Taiwan Corporate Sustainability Award, and the Sports Enterprise Certification. On the environmental front, the Company continuously promoted energy-saving and carbon-reduction measures, including organizing the "Water Conservation: No Car Wash" campaign, and collaborating with suppliers to build a green supply chain, implementing the goal of a 2% annual emission reduction. On the social front, through the Yulon Group's "Mileage of Love" charity platform, the Company sustained its focus on the shortage of transportation resources in rural areas and long-term commitment to public welfare, demonstrating the Company's social commitment.

Looking ahead to this year (2026), tariff issues are expected to gradually clarify, though international geopolitical risks remain, and the Taiwan automotive market is anticipated to recover at a gradual pace. Based on existing operational optimization, the Company will focus on brand reshaping, combining product deployment to deepen market competitiveness, driving the "NISSAN Re-shaping Brand Launch Program," deepening the brand culture of "Inspiration from Details," and simultaneously optimizing the after-sales service system.

Regarding product strategy, the SAKURA models of KICKS, SENTRA, and X-TRAIL were launched between March and April 2026, leading to significant order growth. In the third quarter, two refreshed models are planned for launch to capture market share through upgrades in appearance and product capabilities. In the fourth quarter, the brand-new imported crossover SUV model, QASHQAI e-POWER, will be introduced to further strengthen product competitiveness. Furthermore, in response to potential adjustments in regulations regarding the import of US-spec models, the Company has prudently evaluated the introduction of NISSAN and INFINITI US-spec models to expand the product lineup and respond to market demand.

Finally we would like to express our gratitude for the support from all shareholders on behalf of all employees at Yulon Nissan Motor Co., Ltd. We wish your health and success.

Thank you.

Chairperson: Yen Chen, Li Lien



1. 2025 Operating Performance:

(1) Operating Performance

Unit : NTD thousand

Item	Fiscal Year	Fiscal year 2024	Fiscal year 2025
	Operating Revenue		23,132,016
Profit Before Tax		2,049,931	527,547
Net Profit For The Year		1,670,343	389,929
Earnings Per Share(Unit:NTD)		5.57	1.30

(2) Profitability Analysis Operating Performance

Item	Fiscal Year	Fiscal year 2024	Fiscal year 2025
	Operating Income On Sales		0.26%
Income after Tax (%)		7.22%	2.58%
Return on assets (%)		7.17%	1.68%
Return on equity (%)		9.03%	2.09%

(3) Comparison of Sales Performance in Major Competitors

Brands	Fiscal year 2024		Fiscal year 2025	
	units	share	units	share
NISSAN	19,843	4.4%	13,117	3.2%
TOYOTA	153,540	34.2%	153,526	37.9%
MITSUBISHI	32,794	7.3%	34,421	8.5%
HONDA	26,784	6.0%	23,562	5.8%
FORD	14,213	3.2%	12,626	3.1%
OTHER	201,811	44.9%	168,106	41.5%
TOTAL	448,985	100.0%	405,358	100.0%

2. Highlights of Business Operation Plans for 2026:

(1) Management Guidelines

Yulon Nissan integrates the abundant management resources from Nissan Motor Company Global and Yulon Group to develop the following company management guidelines:

1. Build strategy-oriented organizations to form sustained competitive advantage.
2. Lead the market trends and style through innovative products and services.
3. Use macro environmental resources to create synergies for business operation.
4. Implement profit growth model to maximize values for customers.

(2) Expected Business Objectives

In response to intensifying market competition and the continuously rising demand for new energy vehicles, the Company will continuously enhance product competitiveness and brand philosophy. Through the complementarity of domestically produced and imported models, we aim to strengthen our sales structure and increase market share.

In terms of brand management and product deployment, NISSAN closely adheres to the core spirit of "Emotions Stem from Details." For major domestic model lines such as X-TRAIL, KICKS, and SENTRA, the Company will launch special editions and refreshed models embodying exquisite Japanese craftsmanship, leveraging premium configuration upgrades to enhance market enthusiasm and brand volume. Furthermore, to deepen communication for electrified products, the Company will strategically introduce the all-new QASHQAI, equipped with Nissan's exclusive "3rd Generation e-POWER System." The INFINITI brand will target the luxury SUV market, actively pursuing plans to introduce the refreshed QX60 and the all-new QX65 to consolidate its high-end brand positioning and sales momentum.

In terms of customer service and digital transformation, the Company will continuously optimize the official websites and the functionalities of the "NISSAN Care" and "INFINITI Care" owner-exclusive APPs, enhancing the immediacy and personalized experience of the sales and after-sales service processes, thereby building a complete service value chain across the pre-sales, sales, and post-sales stages.

3. Future Development Strategy Of The Company:

To sustain the demand for company growth, NISSAN Motor reexamines the mid and long-term internal and external environmental impact assessment and identifies the future potential market risks and opportunities. The Company prudently designs the Mid-Term Strategic Plan and expects to establish the core competitive advantage, in order to assure the accomplishment of mid-term strategic objectives.

The framework of Mid-Term Strategic Plan:

- (1) Product Development Strategy: Through the introduction of more competitive new energy models and US-made models to meet consumer expectations, and actively promoting product theme planning to ensure the market competitiveness of vehicle models.
- (2) Brand Enhancement Strategy: NISSAN is repositioned as a "Japanese refined culture and technology brand," with "Emotions Stem from Details" as the brand's core spirit. Through the three major DNAs of electric drive, heart & skill, and trust, it strengthens the connection of technology, humanism, and emotional value. In the future, it will continue to deepen consumer recognition and brand favorability through brand image videos and generational communication content, further enhancing brand value and market competitiveness.
- (3) Revenue growth strategy: In alignment with the continuous introduction of competitive vehicle models on the product side, alongside marketing theme planning that appeals to Japanese refined culture, continuous strengthening of dealership channel capabilities, and the deepening of existing customer relationship management, the Company will also actively layout its parts export business to expand the baseline for revenue growth.
- (4) Cost rationalization strategy: Examine the total-value chain of the vehicle life cycle to manage the total delivery costs, in order to continue improving the cost competitiveness efficiency and benefits.
- (5) Company ESG Sustainability Strategy: The Company has integrated ESG into its medium- and long-term strategic transformation project, ensuring the implementation of the corporate sustainable development vision and strategy through the "Yulon Nissan Sustainable Development Committee." Concurrently, through human resources optimization, the Company explores the potential and value of employees, encouraging them to continuously drive innovation and bravely accept challenges, thereby becoming the driving force that continuously promotes corporate development.
- (6) Continuous Cultivation of "Innovation" Corporate Culture: The future core competitive advantage will continue to take "innovation" as the primary axis of development, focusing on the introduction of innovative products and services, and effectively utilizing the Company's core intellectual capital to comprehensively construct customer value propositions.

4. Impact of External Environment (including competitors, regulations, macroeconomics and other factors) :

In recent years, the Taiwanese automotive market has entered a period of structural adjustment, influenced by multiple interacting factors including global supply chain reorganization, rising vehicle purchasing costs driven by inflationary pressures, and consumers adopting a wait-and-see attitude toward powertrain transition. With the electrification of the automotive market, competitive pressures are intensifying. It is anticipated that future reductions in import tariffs on U.S. vehicles will further expand the price competitiveness of American-made vehicles, which is expected to alter the existing pricing architecture and drive market share growth for imported vehicles as a whole. To sustain the demand for the Company's future growth, the Company is adopting a macroeconomic perspective to actively plan and deploy short-, medium-, and long-term strategic action plans in phases, thereby ensuring sustainable corporate operation and long-term profitability performance.

II. Corporate Governance Report

1. Information of Directors, President, Senior Vice President, Vice President, General Manager :

(1) Directors' Information:

Title	Nationality or Place of Registration	Name	Gender、Age	Elected (Sworn-in) Date	Term	First Elected Date	Shareholdings when Elected		Current Shareholdings	
							Shares	Share Holding	Shares	Share Holding
Chairperson	R.O.C	Yulon Motor Co., Ltd. Representative :Yen Chen, Li Lien	Female、61~70	2024.06.27	3	1992.07.01	143,500,000*	47.83*0.00	143,500,000*	47.83*0.00
Director	R.O.C	Yulon Motor Co., Ltd. Representative :Chen-Hsiang Yao	Male、71~80	2025.08.05	1.8 (Note 1)	2013.04.01	143,500,000*	47.83*0.00	143,500,000*	47.83*0.00
Director	R.O.C	Yulon Motor Co., Ltd. Representative :Kuo-Hsing Hsu	Male、61~70	2024.08.01	2.8 (Note 2)	2012.11.01	143,500,000*	47.83*0.00	143,500,000*	47.83*0.00
Director	R.O.C	Yulon Motor Co., Ltd. Representative :Chien-Shun Liao	Male、51~60	2025.01.01	2.5 (Note 3)	2016.09.30	143,500,000*	47.83*0.00	143,500,000*	47.83*0.00

Note 1: Appointed on Aug. 05, 2025.

Note 2: Appointed on Aug. 01, 2024.

Note 3: Appointed on Jan. 01, 2025

May 13, 2026

Current shareholding of spouse and minor children		Shareholdings in the names of others		Main Experience (Education)	Positions concurrently held in this company and other company	Other competent Officer, Director or who is the Spouse or the second-degree relative		
Shares	Share Holding	Shares	Share Holding			Title	Name	Relationship
0	0.00	0	0.00	Bachelor, Physical Education, Chinese Culture University	Chairperson, Yulon Motor Co., Ltd. Chairperson, China Motor Co., Ltd. Chairperson, Yulon Finance Corporation Chairperson, Tai-Yuen Textile Co., Ltd. Director, Yulon Construction Co., Ltd. Chairperson and President, Yulon Management Co., Ltd.	Nil	Nil	Nil
0	0.00	0	0.00	MIB, Curtin University President, Yulon Motor Co., Ltd.	President, Yulon Nissan Motor Co., Ltd. Vice chairperson, Yulon Motor Co., Ltd. Director, Yulon Finance Corporation. Director, Yi-Jan Overseas Investment Co., Ltd. Director, JetFord, Inc.	Nil	Nil	Nil
0	0.00	0	0.00	Department of Mechanical Engineering, National Taiwan University of Science and Technology President, Yulon Finance Corporation	Director and President, Yulon Motor Co., Ltd. Director, China Motor Co., Ltd. Vice chairperson, Yulon Finance Corporation Director, Foxtron Co., Ltd. Director, Yulon Management Co., Ltd. Vice chairperson, Yulon Construction Co., Ltd. Chairperson, Yulon China Motor Investment Co., Ltd. Director, Yulon Oversea investment(BVI) Co., Ltd. Chairperson, Univation Motor Philippines, Inc.	Nil	Nil	Nil
0	0.00	0	0.00	Graduate Institute of Business Administration, National Chengchi University Vice President, Yulon Management Co., Ltd.	Director, Yulon Motor Co., Ltd. Director, Carplus Auto Leasing Corporation Director, Tokio Marine Newa Insurance Co., Ltd. Director, Yulon Management Co., Ltd. Director, Yulon China Motor Investment Co., Ltd. Director, Yulon Construction Co., Ltd.	Nil	Nil	Nil

* which are personal own

Title	Nationality or Place of Registration	Name	Gender、Age	Elected (Sworn-in) Date	Term	First Elected Date	Shareholdings when Elected		Current Shareholdings	
							Shares	Share Holding	Shares	Share Holding
Director	Japan	Nissan Motor Co., Ltd. Representative: Yamazaki Shohei	Male、51~60	2025.05.29	2 (Note 4)	2025.05.29	120,000,000*	40.00*0.00	120,000,000*	40.00*0.00
Director	Japan	Nissan Motor Co., Ltd. Representative: Masao Tsutsumi	Male、41~50	2026.04.29	1.1 (Note 5)	2026.04.29	120,000,000*	40.00*0.00	120,000,000*	40.00*0.00
Director	Japan	Nissan Motor Co., Ltd. Representative: Ishizuka Atsushi	Male、41~50	2024.06.27	3	2024.04.26	120,000,000*	40.00*0.00	120,000,000*	40.00*0.00
Director	Japan	Nissan Motor Co., Ltd. Representative: Sone Kitaru	Male、51~60	2025.04.28	2.1 (Note 6)	2025.04.28	120,000,000*	40.00*0.00	120,000,000*	40.00*0.00
Independent Director	R.O.C	Jung-Fang Kuo	Male、61~70	2024.06.27	3	2015.12.22	0	0.00	0	0.00
Independent Director	R.O.C	Hung-Wen Chang	Male、61~70	2024.06.27	3	2017.06.14	0	0.00	0	0.00
Independent Director	R.O.C	Chen-Hui Lee	Male、51~60	2024.06.27	3	2020.05.20	0	0.00	0	0.00

Note 3: Appointed on May. 29, 2025.

Note 4: Appointed on Apr. 29, 2026.

Note 5: Appointed on Apr. 28, 2025.

May 13, 2026

Current shareholding of spouse and minor children		Shareholdings in the names of others		Main Experience (Education)	Positions concurrently held in this company and other company	Other competent Officer, Director or who is the Spouse or the second-degree relative		
Shares	Share Holding	Shares	Share Holding			Title	Name	Relationship
0	0.00	0	0.00	Bachelor, Faculty of Economics, Hitotsubashi University, Japan.	Chairperson of Management Committee for Japan/ASEAN/AFL Chairperson of Vehicle Energy Japan Inc.	Nil	Nil	Nil
0	0.00	0	0.00	Bachelor, Faculty of Social Sciences, Hitotsubashi University, Japan.	President, Nissan ASEAN. President, Nissan Motor Asia Pacific Co., Ltd. President, Nissan Motor (Thailand) Co., Ltd. Director, Nissan Philippines, Inc. Director, PT Nissan Motor Distributor Indonesia.	Nil	Nil	Nil
0	0.00	0	0.00	Bachelor, Faculty of Law, Hosei University, Japan.	General Manager of ASEAN Business Management Department, Nissan Motor Co., Ltd. Director, Nissan Korea Co., Ltd.	Nil	Nil	Nil
0	0.00	0	0.00	Master, Dept. Mechanical Engineering, Keio University, Japan.	Senior Vice President, Yulon-Nissan Motor Co., Ltd.	Nil	Nil	Nil
0	0.00	0	0.00	Master of EMBA, Taiwan University. Senior CPA, Deloitte&Touche Tohmatsu Limited	Independent Director, Tai-Shing Electronics Components Corporation. Independent Director, Carnival Co., Ltd.	Nil	Nil	Nil
0	0.00	0	0.00	Doctor of Business Administration, Taipei University. Director, UltraChip Inc.	Independent Director, Carnival Co., Ltd.	Nil	Nil	Nil
0	0.00	0	0.00	Master of Laws, Graduate Institute of European Studies, Tamkang University. Full-time Sign Language Interpreter, Office of the President, Legislative Yuan, and Executive Yuan	—	Nil	Nil	Nil

* which are personal own

The Major Stockholders of Corporation Shareholders

Mar. 29, 2026

Names of Major Stockholders	The Major Stockholders of Corporation Shareholders
Yulon Motor Co., Ltd.	<ol style="list-style-type: none"> 1. Tai Yuen Textile Co., Ltd. (17.43%) 2. China Motor Corporation (16.02%) 3. Yen Chen Li-Lien (3.19%) 4. Taipei Branch of UBS received Pei-Yu Yen Trust Property Account (3.17%) 5. Taipei Branch of UBS received Hsiang-Nan Yen Trust Property Account (3.17%) 6. Fande Investment Co., Ltd. (2.10%) 7. Yen Ching-Ling's Foundation (1.03%) 8. Weitai Investment Co., Ltd. (0.92%) 9. Wavin Investment Co., Ltd. (0.87%) 10. Diamond Hosiery & Thread Co., Ltd. (0.73%)
Nissan Motor Co., Ltd.	<ol style="list-style-type: none"> 1. NATIXIS SA AS TRUSTEE FOR FIDUCIE NEWTON 701910 (18.66%) 2. Renault S.A. (17.05%) 3. The Master Trust Bank of Japan (Shintaku-guchi) (7.06%) 4. BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) (1.86%) 5. MAN INTERNATIONAL ICVC - MAN GLG JAPAN COREALPHA FUND (1.69%) 6. Custody Bank of Japan (Shintaku-guchi) (1.67%) 7. THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT (1.42%) 8. STATE STREET BANK AND TRUST COMPANY 505001 (1.40%) 9. BROWN BROTHERS HARRIMAN (LUXEMBOURG) SCA CUSTODIAN FOR ARCUS FUND SICAV - ARCUS JAPAN FUND (1.08%) 10. CGML PB CLIENT ACCOUNT/COLLATERAL (1.07%)

If the Legal Persons are the Major Shareholders, their major Stockholders

Mar. 29, 2026

Legal Person's Name	Shareholders of Natural persons
1. Tai-Yuen Textile Co., Ltd.	<ol style="list-style-type: none"> 1. Xiang Wei Investment Co., Ltd. (22.15%) 2. Yen Ching-Ling's Foundation (14.24%) 3. Hoffman Brothers Investment Company of the British Virgin Islands (9.80%) 4. British Virgin Islands Merchant Evans Limited (9.71%) 5. British Cayman Islands Commercial Western Bridge Investment Company (9.13%) 6. Liyuan Investment Corporation (7.17%) 7. Yongshun Investment Co., Ltd. (6.82%) 8. Diamond Hosiery & Thread Co., Ltd. (5.89%) 9. Lippen Investment Co., Ltd. (5.61%) 10. Yuanwei Investment Co., Ltd. (3.10%)
2. China Motor Co., Ltd.	<ol style="list-style-type: none"> 1. Tai Yuen Textile Co., Ltd. (25.19%) 2. Mitsubishi Motors Taiwan (14.00%) 3. YULON MOTOR CO., LTD (8.05%) 4. Diamond Hosiery & Thread Co., Ltd. (6.76%) 5. Nan Shan Life Insurance Company, Ltd. (1.30%) 6. Mercuries Life Insurance Co., Ltd. (1.14%) 7. Chin-Feng Chen (1.06%) 8. Fande Investment Co., Ltd. (0.90%) 9. E.SUN Commercial Bank. (0.86%) 10. Yonghan Investment Co., Ltd. (0.72%)

Legal Person's Name	Shareholders of Natural persons
3. Taipei Branch of UBS received Pei-Yu Yen Trust Property Account	Non-juristic person, not applicable
4. Taipei Branch of UBS received Hsiang-Nan Yen Trust Property Account	Non-juristic person, not applicable
5. Fande Investment Co., Ltd.	1. Weitai Investment Co., Ltd. (33.36%) 2. Wavin Investment Co., Ltd. (33.34%) 3. Le Wen Investment Co., Ltd. (33.30%)
6. Yen Ching-Ling's Foundation	Foundation, founded 100% by Mr. Yen, Chiing Ling and Ms. Wu, Shuen-Wen
7. Weitai Investment Co., Ltd.	Non publicly traded company, not available
8. Wavin Investment Co., Ltd.	Non publicly traded company, not available
9. Diamond Hosiery & Thread Co., Ltd.	1. British Virgin Islands Wanda Company (72.51%) 2. Tai Yuen Textile Co., Ltd. (21.97%) 3. Xiang Wei Investment Co., Ltd. (5.09%) 4. Wu Shun-Wen's Industrial Development and Investment Promotion Committee (0.1684%) 5. Le Wen Investment Co., Ltd. (0.13%) 6. Wavin Investment Co., Ltd. (0.13%) 7. Yen Chen Li-Lien (0.0002%) 8. Yen Pei-Yu (0.0002%) 9. Son of Yen Chen Li-Lien (0.0002%)
10. NATIXIS SA AS TRUSTEE FOR FIDUCIE NEWTON 701910	Subject to local restrictions, not available
11. Renault S.A.	Subject to local restrictions, not available
12. The Master Trust Bank of Japan (Shintaku-guchi)	Subject to local restrictions, not available
13. BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	Subject to local restrictions, not available
14. MAN INTERNATIONAL ICVC -MAN GLG JAPAN COREALPHA FUND	Subject to local restrictions, not available
15. Custody Bank of Japan (Shintaku-guchi)	Subject to local restrictions, not available
16. THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	Subject to local restrictions, not available
17. STATE STREET BANK AND TRUST COMPANY 505001	Subject to local restrictions, not available
18. BROWN BROTHERS HARRIMAN (LUXEMBOURG) SCA CUSTODIAN FOR ARCUS FUND SICAV - ARCUS APAN FUND	Subject to local restrictions, not available
19. CGML PB CLIENT ACCOUNT/COLLATERAL	Subject to local restrictions, not available

1. Professionalism and Independence of Directors

Name	Conditions	Diversification of Board members	Conformed to the requirements of Independence	The number of other public companies that an independent director concurrently serves in
		Work experience and the professional qualifications		
Yulon Motor Co., Ltd. Representative: Yen Chen, Li Lien	Professional qualifications:Operational decision-making ability, Industrial know-how	Work experience: Chairperson, Yulon Motor Co., Ltd.	A.None of the directors (including the independent directors) has violated the terms under Article 30 of the Company Act. B.There are three independent directors, accounting for 27% of the total number of 11 directors. We collect the declarative statements from each of the independent directors every year to ensure that all independent directors, within their term of office, comply with the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” as set forth by the Financial Supervisory Commission, specifically, the eligibility requirements and the regulations under Article 14-2 of the Securities and Exchange Act. C.Our Board of Directors is an independent entity, and has not been involved in matters as specified in Item 3, Article 26-3 of the Securities and Exchange Act. None of the directors has been involved in a relationship with any other directors for such kinship as spouse and/or relative within the second degree.	-
	Yulon Motor Co., Ltd. Representative: Chen-Hsiang Yao	Professional qualifications:Operational decision-making ability,Industrial know-how		Work experience:Vice Chairperson, Yulon Motor Co., Ltd.
Yulon Motor Co., Ltd. Representative: Kuo-Hsing Hsu	Professional qualifications:Operational decision-making ability,Industrial know-how	Work experience: Chairperson, Yulon Motor Co., Ltd.		-
Yulon Motor Co., Ltd. Representative: Chien-Shun Liao	Professional qualifications:Operational decision-making ability,Industrial know-how	Work experience: Yuee Pong Business Co., Ltd.		-
Nissan Motor Co., Ltd. Representative: Yamazaki Shohei	Professional qualifications: Operational decision-making, Industrial know-how, Foreign nationality	Work experience: Chairperson of Management Committee for Japan/ASEAN/AFL		-
Nissan Motor Co., Ltd. Representative: Masao Tsutsumi	Professional qualifications: Operational decision-making, Industrial know-how, Foreign nationality	Work experience: President, Nissan ASEAN.		-
Nissan Motor Co., Ltd. Representative: Ishizuka Atsushi	Professional qualifications: Operational decision-making, Legal expertise, Industrial know-how, Foreign nationality	Work experience: General Manager of ASEAN Business Management Department, Nissan Motor Co., Ltd.		-
Nissan Motor Co., Ltd. Representative: Sone Kitaru	Professional qualifications: Operational decision-making, Industrial know-how, Foreign nationality	Work experience: Senior Vice President, Yulon-Nissan Motor Co., Ltd.		-

Name	Conditions	Conformed to the requirements of Independence	The number of other public companies that an independent director concurrently serves in
	Diversification of Board members		
	Work experience and the professional qualifications		
Independent Director Jung-Fang Kuo	Professional qualifications: Operational decision-making ability, Finance & accounting expertise, Industrial know-how,		2
	Work experience: Independent Director, Tai-Shing Electronics Components Corporation Independent Director, Carnival Co., Ltd.		
Independent Director Hung-Wen Chang	Professional qualifications: Operational decision-making ability, Finance & accounting expertise, Industrial know-how,		1
	Work experience: Independent Director, Carnival Co., Ltd.		
Independent Director Chen-Hui Lee	Professional qualifications: Operational decision-making ability, Legal expertise, Industrial know-how,		
	Work experience: Independent Director, United Fiber Optic Communication Inc.		

2. Diversification of Board members

Yulon Nissan Motor Co., Ltd. refers to the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and stipulates in its own corporate governance best practice principles that the composition of the Board of Directors shall diversify, including but not limited to basic requirements (e.g., gender and nationality) and professional knowledge and skills (e.g., professional background and industry experience). Relevant contents have been disclosed on the company website. According to the corporate governance best practice principles, the Company shall ensure that the Board of Directors shall include at least one woman, consist of more than two nationalities, and have professional backgrounds covering business judgment, management, finance, and law to maintain the breadth and depth of the Board’s decision-making. The incumbent Board members meet the aforementioned requirements for diversity(Note 1). We remain committed to increasing the proportion of female board members to one-third (33%) or more. We will continue to actively seek outstanding female candidates, both domestically and internationally, to be included in the recommended list of nominees for the next board election.

Name	Conditions			Industry experience				Professional ability			
	Gender	Nationality or Place of Registration	Age	Car manufacturer	Finance	textile manufacturing	law	Management ability	Industrial know-how	Finance & accounting and legal expertise	International market view
Yulon Motor Co., Ltd. Representative: Yen Chen, Li Lien	Female	R.O.C	61~70	v	v	v		v	v		v
Yulon Motor Co., Ltd. Representative: Chen-Hsiang Yao	Male	R.O.C	71~80	v	v			v	v		v
Yulon Motor Co., Ltd. Representative: Kuo-Hsing Hsu	Male	R.O.C	61~70	v	v			v	v		v
Yulon Motor Co., Ltd. Representative: Chien-Shun Liao	Male	R.O.C	51~60	v				v	v		v
Nissan Motor Co., Ltd. Representative: Yamazaki Shohei	Male	Japan	51~60	v				v	v		v
Nissan Motor Co., td. Representative: Masao Tsutsumi	Male	Japan	41~50	v				v	v		v
Nissan Motor Co., Ltd. Representative: Atsushi Ishizuka	Male	Japan	41~50	v				v	v	v	v

Name	Conditions			Industry experience				Professional ability			
	Gender	Nationality or Place of Registration	Age	Car manufacturer	Finance	textile manufacturing	law	Management ability	Industrial know-how	Finance & accounting and legal expertise	International market view
Nissan Motor Co., Ltd. Representative: Sone Kitaru	Male	Japan	51~60	v				v	v		v
Jung-Fang Kuo	Male	R.O.C	61~70		v	v		v	v	v	
Hung-Wen Chang	Male	R.O.C	61~70			v		v	v	v	
Chen-Hui Lee	Male	R.O.C	51~60				v	v	v	v	

Note 1: The composition of the Board of Directors follows the policy on diversification of Board members required by the Company's "Code of Practice for Corporate Governance," in hopes of benefiting from the diversified expertise of directors and enabling the Board to perform its duties. Independent directors Kuo and Chang have served on the Board of Directors of the Company since early June 2018. Independent director Lee has served on the Board of Directors of the Company since early June 2024. Among all directors, 2 directors are 41~50 years old and 4 directors are 51~60 years old and 4 directors are 61~70 years old and 1 directors are 71~80 years old.

(2) Information of President, Senior Vice President, Vice President and General Manager

Title	Nationality	Name	Gender	Elected (Sworn-in) Date	Shares		Shareholding of spouse and minor children		Shareholdings in the names of others	
					Shares	Share Holding	Shares	Share Holding	Shares	Share Holding
President	R.O.C	Chen-Hsiang Yao	Male	2025.08.05	0	0.00	0	0.00	0	0.00
Senior Vice President	Japan	Sone Kitaru	Male	2024.05.07	0	0.00	0	0.00	0	0.00
Senior Vice President	R.O.C	Chang-Yi Lee	Male	2025.11.16	0	0.00	0	0.00	0	0.00
Vice President	Japan	Konno Isao	Male	2024.04.01	0	0.00	0	0.00	0	0.00
Vice President	Japan	Endo Yuki	Male	2025.12.01	0	0.00	0	0.00	0	0.00
Vice President	R.O.C	Chao-Yen Liang	Male	2020.01.01	0	0.00	0	0.00	0	0.00
Vice President	R.O.C	Chia-Chi Lee	Male	2024.01.01	0	0.00	0	0.00	0	0.00
Vice President	R.O.C	Yu-Jen Chu	Male	2024.01.01	0	0.00	0	0.00	0	0.00

May 07, 2025

Main Experience (Education)	Concurrent positions at other companies	Any manager who is the spouse or blood relative within the second order to the principal		
		Title	Name	Relationship
MIB, Curtin University President, Yulon Motor Co., Ltd.	Vice chairperson, Yulon Motor Co., Ltd. Director, Yulon Finance Corporation. Director, Yi-Jan Overseas Investment Co., Ltd. Director, JetFord, Inc.	Nil	Nil	Nil
Master, Dept. Mechanical Engineering, Keio University, Japan.	—	Nil	Nil	Nil
Master, MS in Marketing, Drexel University, America. President of Sime Darby Kia Taiwan Co., Ltd.	Director, Guangzhou Aeolus Automobile Co., Ltd. Director, Aeolus Xiangyang Automobile Co., Ltd.	Nil	Nil	Nil
Bachelor, Faculty of Electrical Engineering, Hosei University, Japan.	—	Nil	Nil	Nil
Bachelor, Arts in Economics, Department of Economics, School of Political Science and Economics, Meiji University, Japan. Senior General Manager, Marketing and Sales Department, Yulon Nissan Motor Co., Ltd.	—	Nil	Nil	Nil
Master, Department of Business Administration, Chiao Tung University. Vice President, Management System, Yulon Nissan Motor Co., Ltd.	Director, Guangzhou Aeolus Automobile Co., Ltd. Director, JetFord, Inc.	Nil	Nil	Nil
Master, Department of Industrial Engineering and Engineering Management, Tsing-Hua University. Vice President, Planning and Management System, Yulon Nissan Motor Co., Ltd.	Director, Yu Shing Motor Co., Ltd. Director, Yushin Motor Co., Ltd. Director, Yu Chung Motor Co., Ltd. Director, Chen Long Motor Co. Ltd. Executive Director, Yuan Lon Motor Co., Ltd. Director, Empower Motor Co., Ltd. Director, Yu Tang Motor Co. Ltd. Director, Kaixing Insurance agent Co., Ltd. Director, Ding Long Motor Co., Ltd.	Nil	Nil	Nil
Master, The Institute of Mainland China Studies, National Sun Yat-sen University. Vice President, Marketing System, Yulon Nissan Motor Co., Ltd.	Director, JetFord, Inc.	Nil	Nil	Nil

Title	Nationality	Name	Gender	Elected (Sworn-in) Date	Shares		Shareholding of spouse and minor children		Shareholdings in the name of others	
					Shares	Share Holding	Shares	Share Holding	Shares	Share Holding
General Manager	R.O.C	Yu-Chou Hsieh	Male	2009.07.01	1,000	0.00	0	0.00	0	0.00
General Manager	R.O.C	Yen Chou	Male	2016.04.15	0	0.00	0	0.00	0	0.00
General Manager	R.O.C	Fang-Zhong Lai	Male	2019.01.01	0	0.00	0	0.00	0	0.00
General Manager	R.O.C	Wai-Chih Liu	Male	2020.01.01	0	0.00	0	0.00	0	0.00
General Manager	R.O.C	Chin-Cheng Lee	Male	2024.01.01	0	0.00	0	0.00	0	0.00

May 07, 2025

Main Experience (Education)	Concurrent positions at other companies	Any manager who is the spouse or blood relative within the second order		
		Title	Name	Relationship
Bachelor, Department of Vehicle Engineering, Chung Cheng Institute of Technology National Defense University. General Manager, Total Customer Satisfaction Department, Yulon Nissan Motor Co., Ltd.	—	Nil	Nil	Nil
MIB, Curtin University. General Manager, Aftersales Department, Yulon Nissan Motor Co., Ltd.	—	Nil	Nil	Nil
Bachelor, Department of Business Administration, Chung Hsing University. General Manager, Infiniti Business Department, Yulon Nissan Motor Co., Ltd.	—	Nil	Nil	Nil
Master, Department of mechanical engineering, Feng Chia University General Manager, Total Customer Satisfaction Department, Yulon Nissan Motor Co., Ltd.	—	Nil	Nil	Nil
Master, Department of Management Sciences, Tamkang University. Senior Manager, Product Planning Office, Yulon Nissan Motor Co., Ltd.	—	Nil	Nil	Nil

Title	Nationality	Name	Gender	Elected (Sworn-in) Date	Shares		Shareholding of spouse and minor children		Shareholdings in the name of others	
					Shares	Share Holding	Shares	Share Holding	Shares	Share Holding
General Manager	R.O.C	Chiu-Yueh Luo	Female	2024.01.01	3,000	0.00	0	0.00	0	0.00
General Manager & Accounting Manager	R.O.C	Chia-Yun Tsai	Female	2024.01.01	0	0.00	0	0.00	0	0.00
General Manager	R.O.C	Chin-Tsung Huang	Male	2025.07.01	0	0.00	0	0.00	0	0.00
General Manager	R.O.C	Chih-Nan Hsu	Male	2025.12.01	0	0.00	0	0.00	0	0.00

May 07, 2025

Main Experience (Education)	Concurrent positions at other companies	Any manager who is the spouse or blood relative within the second order to the principal		
		Title	Name	Relationship
MIB, Curtin University. General Manager, Marketing and Sales Department, Yulon Nissan Motor Co., Ltd.	—	Nil	Nil	Nil
Master, Department of Business management, University of California, Riverside UCR ,USA Senior Manager, Business Planning and Financial Department , Yulon Nissan Motor Co., Ltd.	—	Nil	Nil	Nil
Master, Department of Administration, Chiao Tung University. General Manager, Marketing and Sales Department, Yulon Nissan Motor Co., Ltd.	—	Nil	Nil	Nil
Bachelor, Department of Mechanical Engineering, National Taiwan University of Science and Technology Senior Manager, Yulon Nissan Technical Center, Yulon Nissan Motor Co., Ltd.	—	Nil	Nil	Nil

Note 4: Appointed on Aug. 05, 2025.
 Note 5: Appointed on Jan. 01, 2025.
 Note 6: Resigned on Aug. 05, 2025.
 Note 7: Resigned on Apr. 28, 2025.
 Note 8: Appointed on Apr. 28, 2025, Resigned on May. 29, 2025.
 Note 9: Appointed on May. 29, 2025.
 Note 10: Resigned on May. 29, 2025.
 Note 11: Appointed on May. 29, 2025.
 Note 12: Resigned on Apr. 28, 2025.
 Note 13: Appointed on Apr. 28, 2025.

Compensation Range Table

The Compensation Range for Directors of the Company	Number of Directors			
	Total Compensation Amount of A+B+C+D		Total Compensation Amount of A+B+C+D+E+F+G	
	The Company	All the Companies in financial statement	The Company	All the Companies in financial statement
Less than NT 1,000,000	Chen-Hsiang Yao (Note 1) 、 Wen-Chuan Chung (Note 3) 、 Ozaki Kazuhiro (Note 4) 、 Shibayama Riyo (Note 5) 、 Yamazaki Shohei (Note 6) 、 Koichi Kitazawa (Note 7) 、 Fujiki Toshihiro (Note 8) 、 Hisano Takashi (Note 9) 、 Sone Kitaru (Note 10)	Chen-Hsiang Yao(Note 1) 、 Wen-Chuan Chung (Note 3) 、 Ozaki Kazuhiro (Note 4) 、 Shibayama Riyo (Note 5) 、 Yamazaki Shohei (Note 6) 、 Koichi Kitazawa (Note 7) 、 Fujiki Toshihiro (Note 8) 、 Hisano Takashi (Note 9) 、 Sone Kitaru (Note 10)	Ozaki Kazuhiro (Note 4) 、 Shibayama Riyo (Note 5) 、 Yamazaki Shohei (Note 6) 、 Fujiki Toshihiro (Note 8) 、 Hisano Takashi (Note 9)	Ozaki Kazuhiro (Note 4) 、 Shibayama Riyo (Note 5) 、 Yamazaki Shohei (Note 6) 、 Fujiki Toshihiro (Note 8) 、 Hisano Takashi (Note 9)
NT1,000,000~NT2,000,000	Yen Chen, Li Lien 、 Kuo-Hsing Hsu 、 Chien-Shun Liao (Note 2) 、 Ishizuka Atsushi 、 Jung-Fang Kuo 、 Hung-Wen Chang 、 Chen-Hui Lee	Yen Chen, Li Lien 、 Kuo-Hsing Hsu 、 Chien-Shun Liao (Note 2) 、 Ishizuka Atsushi 、 Jung-Fang Kuo 、 Hung-Wen Chang 、 Chen-Hui Lee	Kuo-Hsing Hsu 、 Chien-Shun Liao (Note 2) 、 Ishizuka Atsushi 、 Jung-Fang Kuo 、 Hung-Wen Chang 、 Chen-Hui Lee	Kuo-Hsing Hsu 、 Chien-Shun Liao (Note 2) 、 Ishizuka Atsushi 、 Jung-Fang Kuo 、 Hung-Wen Chang 、 Chen-Hui Lee
NT2,000,000~NT3,500,000			Chen-Hsiang Yao (Note 1) 、 Koichi Kitazawa (Note 7) 、 Sone Kitaru (Note 10)	Chen-Hsiang Yao (Note 1) 、 Koichi Kitazawa (Note 7) 、 Sone Kitaru (Note 10)
NT3,500,000~NT5,000,000				
NT5,000,000~NT10,000,000			Yen Chen, Li Lien 、 Wen-Chuan Chung (Note 3)	Yen Chen, Li Lien 、 Wen-Chuan Chung (Note 3)
NT10,000,000~NT15,000,000				
NT15,000,000~NT30,000,000				
NT30,000,000~NT50,000,000				
NT50,000,000~NT100,000,000				
More than NT100,000,000				
Total	16	16	16	16

Note 1: Appointed on Aug. 05, 2025.

Note 2: Appointed on Jan. 01, 2025.
 Note 3: Resigned on Aug. 05, 2025.
 Note 4: Resigned on Apr. 28, 2025.
 Note 5: Appointed on Apr. 28, 2025, Resigned on May. 29, 2025.
 Note 6: Appointed on May. 29, 2025.
 Note 7: Resigned on May. 29, 2025.
 Note 8: Appointed on May. 29, 2025.
 Note 9: Resigned on Apr. 28, 2025.
 Note 10: Appointed on Apr. 28, 2025.

2. Compensation of the President and Senior Vice President

Dec. 31, 2025
Unit: NTD Thousand

Title	Name	Salary (A)		Pension (B) (Note 1)		Reward and Special Allowance (C) (Note 2)		Surplus Divided Employee Bonus (D)				% of Total Amount of A, B, C and D against Net Profit after Tax		Number of Employee Stock Options Acquired		% of Total Amount of A, B, C, D, E, F and G against Net Profit		Whether Reinvestment Business Compensation is Received from Companies other than Subsidiaries
		The Company	All the Companies in financial statement	The Company	All the Companies in financial statement	The Company	All the Companies in financial statement	The Company		All the Companies in financial statement		The Company	All the Companies in financial statement	The Company	All the Companies in financial statement	The Company	All the Companies in financial statement	
								Cash	Stock	Cash	Stock							
President	Chen-Hsiang Yao (Note 3)	7,310	7,310	107	107	2,942 Housing Rent 484 Car Rental 45 Driver 2,413	2,942 Housing Rent 484 Car Rental 45 Driver 2,413	135	0	135	0	10,494 2.69%	10,494 2.69%	0	0	0	0	Nil
President	Wen-Chuan Chung (Note 4)																	
Senior Vice President	Sone Kitaru																	
Senior Vice President	Chang-Yi Li (Note 5)																	

Note 1: Actual pensions account: 0 NTD Thousand (2)recognized pensions account:107 NTD Thousand.
 Note 2: The driver payment is disclosed for reference only but not regarded as part of the compensation.
 Note 3: Appointed on Aug. 05, 2025.
 Note 4: Resigned on Aug. 05, 2025.
 Note 5: Appointed on Nov. 16, 2025.

Compensation Range Table

The Compensation Range for General Managers and Vice General Managers of the Company	Number of President and Senior Vice President	
	The Company	All the Companies in financial statement
Less than NT 1,000,000	Chang-Yi Li	Chang-Yi Li
NT1,000,000~NT2,000,000	Sone Kitaru	Sone Kitaru
NT2,000,000~NT3,500,000	Chen-Hsiang Yao	Chen-Hsiang Yao
NT3,500,000~NT5,000,000		
NT5,000,000~NT10,000,000	Wen-Chuan Chung	Wen-Chuan Chung
NT10,000,000~NT15,000,000		
NT15,000,000~NT30,000,000		
NT30,000,000~NT50,000,000		
NT50,000,000~NT100,000,000		
More than NT100,000,000		
Total	4	4

3. Manager's Name of the employees' compensation and allocation situation

Dec. 31, 2025
Unit: NTD thousand

	Title(Note 1)	Name	Stock (Fair Market Value)	Cash	Total	% of Total Amount against Net Profit After Tax
manager	President	Chen-Hsiang Yao(Note 2)	-	579 (Note1)	579 (Note1)	0.15% (Note1)
	President	Wen-Chuan Chung(Note 3)				
	Senior Vice President	Sone Kitaru				
	Senior Vice President	Chang-Yi Li(Note 4)				
	Vice President	Konno Isao				
	Vice President	Koichi Kitazawa				
	Vice President	Endo Yuki(Note 5)				
	Vice President	Chao-Yen Liang				
	Vice President	Chia-Chi Lee				
	Vice President	Yu-Jen Chu				
	General Manager	Yu-Chou Hsieh				
	General Manager	Chiung-Ming Chou(Note 6)				
	General Manager	Yen Chou				
	General Manager	Jen-Chung Tu(Note 7)				
	General Manager	Fang-Zhong Lai				
	General Manager	Wai-Chih Liu				
	General Manager	Fang-Yu Yang(Note 8)				
	General Manager	Chin-Cheng Lee				
	General Manager	Wei-Feng Tsay(Note 9)				
	General Manager	Chiu-Yueh Luo				
	General Manager	Chia-Yun Tsai				
General Manager	Chin-Tsung Huang (Note 10)					
General Manager	Chih-Nan Hsu(Note 11)					
Accounting Manager	Chia-Yun Tsai					

Note1 : The individual name and title should be disclosed; however, the distribution may be disclosed in summary.

Note 2 : Appointed on Aug. 05, 2025.

Note 3 : Resigned on Aug. 05, 2025.

Note 4 : Appointed on Nov. 16, 2025.

Note 5 : Appointed on Dec. 01, 2025.

Note 6 : Resigned on Mar. 31, 2025.

Note 7 : Resigned on Jan. 31, 2025.

Note 8 : Resigned on Jun. 02, 2025.

Note 9 : Resigned on Jul. 01, 2025.

Note 10 : Appointed on Jul. 01, 2025.

Note 11 : Appointed on Dec. 01, 2025.

(4) Analysis and description of the net profits macro or individual financial report after payment of remuneration made out to Directors, President, and Senior Vice President in the last 2 years.

The percentages of the total remuneration amount paid to the company's directors, general managers and vice general managers against the net profit after tax are respectively compared and analyzed, and the relationship among the policies, standards and combinations of compensation payment, the procedures of the compensation establishment and the operational performance is also described.

Unit: NTD thousand

Title	2024 year			2025 year		
	Total Compensation (Note)	Net Profit After Tax	% of Total Remuneration against Net Profit after Tax	Total Compensation (Note)	Net Profit After Tax	% of Total Remuneration against Net Profit after Tax
Director	13,200	1,670,343	0.79%	13,200	389,929	3.38%
President and Senior Vice President	7,321	1,670,343	0.44%	10,230	389,929	2.62%
Total	20,521	1,670,343	1.23%	23,430	389,929	6.00%

Note : Compensation includes the company and all consolidated companies

The company's directors should receive a total of NTD 100,000 (including transportation allowances) per month. The chairperson's remuneration should be paid according to the negotiation of the authorized Board of Directors in terms of his participation frequency in the company's operation and the contributions without exceeding the standard of the highest salary level established by the company. In 2025, the directors remuneration were compliance with the articles of incorporation and there is no variable remuneration.

The remuneration paid by the Company to managers is determined by the Salary Remuneration Committee with routine review on the annual and long-term performance goals of managers as well as the policy, system, standards and structure of salary remuneration. Moreover, the company routinely evaluates the achievement of performance goals of managers with consideration of the amount, payment method and future operational risk of salary.

According to the article 31 of incorporation, the Company's profits of current year shall be distributed not less than 0.1% as the employee compensation after offset the accumulated losses, among which the portion allocated to rank-and-file employees shall be no less than 0.05%. Remunerations for managers include the salary and bonus. The salary is determined by reference to the industrial standards as well as the individual's job title, rank, academic background, work experience, professionalism and responsibilities, while the bonus is based on the "Performance Evaluation Guideline" applicable to managers and general employees. The indicators for evaluating managers include department objectives of operations, e.g. operation profit, sales volume, new model introduction and customers' satisfaction etc.; management aspects, e.g. talent cultivation, promotion of cross-functional improvement activity etc. by taking into account the Company's overall profitability, target achievement rate, operating efficacy, and contributions, and then the remuneration is proportionately calculated and given for a reasonable distribution which, however, is subject to timely review of actual operational status and statutory regulations.

2. Operation of Corporate Governance

(1) Operational Status of the Board of Directors

There have been 5 annual meetings held for the Board of Directors recently. The attendance of directors and independent director is as follows:

Title	Name	Number of Times for Actual Attendance	Number of Times for Authorized Attendance	% of Actual Attendance	Note
Corporation Director	Yulon Motor Co., Ltd.				
Corporation Director Representative and Chairperson	Yen Chen Li Lien	5	0	100%	
Corporation Director Representative	Chen-Hsiang Yao	2	0	100%	Appointed on Aug. 05, 2025.
Corporation Director Representative	Wen-Chuan Chung	3	0	100%	Resigned on Aug. 05, 2025.
Corporation Director Representative	Kui-Hsing Hsu	5	0	100%	
Corporation Director Representative	Chien-Shun Liao	5	0	100%	Appointed on Jan. 01, 2025.
Corporation Director	Nissan Motor Co., Ltd.				
Corporation Director Representative	Yamazaki Shohei	3	0	100%	Appointed on May. 29, 2025.
Corporation Director Representative	Shibayama Riyo	1	0	100%	Appointed on Apr. 28, 2025. Resigned on May. 29, 2025.
Corporation Director Representative	Hisano Takashi	1	0	100%	Resigned on Apr. 28, 2025.
Corporation Director Representative	Fujiki Toshihiro	2	1	66.7%	Appointed on May. 29, 2025.
Corporation Director Representative	Koichi Kitazawa	2	0	100%	Resigned on May. 29, 2025.
Corporation Director Representative	Ishizuka Atsushi	5	0	100%	
Corporation Director Representative	Sone Kitaru	4	0	100%	Appointed on Apr. 28, 2025.
Corporation Director Representative	Ozaki Kazuhiro	1	0	100%	Resigned on Apr. 28, 2025.
Independent Director	Jung-Fang Kuo	5	0	100%	
Independent Director	Chen-Hui Lee	5	0	100%	
Independent Director	Hung-Wen Chang	5	0	100%	

Other Notes:

1. The board of directors operates in the following circumstances ,should specify the dates, terms, motion content, all of the independent directors' comments and the company's handling of these comments:

- (1) Matters specified in Article 14-3 of the Securities and Exchange Act: For proposals relating to matters specified in Article 14-3 of the Securities and Exchange Act before the establishment of the Audit Committee, refer to the table below. After the establishment of the Audit Committee in June 2018, the Company should apply to Article 14-5 of the Securities and Exchange Act instead of Article 14-3 of the Securities and Exchange Act. For related resolutions, refer to the "Implementation of the Audit Committee" – "2. Summary of Proposals in the Audit Committee meetings."

(2) Resolutions of the Board of Directors with a record or written statement of dissent or reservations of independent directors in addition to the above: None.

2. When directors avoid attending the discussions about proposals that involve conflicts of interests, the name of directors, the proposals, and the reasons for avoidance, and participation in voting shall be specified: The Company has formulated the Rules of Procedures for Meetings of the Board of Directors, which specify that “the proposals involving conflicts of interests with directors or corporations which directors represent shall be explained in the meeting of the board of directors; if the proposals have a risk of damaging the interests of the Company, they shall be excluded from the discussion or voting, and the directors shall avoid attending the discussion or voting and are not allowed to vote on behalf of other directors”, and abided by the Rules accordingly.

3. Implementation Status of Board Evaluations:

Evaluation Cycle	Implemented every year.																			
Evaluation Duration	January 1, 2025 to December 31, 2025.																			
Scope of Evaluation	Included performance evaluations of the Board, individual directors, and functional committees.																			
Method of Evaluation	Internal self-evaluations were conducted on the Board and Board directors.																			
Content of Evaluation	<p>(1) The result of the evaluation of the board’s performance : 4.61 points (full score is 5.00 points) · the points of individual main aspects are as follows :</p> <p>Participation in corporate operations : 4.60 points. Board decision-making quality : 4.52 points. Board composition and structure : 4.64 points. Director elections and continued training : 4.74 points. Internal control : 4.55 points.</p> <p>(2) The result of the evaluation of the individual directors’ performance : 4.74 points (full score is 5.00 points) · the points of individual main aspects are as follows :</p> <p>Understanding of corporate goals and tasks : 4.88 points. Recognition of director responsibilities : 4.88 points. Participation in corporate operations : 4.69 points. Internal relations and communication : 4.64 points. Director knowledge and continued training : 4.79 points. Internal control : 4.58 points.</p> <p>(3) The result of the evaluation of the functional committees’ performance : Audit Committee : 5.00 points (full score is 5.00 points) ; Remuneration Committee : 5.00 points (full score is 5.00 points).Remuneration committee and audit commission (both the members are the independent directors) to accordance with laws and regulations to supervise the company · the points of individual main aspects are as follows :</p> <table border="1" data-bbox="496 1400 1353 1724"> <thead> <tr> <th></th> <th>Audit Committee</th> <th>Remuneration Committee</th> </tr> </thead> <tbody> <tr> <td>Participation in corporate operations</td> <td>5.00 points</td> <td>5.00 points</td> </tr> <tr> <td>Recognition of functional committee responsibilities</td> <td>5.00 points</td> <td>5.00 points</td> </tr> <tr> <td>Enhancement of functional committee decision-making quality</td> <td>5.00 points</td> <td>5.00 points</td> </tr> <tr> <td>Composition of functional committees and election of committee members</td> <td>5.00 points</td> <td>5.00 points</td> </tr> <tr> <td>Internal control.</td> <td>5.00 points</td> <td>5.00 points</td> </tr> </tbody> </table>			Audit Committee	Remuneration Committee	Participation in corporate operations	5.00 points	5.00 points	Recognition of functional committee responsibilities	5.00 points	5.00 points	Enhancement of functional committee decision-making quality	5.00 points	5.00 points	Composition of functional committees and election of committee members	5.00 points	5.00 points	Internal control.	5.00 points	5.00 points
	Audit Committee	Remuneration Committee																		
Participation in corporate operations	5.00 points	5.00 points																		
Recognition of functional committee responsibilities	5.00 points	5.00 points																		
Enhancement of functional committee decision-making quality	5.00 points	5.00 points																		
Composition of functional committees and election of committee members	5.00 points	5.00 points																		
Internal control.	5.00 points	5.00 points																		

4. The goals for strengthening the functions of the Board of Directors in the fiscal year and the recent fiscal year (e.g., establish an audit committee, increase information transparency, etc.) and the evaluation of the operation status:

(1) Established functional committee: Yulon Nissan established the Salary Remuneration Committee upon adoption by the Board of Directors meeting on December 16, 2011 in accordance with the Securities and Exchange Act. Yulon Nissan is scheduled to establish an Audi Committee on June, 21, 2018 Board of the Directors re-election to continue improving the management quality of the company.

(2) Improve competencies of Member of Board of the Directors: Yulon Group holds independent advanced courses each year to improve the professional knowledge including management decision-making, risk assessment, regulation compliance, and corporate sustainability in the Board of the Directors. In October 2025, the “Advanced

course for the directors of Yulon Group – A publicly listed company” was held with topics in “Risk, Cybersecurity, and Sustainability-Driven Risk Management in the AI Era” and “The Impact of Trump’s Policies on the World and Taiwan, and Corporate Sustainability amid Global Changes”.

- (3) Improving information transparency: Apart from the information disclosure in Chinese on the Public Observation Post System, the company also established the company website available in Chinese and English, which discloses required information on the Public Observation Post System in English language in step to enhance the understanding of our company by international investors.
- (4) Evaluation of Execution: Yulon NISSAN developed the “Board of the Directors Performance Appraisal Procedures” on December 21, 2015. The Board of Directors members and meeting units shall routinely conduct performance appraisal and emphasize on the weakness to develop improvement practice. The latest performance evaluation of the board of directors was completed in January 2026. The self-evaluation of the board’s performance and the self-evaluation of the board members scored 4.61 points and 4.74 points (full score is 5 points) respectively; the self-evaluation of the Audit Committee members scored 5.00 points (full score is 5 points); the self-evaluation of the Remuneration Committee members scored 5.00 points (full score is 5 points); the above result and subsequent remedial measures were reported to the Company’s board of directors on March 10, 2026.
- (5) To make sure that the Company’s management constitution responds to the recent issues of social concerns and the global trend of corporate governance, the Company has approved the ninth amendments to the Corporate Governance Best Practice Principles on May 12, 2026. The Principles have been published on the Company’s website and the Market Observation Post System.

(2) Operational Status of the Audit Committee:

The Audit Committee is composed of three independent directors of the Company. The Audit Committee is to assist the Board of Directors in overseeing the quality and credibility of accounting, auditing, and financial reporting procedures as well as financial controls performed by the Company. In 2024, the priorities of the Audit Committee were to examine the appropriate presentation of the Company’s financial statements, the independence and competency of the CPAs, and the modification of the internal control system. For the summary of proposals and resolutions and the date of the Board meetings relating to the proposals, refer to “Others Matters to be Specified” – “2. Summary of Proposals in the Audit Committee meetings” below.

There have been 4 annual meetings held for the Audit Committee(A). The attendance of Independent directors is as follows:

Title	Name	Number of Times for Actual Attendance(B)	By Proxy	% of Actual Attendance(B/A)	Note
Independent	Jung-Fang Kuo	4	0	100%	Appointed on June 27,2024
Independent	Hung-Wen Chang	4	0	100%	Appointed on June 27,2024
Independent	Chen Hui Lee	4	0	100%	Appointed on June 27,2024

1. The Audit Committee operates in the following circumstances ,should specify the dates, terms, motion content, all of the Audit Committee ‘s comments and the company’s handling of these comments:

- (1) Regulations set forth in Article 14-5 of the Securities and Exchange Act: For related resolutions, refer to Point 2: Summary of Proposals in the Board meeting.
- (2) Resolutions approved by two-thirds of all directors and yet to be passed by the Audit Committee in addition to the above: None.

2. Summary of motions in the Audit Committee

Audit Commission date	Summary of motions	Result of Audit Commission and Independent director's opinions	Board meeting date	Result of Board of Directors and Independent director's opinions	Response to the independent director's opinion
March 11, 2025 The 3rd meeting of the 3rd term	1.Approval of YNM 2024 Operating Report and Financial Statements. 2.Approval of 2025 YNM CPA Audit Fees. 3.The Company CPA provides audit cases pre-approved for non-assurance services. 4.Approval of "YNM 2024 Internal Control System Statement". 5.5.Approval of changing of Chief Financial Officer.	Approved as proposed	March 11, 2025 The 4th meeting of the 9th term	Approved as proposed	To be executed in accordance with the resolution reached
May 6, 2025 The 4th meeting of the 3rd term	1.Approval of Earnings Distribution of Year 2023 2.The Company CPA provides audit cases pre-approved for non-assurance services. 3.Approval of Amendment to "YNM Internal Control Systems of Labor and Wage cycle". 4.Approval of Amendment to "YNM Internal Audit Implementation Rules of Labor and Wage Cycle".	Approved as proposed	May 6, 2025 The 5th meeting of the 9th term	Approved as proposed	To be executed in accordance with the resolution reached
Aug 5, 2025 The 5th meeting of the 3rd term	No discussion items.	Nil	Aug 5, 2025 The 7th meeting of the 9th term	Nil	Nil
November, 11, 2025 The 6th meeting of the 3rd term	1.Approval of Establishment to "YNM Annual Audit Plan 2026". 2.Approval of Evaluating the Independence and Suitability of CPAs.	Approved as proposed	November, 11, 2025 The 8th meeting of the 9th term	Approved as proposed	To be executed in accordance with the resolution reached

3. The status of recusal of independent directors due to conflict of interests should include the name of independent directors, proposals, reason for recusal, and status of voting: None.
4. Communication between independent directors, chief audit officer, and CPAs (regarding matters, methods, and results of finances and business operations):

Date	Object	Matter
March 11, 2025	CPA	The CPA reported the financial statements for the 2024. After discussing the financial statements with the CPAs, the independent directors approved the financial statements.
	Manager of Auditing Office	1.Audit result of 2024 October and 2025 January. 2.Discussion and communication between audit officer independent directors.
May 6, 2025	CPA	The CPA reported the financial statements for the first quarter of 2025. After discussing the financial statements with the CPAs, the independent directors approved the financial statements.
	Manager of Auditing Office	1.Audit result of 2025 February to March. 2.Discussion and communication between audit officer independent directors.
Aug 5, 2025	CPA	The CPA reported the financial statements for the second quarter of 2025. After discussing the financial statements with the CPAs, the independent directors approved the financial statements.
	Manager of Auditing Office	1.Audit result of 2025 April to June. 2.Discussion and communication between audit officer independent directors.
November 11, 2025	CPA	1.The CPA reported : In 2025, communication and audit planning matters with the governance unit were discussed. The Independent Directors and the CPA communicated and deliberated on the above matters and agreed with the contents of the report. 2.The CPA reported the financial statements for the third quarter of 2025 and the overview of business operations and explained the key financial ratios. After discussing the financial statements with the CPAs, the independent directors approved the financial statements.
	Manager of Auditing Office	1.Audit result of 2025 July to September. 2.Discussion and communication between audit officer independent directors.

(3) The difference in contrast to the operation of corporate governance and the listed / OTC company's corporate governance codes of practice and reasons

Evaluation Items	Operations (Note 1)		Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons	
	Yes	No		
1. Does the company develop and disclose corporate governance practice principles in accordance with "Governance Best Practice Principles for TWSE/GTSM Listed Companies."	V		The Company formulated the Corporate Governance Best Practice Principles in the meeting of the board of directors on August 4, 2014 based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. The first amendment was approved by the board of directors on March 23, 2015, the second amendment was approved on December 19, 2016, the third amendment was approved on March 26, 2018, the 4th amendment was approved on Mar. 22, 2019, the 5th amendment was approved on Feb. 13, 2020, the 6th amendment was approved on Mar. 15, 2022, the 7th amendment was approved on Mar. 14, 2023 and 8th amendment was approved on Nov. 5, 2024. According to the notice letter No. 1120014763 issued by Taiwan Stock Exchange Corporation (TWSE), 9th amendment was approved on May. 12, 2026. The above Principle has also been published on the Market Observation Post System and the Company's website.	The company has complied with the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and executed the matters prescribed on the left.
2. Corporate shareholding structure and shareholders' equity (1) Does the company develop internal operation procedures to for shareholders' suggestions, doubts, disputes, and complaints with implementation according to the procedures?	V		The Company calls for the Shareholder's Meeting according to the Company Act and relevant regulations in addition to formulating the complete meeting rules and executing the matters resolved by the Shareholder's Meeting according to the meeting rules. Moreover, the Company shall assign special department of stock affairs as the service window for processing relevant affairs apart from assigning a spokesperson responsible for the explanation of suggestions or questions proposed by the shareholders.	The company has complied with the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and executed the matters prescribed on the left.
(2) Does the company actually control the main shareholders and the final control list of major shareholders of the company?	V		The company controls the major shareholders and the final control list of the company in addition to disclosing such information on the annual report on "Directors, Managers, and Major Shareholders' Equity Change."	The company has complied with the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and executed the matters prescribed on the left.
(3) Does the company establish and execute the risk control and firewall mechanism	V		The company's corporate governance practice principles specifies the risk assessment with affiliated companies and the	The company has complied with the Corporate

Evaluation Items	Operations (Note 1)			Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	Summary and Description	
with the affiliated enterprise?			importance of necessary control mechanism in addition to developing the “Operational Procedures for Acquisition and Disposal of Assets,” “Operational Procedures for Making of Endorsements and Guarantees,” “Operational Procedures for Loaning of Funds to Other Parties,” “Operational Procedures for Handling Internal Material Information,” “Operational Procedures for Insider Trading Prevention.” The company also establishes spokesperson, investor’s contact window, established good internal major information processing and disclosure mechanism to avoid improper information leakage as well as assuring the consistency and accuracy of information published.	Governance Best Practice Principles for TWSE/GTSM Listed Companies and executed the matters prescribed on the left.
(4) Does the company develop internal specification to prohibit insiders from using undisclosed information from the market to buy or sell securities?	V		To prevent company insiders from buying and selling securities using information unpublished, the company has specified the “Internal Major Information Processing Operation Process” and “Prevention of Insider Trading Management Operation Procedure” through the announcement of the company website and routine promotion monthly for directors and managers, and annually for employees(e-mail,company internal network).	The company has complied with the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and executed the matters prescribed on the left.
3. Composition and function of Board of Directors (1) Does the Board of Directors develop diversified guidelines and implement execution in terms of member composition?		V	According to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Company has specified in its Corporate Governance Best Practice Principles that the board of directors shall be equipped with diverse capacities, including but not limited to basic requirements (such as age and nationality) and professional knowledge and skills (such as specialty and industrial experience). According to the corporate governance best practice principles, the Company shall ensure that the Board of Directors shall include at least one woman, consist of more than two nationalities, and have professional backgrounds covering business judgment, management, finance and law, international perspectives to maintain the breadth and depth of the Board’s decision-making. The incumbent Board members meet the aforementioned requirements for diversity. Such a board of directors combining different nationalities,	The company has complied with the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and executed the matters prescribed on the left.

Evaluation Items	Operations (Note 1)		Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
			perspectives, and cultural backgrounds may provide multi-oriented advice for the Company. We remain committed to increasing the proportion of female board members to one-third (33%) or more. We will continue to actively seek outstanding female candidates, both domestically and internationally, to be included in the recommended list of nominees for the next board election.
(2) Does the company also voluntarily establish other functional committee apart from the salary remuneration committee and audit committee?		V	To improve the corporate governance, the company has established the Compensation Remuneration Committee and Audit Commission (both the members are the 3 independent directors) to supervise and suggest salary for directors and managers.
(3) Does the company formulated "The Procedures for the Company's Board Performance Evaluation" and evaluation method, conducted a performance evaluation annually and regularly, reported the results of the performance evaluation to the board of directors, and applied it for reference in determining individual director's remuneration and nomination for renewal?		V	<p>The Company developed Board of Directors Performance Appraisal Procedures on December 21, 2015 and has been distributing performance self-evaluation questionnaires to all members of the Board of Directors at the end of each December. The members not only need to evaluate the overall operations of the Board of the Directors but also conduct self-evaluation.</p> <p>The first amendment was approved by the board of directors on May 10, 2019, the second amendment was approved on November 10, 2020, expanding the scope of self-evaluation to all functional committees.</p> <p>The latest result of the evaluation of the board's performance (2025) is as follows:</p> <ol style="list-style-type: none"> 1. The overall self-evaluation of the board's performance is 4.61 points (full score is 5.00 points). 2. The overall self-evaluation of the board members is 4.74 points (full score is 5.00 points). 3. The overall self-evaluation of the audit committee's performance is 5.00 points (full score is 5.00 points). 4. The overall self-evaluation of the remuneration committee's performance is 5.00 points (full score is 5.00 points). <p>The details of the above performance evaluation and subsequent remedial measures have been reported to the board of directors on March 10, 2026.</p> <p>The aforementioned procedures are also</p>

Evaluation Items	Operations (Note 1)		Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
			disclosed on the company website. According to the Articles of Incorporation, remuneration for directors shall be paid equally; however, the results of the performance evaluation will be used as a reference for subsequent appointment.
(4) Does the company routinely assess the independence of attesting CPA?	V		The Company's Audit Committee evaluates the independence and suitability of the attesting CPA each year. Apart from requesting the attesting CPA to provide "Independence Statement" and "Audit Quality Indicators (AQIs)", the Committee also evaluates in accordance with the standards in note 2 and the AQIs under item 13. The CPA will be verified not to have any other financial interests and business relations with the Company, except for the fees related to the attestation and financial statements. Family members of the CPA shall not violate the requirement of independence. In consideration of AQI information, the CPA and accounting firm will be verified if the auditing experience and training hours are better than the average standard of the industry. Additionally, the Company will continue to introduce digital auditing tools in recent 3 years in order to improve the auditing quality. The evaluation result of the latest year was discussed and adopted by the Audit Committee at the meeting held on November 11, 2025, and reported to the Board of Directors meeting held on November 11, 2025 to resolve the passing of the evaluation on the independence and suitability of the CPA.
4. Does the listed/OTC companies have the full-time (part-time) corporate governance department or personnel designated to manage the corporate governance related matters (including but not limited to providing directors with the data needed for business operation, arranging the board meeting and shareholders' meeting related matters lawfully, handling company registration and change registration, preparing the minutes of board meeting and shareholders' meeting, etc.)?	V		In line with corporate governance practices, the Company has established the position of Chief Corporate Governance Officer. The unit in charge of corporate governance is Business Planning and Finance Department, with more than 6 related business executives. The Vice President, Chao-Yen Liang, has more than 20 years of experience in financial management in public offering companies, and he is responsible for corporate governance-related businesses whose duties include meetings of the board of directors and shareholders' meetings, business registration and changes in registration, and establishment and improvement of corporate governance. Business Planning and Finance Department also works with related units to promote the corporate governance and enhances the

Evaluation Items	Operations (Note 1)			Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	Summary and Description	
			<p>weaknesses identified in the evaluation of the board's performance and the corporate governance assessment. The Company also set up a corporate governance director on March 23, 2021, in conformity with regulations.</p> <p>This year, the Company will continuously facilitate the interaction with foreign shareholders, foreign investors and stakeholders by increasing and deepening the disclosures on the Company's Chinese and English website, in addition to performing duties in accordance with related operating laws and regulations.</p>	
5. Does the company establish communication channel with the stakeholders, establish stakeholder section on the company website, and properly respond to the key corporate social responsibility issues concerned by the stakeholders?	V		<p>The stakeholders can communicate via business transaction or spokesperson while the company also establishes an investor section on the company website to disclose the contact/complaint window and contact methods for investors and stakeholders, in order to provide immediate response of issues concerned by all stakeholders with response.</p> <p>The above communication channel with the stakeholders, establish stakeholder section has also been published on the Company's website.</p>	The company has complied with the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and executed the matters prescribed on the left.
6. Does the company commission professional registrar for handling of shareholder meeting affairs?		V	<p>The Company designates the shareholders' service office in order to handle the information of the list of major shareholders and beneficial owners of these major shareholders and also formulated the rules of implementing the internal control and the internal audit of stock affairs to make sure that the shareholders' meeting is held legally, safely, and effectively.</p>	The Company designates the shareholders' service office in order to handle the information of the list of major shareholders and beneficial owners of these major shareholders.
7. Public information (1) Does the company establish website to disclose information on the financial operations and corporate governance?	V		<p>The company has established a corporate website to disclose product information, management, finance, and key corporate regulations and articles regarding corporate governance. (http://new.nissan.com.tw/nissan)</p>	The company has complied with the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and executed the matters prescribed on the left.
(2) Does the company adopt other information disclosure methods (i.e. establishing English website, assigning	V		<p>To treat domestic and foreign shareholders and stakeholders with equity, the company establishes a company website in English (http://www.nissan.com.tw/en/) to disclose</p>	The company has complied with the Corporate Governance Best

Evaluation Items	Operations (Note 1)		Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons	
	Yes	No		Summary and Description
specialist to collect and disclose the corporate information, implement spokesperson system and displaying corporate website at investor meeting?			the company introduction, management and finance, and social welfare as well as other corporate governance information in English. The investor meeting information is also available in Chinese and English versions which are disclosed at the company website in Chinese and English versions. In case the company holds the investor meeting independently, the company will upload video file for investors to review (currently investors are on invitation basis). In addition, the Company also has disclosed the names and contact details of the spokesperson and the active spokesperson to substantiate the spokesman system in order to meet the communication needs of the various stakeholders.	Practice Principles for TWSE/GTSM Listed Companies and executed the matters prescribed on the left.
(3) Does the company announced and reported the annual financial report within two months after the end of the fiscal year, and announced and reported the 1st, 2nd, and 3rd quarter financial reports as well as the monthly business report before the prescribed deadline?		V	The Company will complete the disclosure and filing of financial statements before the regulatory deadline and will not advance the schedule.	The Company will complete the disclosure and filing of financial statements before the regulatory deadline and will not advance the schedule.
8. Does the company also hold important information that will help understand the corporate governance operation (including but not limited to employee rights, care for employees, investor relation, supplier relation, stakeholders' rights, advanced study by the directors, risk management policy and execution of risk evaluations standards, and the company purchasing liability insurance for directors).		V	<p>1. Employee benefits and care: In addition to building a Yulon community in Sanyi, Miaoli, the Company has worked with the Hsinchu Lifeline Association to implement the employee assistance program (EAP) and provide a professional and confidential channel of consultancy for employees since 2015.</p> <p>The Company also improved the employee satisfaction and the partnership between the Company and employees through labor meetings, e-publications, and seminars. For more information, please refer to V. Business Review V. Labor Relations of the Annual Report.</p> <p>2. Relationship with investors and stakeholders: In addition to setting up the spokesperson and the unit in charge of stock affairs, the Company also posts important information in Chinese and English on the Market Observation Post System. The Chinese and English website was also established to provide investors and stakeholders at home</p>	The company has complied with the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and executed the matters prescribed on the left.

Evaluation Items	Operations (Note 1)		Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
		<p>and abroad with the fair access to the disclosures. Besides, the Company set up an area for investors on the website to disclose the related contact windows, which are responsible to have a thorough understanding of and respond to the major issues of concern.</p> <p>3. Relationship with suppliers: As a member of the society, the Company continuously pays close attention to environmental protection, safety and health, and labor rights, values the sustainable relationship with suppliers, and exerts its influence on suppliers to set up the guidelines for sustainable development and organize related activities, including management policy, code of conduct, evaluation, guidance, and performance management. The above principles were also published on the Company's website. The Regulations Governing Supplier Management, collaboration meetings, and training programs are also channels of communication between the Company and suppliers.</p> <p>4. Advanced study and liability insurance for directors: Yulon Group holds independent advanced courses each year to improve the professional knowledge including management decision-making, risk assessment, regulation compliance, and corporate sustainability in the Board of the Directors. In October 2025, the "Advanced course for the directors of Yulon Group – A publicly listed company" was held with topics in "Risk, Cybersecurity, and Sustainability-Driven Risk Management in the AI Era" and "The Impact of Trump's Policies on the World and Taiwan, and Corporate Sustainability amid Global Changes". In addition, the Company also purchased the liability insurance for all directors at the estimated amount of US\$150 million.</p> <p>5. Implementation of the risk management policy and risk measurement standards: Refer to Section 5 "Risk Management and Assessment" in Chapter 6 of the Annual Report.</p> <p>6. Operation of the consumer/customer protection policy: The Company set up the toll-free customer</p>	

Evaluation Items	Operations (Note 1)		Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
			service hotline for 24 hours. Through the Speed-up One Stop (SOS) solution, consumer service personnel can promptly solve customers' problems from answers to phones, personnel dispatch, progress follow-up, subsequent handling, to post-accident care. In addition, customers may give their feedback through the following channels: NISSAN Care APP, NISSAN and INFINITI websites, and satisfaction telephone interview and survey from time to time.
<p>9. Please explain the improvements made based on the latest Corporate Governance Evaluation published by Taiwan Stock Exchange Corporate Governance Center and propose priorities and remedial measures to be taken (only filled by those participating in the evaluation). According to the 2025 Corporate Governance Evaluation Indicators, the Company updated necessary disclosures such as Board diversity goals and succession planning.</p>			

Note1: Provide description on the summary and description column regardless of checking on "yes" or "no" for the operations.

Note2: Accountant Independence Evaluation Checklist –Chien-Hsin Hsieh & Wan-I Liao.

Date: November 11, 2025

Evaluation Items	Yes / No
1. Neither A member of the audit team nor their family relatives have direct or indirect material financial interest in the Company.	No
2. No borrowing, lending, or guarantee relation exists between the Company, its Directors and A member of the audit team or their family relatives (except for commercial loans from financial institutions).	No
3. No close business relation exists between the Accounting Firm or A member of the audit team and the Company or its affiliates.	No
4. No potential employment relationship exists currently between A member of the audit team and the Company.	No
5. Within the past two years, none of No potential employment relationship exists currently between A member of the audit team and the Company. have acted as the Company's Director, Supervisor, or any employee who has material influence over audit cases.	No
6. 1) The Company shall pay the Accountant a fixed audit fee, not in the form of contingent fee. 2) No due payments exists that may lead to influence on the auditor independence.	Yes No
7. All of the non audit services provided by the Accounting Firm to the Company and its affiliates, including Tax Returns Assessment and Certification, and consultant services on accounting, tax issues and other laws and regulations etc., has no direct influence on any important accounting subject in the audit cases, and does not involve the Company's management, make decisions for the Company or affect the Company's independence.	No
8. No member of the Audit Team is appointed as defender for the Company's position or opinions or acts as a mediator between the Company and a conflicting third party.	No
9. Upon appointment this year, the accountant shall have served for the Company for not exceeding seven years.	No

Evaluation Items	Yes / No
10.No member of the Audit Team is a relative of the Directors, Managers, or any employee of the Company who has material influence on the audit case.	No
11.No valuable gift has been given by any Director, Supervisor, or Manager of the Company to any member of the Audit Team.	No
12.None of the Directors, Managers, or any employees of the Company who has material influence on the audit case retired from or ceased services in the Accounting Firm within one year.	No
13.None of the independent Directors of the Company have worked in the Accounting Firm during his or her act as Director or within two years prior to such appointment. No member of the Company's Remuneration Committee is in the profession of providing business, legal, financial, accounting or other kind of services or consultation within two years prior to such appointment.	No
14.No member of the Audit Team bears or feels any threat from the Company that may keep him or her from remaining their objectivity and clarifying any suspicions regarding their profession. Threats may be in the form of: 1) The management of the Company has inappropriate requests for certain accounting policy choices or financial statement disclosure. 2)The Company demands for a reduction in audit work that should be implemented in order to lower the audit fee.	No No

The above lists have been evaluated where no exceptional case is found.

Evaluated by : Yulon Nissan Motor Business Planning & Finance Dept.

(4) Remuneration Committee :

(1) Data of Remuneration Committee Members

Name Title/Criteria		Professional Qualification and Work Experience	Criteria	Number of Other Taiwanese Public Companies Concurrently Serving as a Compensation Committee Member in Taiwan
Independent Director	Hung-Wen Chang	YNM's Rompensation Committee is comprised of all three independent directors. For members professional qualification and experience, please refer to "Information Regarding Board Members" on page 12-15 of this Annual Report.	The compensation committee of the company is composed of three independent directors, and the independent directors of the independent public development company are set up and comply with the rules of law.	1
Independent Director	Jung-Fang Kuo			2
Independent Director	Chen-Hui Lee			0

(2) Operational Status of Remuneration Committee:

1. There are 3 members in the Remuneration Committee.
2. Term of Committee Members: The term for sixth Salary Remuneration Committee was from June 27, 2024 to June 26, 2027. There have been 2 annual meetings held for the Remuneration Committee (A), the eligibility of committee members and attendance are outlined below:

Title	Name	Number of Times for Actual Attendance (B)	By Proxy	% of Actual Attendance (B/A)	Notes
Convener	Hung-Wen Chang	2	0	100%	Appointed on June 27, 2024
Member	Jung-Fang Kuo	2	0	100%	Appointed on June 27, 2024
Member	Chen-Hui Lee	2	0	100%	Appointed on June 27, 2024

Annotation:

1. In case the Board of Directors does not agree to adopt or correct suggestions proposed by Salary Remuneration Committee, the Board of Directors shall describe the date and session of Board of Director meeting, content of proposition, results of BOD resolution as well as company handling on comments from Salary Remuneration Committee (in case the BOD adopts the salary remuneration better than the suggestions proposed by the Salary Remuneration Committee, describe the discrepancy and reason): Nil.
2. In case members oppose to hold conservation opinions on the matters resolved by the Salary Remuneration Committee with records or written statement, describe the date and session of Salary Remuneration Committee, content of proposition, all member opinions and handling of member opinion: Nil.

(3) Resolution result and discussion items of Remuneration Committee in 2025.

Remuneration Committee	The content of the motion and its follow up action	Result	Response to the Remuneration Committee's opinion
March 11, 2025 The 2nd meeting of the 6th term.	(1) 2024 Employee compensation distribution. (2) Approval of Amendment to the Employee Compensation Distribution Policy.	Approved as proposed.	Approved by all directors present at the Board meeting.
November 11, 2025 The 3rd meeting of the 6th term.	Nil	Nil	Nil

(5) The state of the company's promotion of sustainable development, any variance from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance:

Evaluation Items	Operations			Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	Summary and Description	
1. Does the company establish and promote full-time (part-time) sustainable development department, where the Board of Directors authorize senior management to process and report to the Board of Directors of the processing?	V		<p>The company has established CSR Project Committee in March 2015 and changed name to sustainable development Committee in March, 15 2022. The President serves as the Chief Committee Chair, under whom five working groups are established: Corporate Governance, Employee Care, Sustainable Environmental Development, Customer and Partner Relations, and Social Welfare.</p> <p>Each group is assigned clearly defined responsibilities and is tasked with formulating Yulon Nissan's sustainability goals in their respective areas. These working groups are composed of relevant departments based on their functions, convene meetings regularly, integrate cross-departmental resources during operations, and report to the Board of Directors annually to ensure the effective implementation of Yulon Nissan's sustainability governance.</p>	In compliance with the philosophy of Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.
2. Does the company conducted risk assessments on environmental, social, and corporate governance issues related to the company's operations in accordance with the principle of materiality, and formulated relevant risk management policies or strategies?	V		<p>The company has developed corporate social responsibility policy at the Board of Directors on May 11, 2015 and established project committee to promote the different activities with routine reporting of the corporate performance in corporate social responsibility to the Board of Directors.</p> <p>The promotion performance for 2014–2020 has been disclosed in the “2014–2020 CSR Report.” The performance for 2021–2024 has been disclosed in the Sustainability Report. Specifically, the 2025 promotion performance will be included in the Sustainability Report scheduled for publication in August 2026.</p> <p>The Company's Total donation amount in 2025 was NT\$ 1,422,404, and the receivers included Taipei Municipal Daan Vocational High School, Automobile Safety Association, Syin-Lu Social Welfare Foundation and Taipei City Environmental Protection Department etc.</p>	In compliance with the philosophy of Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.
3 Development of sustainable environment (1) Does the company establish proper environmental management system in accordance with its	V		<p>Established environmental management system in April 2014 to promote relevant environmental management policies. The Company has passed the ISO 14001 certification in Nov. 2022 passed the ISO 14001: Annual review of the 2015 version</p>	In compliance with the philosophy of Sustainable Development Best

Evaluation Items	Operations			Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	Summary and Description	
characteristics of industry?			of external certification in Oct. 2022, in 2022 to 2025 finished the ISO14064-1.	Practice Principles for TWSE/GTSM Listed Companies.
(2) Does the company devote in the improvement on the utilization efficiency of various resources and use recycled materials with low environmental impact?	V		<ol style="list-style-type: none"> 1. Establishing environmental safety official organization in charge of promotion and advocacy of various energy-saving policies to upgrade the resource utilization efficiency. 2. To enhance energy efficiency, the Company continues to invest in energy conservation and carbon reduction, process improvement, and environmental protection initiatives, aiming to reduce the environmental impact of its production processes. In alignment with the renewable materials policy, and to promote sustainable resource circulation, the Company prioritizes the use of recycled materials with lower environmental impact. Environmental management systems are implemented across three major operational aspects—procurement, product development, and sales services—to ensure the sustainable use of the Earth’s resources. 3. New cars released to the market starting in 2008 shall comply with the “Voluntary Automobile Resource Recycling and Reuse Specification” for R&D/design of products, to promote the voluntary automobile resources Recycling and reuse specification. <ol style="list-style-type: none"> 1) The vehicle recovery rate has far exceeded the standard (80%) and reached 92%. 2) Restriction on the use of four environmentally hazardous heavy metals, including lead, mercury, cadmium, and hexavalent chromium. 3) In order for the component parts to be easily recyclable and reusable, and in conformance to the material labeling requirements, we will be implementing the Material Labeling Practice for plastic parts exceeding the weight of 100 grams, as well as rubber parts exceeding the weight of 200 grams. 4) For the smooth implementation of the disassembly process, we will also provide the disassembly procedures for newly announced component parts within six months of the market availability date. 	In compliance with the philosophy of Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.
(3) Does the company pay attention on the impact of climate change on operational activating and execute strategies on	V		<ol style="list-style-type: none"> 1. Yulon Nissan continues to pay attention on the global sustainability issues and the development trends of all industries, in attempt to integrate the latest automobile development trends of the market and provide the green products and 	

Evaluation Items	Operations		Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons				
	Yes	No					
greenhouse gas inventory, develop corporate energy-conservation and carbon emission reduction, and greenhouse gas reduction?			<p>after-sales services most suitable to consumer demand. The Company adopts various innovative technologies, lowers the impact of cooperate operation on the environment, and discovers new industry opportunities to constantly promote the goals related to environmental sustainability development.</p> <p>2. The automobile industry will face the different regulations and policies implemented by countries worldwide when it comes to issues related to climate change. The entire industry will undergo a major transformation to cope with the possible risks and opportunities taking place in the future. We will adopt the TCFD (Task Force o Climate-related Financial Disclosures) announced by the Financial Stability Board (FSB), namely the core including: governance strategy, risk management, indicators, and goals as the four scope in disclosing climate related information.</p> <table border="1"> <tr> <td>Governance</td> <td> <ul style="list-style-type: none"> ●The Board of Directors of Yulon Nissan serves as the highest governing body for climate change management, incorporating climate-related issues into the Company’s goal-setting and performance management framework. The Board oversees and provides strategic guidance to the Sustainability Development Committee on related matters. ●Promote sustainable manufacturing/reuse and renewable energy </td> </tr> <tr> <td>Strategy</td> <td> <ul style="list-style-type: none"> ●In accordance with the TCFD framework, the Company regularly identifies short-term (1–3 years), medium-term (3–7 years), and long-term (over 7 years) climate-related risks and opportunities, and evaluates their potential impacts on the organization’s operations, strategies, and financial planning. The Company also assesses the potential of future market developments, identifies relevant metrics, and carries out risk management as well </td> </tr> </table>	Governance	<ul style="list-style-type: none"> ●The Board of Directors of Yulon Nissan serves as the highest governing body for climate change management, incorporating climate-related issues into the Company’s goal-setting and performance management framework. The Board oversees and provides strategic guidance to the Sustainability Development Committee on related matters. ●Promote sustainable manufacturing/reuse and renewable energy 	Strategy	<ul style="list-style-type: none"> ●In accordance with the TCFD framework, the Company regularly identifies short-term (1–3 years), medium-term (3–7 years), and long-term (over 7 years) climate-related risks and opportunities, and evaluates their potential impacts on the organization’s operations, strategies, and financial planning. The Company also assesses the potential of future market developments, identifies relevant metrics, and carries out risk management as well
Governance	<ul style="list-style-type: none"> ●The Board of Directors of Yulon Nissan serves as the highest governing body for climate change management, incorporating climate-related issues into the Company’s goal-setting and performance management framework. The Board oversees and provides strategic guidance to the Sustainability Development Committee on related matters. ●Promote sustainable manufacturing/reuse and renewable energy 						
Strategy	<ul style="list-style-type: none"> ●In accordance with the TCFD framework, the Company regularly identifies short-term (1–3 years), medium-term (3–7 years), and long-term (over 7 years) climate-related risks and opportunities, and evaluates their potential impacts on the organization’s operations, strategies, and financial planning. The Company also assesses the potential of future market developments, identifies relevant metrics, and carries out risk management as well 						

Evaluation Items	Operations		Summary and Description	Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No		
			<p>as the setting of related indicators and targets.</p> <p>Risk Management</p> <ul style="list-style-type: none"> ● In accordance with the TCFD framework, climate-related risks and opportunities are identified, and material climate issues are prioritized through a questionnaire-based assessment. ● The Company consolidates current management approaches in response to material climate-related risks and opportunities, and links these issues to relevant departments. Through cross-departmental collaboration and integrated management, the Company aims to mitigate the impact of climate risks, enhance climate resilience, and maximize potential opportunities. ● Incorporate climate risk in corporate risk management (ERM) Management Process <p>Metrics and Targets</p> <ul style="list-style-type: none"> ● Formulate climate related performance indicator and quantitative goals, periodically follow up the achievement and disclose publicly. ● Validate the long-term goal of “2050 Annual Net Zero Emission.” <p>3. Climate change risk/opportunity matrix: We have established a climate risk and opportunity identification process and completed a risk-opportunity matrix that includes both current and future assessment items. For more detailed information, please refer to the 2025 Sustainability Report and the Climate-Related Disclosures of Listed Companies in Taiwan.</p> <ol style="list-style-type: none"> 1) Transition Risks: Changes in customer behavior/preferences, regulations and standards on product efficiency, and the costs associated with low-carbon transition. 2) Physical Risks: Decline in revenue and increase in product costs. 3) Opportunities: Growth in sales volume and revenue. 	

Evaluation Items	Operations			Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	Summary and Description	
			4.In response to high-risk climate-related factors, the Company has evaluated the potential current and future risks and opportunities of climate change, and formulated corresponding strategies and management measures.For further details, please refer to Section 2.6, “Climate-Related Disclosures of Listed Companies,” in Chapter 2 of this Annual Report.	
(4)Has the company counted greenhouse gas emissions, water consumption, and total weight of waste of the last two years, and formulated policies on energy saving and carbon reduction, greenhouse gas reduction, water consumption reduction, or waste management?	V		<p>Continuously publicize and promote the company's various energy-saving policies through environmental seed personnel to implement various environmental goals, as follows:</p> <p>1.Greenhouse Gas Emissions: The Company's greenhouse gas emissions for 2024 and 2025 are as follows: The inventory scope in 2024 covered Scope 1 and Scope 2 emissions, totaling 1,186.510 metric tons of CO₂e per year. In 2025, the inventory scope was expanded to cover Scope 1 through Scope 3 emissions, of which Scope 1 and Scope 2 emissions totaled 919.8625 metric tons of CO₂e per year, representing a decrease in carbon emissions compared with 2024. Total emissions amounted to 1,533.195 metric tons of CO₂e per year. In 2025, the Company implemented a greenhouse gas (GHG) inventory verification and assurance mechanism and established a decarbonization roadmap. Energy-saving and carbon-reduction measures are being continuously promoted to enhance environmental sustainability performance. For detailed emission data and related management practices, please refer to Chapter 4, “Sustainable Environment,” in the 2025 Sustainability Report.</p> <p>2.Water management: The company's drinking water source is tap water, and the raw water source is groundwater in the Xinmiao area announced by the Water Resources Department. According to the monitoring of groundwater production level, there is no obvious impact on the water source. All discharge water is discharged in accordance with environmental protection laws and regulations. In addition, it also actively conducts random sampling tests on the soil and groundwater in the factory area, so as to be friendly to the environment and not cause any negative impact on the environment. The water consumption of tap water in 2024 was 3,576.4 degrees, which was about 4.8% higher than the 3,412.5 degrees in 2023. (There is no separate statistics for underground water use) The Company's domestic wastewater is treated</p>	In compliance with the philosophy of Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Items	Operations			Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	Summary and Description	
			<p>at the on-site wastewater treatment facility and discharged through the main gate outlet, eventually flowing into the ocean. There is no significant impact on water sources caused by water withdrawal. The Company has set a target to reduce water consumption by 2% annually, aiming to conserve valuable resources and minimize unnecessary waste.</p> <p>3. Waste management: As the Company is engaged in R&D and sales activities and does not engage in manufacturing operations, the scope of waste management is limited to domestic (office) waste. The relevant data for 2024 and 2025 are as follows: in 2025, total domestic waste disposal amounted to 7.96 metric tons, representing an increase compared with 5.89 metric tons in 2024.</p> <p>In the future, we will continue to implement energy conservation programs in order to reduce the annual greenhouse gas emissions, water consumption and waste by 2%.</p>	
<p>4. Maintenance of social welfare</p> <p>(1) Does the company develop relevant management policy and procedures in accordance with relevant laws and regulations and International Bill of Human Rights?</p>	V		<p>The Company complies with the Labor Standards Act, Factory Act, Occupational Safety and Health Act, and Gender Equality in Employment Act. It also follows the principles set forth in international human rights conventions, including the Core Conventions of the International Labour Organization (ILO) and the International Covenant on Economic, Social and Cultural Rights (ICESCR). Based on these principles, the Company has established relevant management policies and procedures.</p> <p>This policy applies to all managers and employees (individuals employed by Yulon Nissan and receiving salaries or remuneration), affiliated companies, associates, suppliers, contractors, business partners, customers, local communities, and other stakeholders. The Company is committed to preventing any form of human rights infringement.</p> <p>The Company has established a human rights governance framework with the Board of Directors serving as the highest governing body. Under the Sustainability Development Committee, a cross-functional Human Rights Working Group has been formed to oversee and implement human rights initiatives. Through the effective implementation of the following key issues, the Company strives to foster a corporate environment</p>	<p>In compliance with the philosophy of Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.</p>

Evaluation Items	Operations		Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons				
	Yes	No					
		<p>that respects, cares for, and protects human rights.</p> <p>1. Freedom of employment:</p> <p>(1)Labor shall not be forced to work because of rape, coercion, detention or other illegal methods.</p> <p>(2)Wages shall not be withheld as liquidated damages or compensation. °</p> <p>(3)Employees may exercise their rights to terminate the employment contract in accordance with the Labor Standards Act.</p> <p>2. Humane treatment: The Company shall provide a safe and healthy work environment and establish preventive measures to prevent employees from having accidents or harming their health at work.</p> <p>(1) Effective health and safety training should be provided for employees on a regular basis.</p> <p>(2) Job opportunities and friendly supporting measures should be provided for people with disabilities.</p> <p>(3) A variety of communication channels should be provided to encourage communication between employees and the management.</p> <p>3. Anti-discrimination:</p> <p>(1) Discrimination on employment, remuneration, promotion, training, retirement, or termination of employment, based on factors, such as race, nationality, religion, gender, age, social class, disability, family and marital status, union membership, and political affiliation, should be prohibited.</p> <p>(2) The Company should not interfere with employees' beliefs, political inclinations, marriage, and the right to follow various customs.</p> <p>(3) Any threats, abuse, exploitation or sexual harassment in the workplace, dormitory or other premises of the Company should be prohibited.</p> <p>4.Ban on child labor: Only job applicants of 18 years old or more are accepted for recruitment, and the identity should be verified to ensure no child labor is employed.</p>					
		<table border="1"> <tr> <td>Human rights management policy</td> <td>Specific practice of implementation</td> </tr> <tr> <td>Prevention of Workplace Bullying and Unlawful Harassment</td> <td>1.On August 6, 2025, a 2-hour training program was provided to general employees, with a total of 250 participants. 2.On August 20, 2025, a</td> </tr> </table>	Human rights management policy	Specific practice of implementation	Prevention of Workplace Bullying and Unlawful Harassment	1.On August 6, 2025, a 2-hour training program was provided to general employees, with a total of 250 participants. 2.On August 20, 2025, a	
Human rights management policy	Specific practice of implementation						
Prevention of Workplace Bullying and Unlawful Harassment	1.On August 6, 2025, a 2-hour training program was provided to general employees, with a total of 250 participants. 2.On August 20, 2025, a						

Evaluation Items	Operations			Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	Summary and Description	
			<p>2-hour training program was provided to supervisors, with a total of 66 participants.</p> <p>Public announcement of happiness workplace.</p> <p>Prohibition of forced labor and compliance with labor standard act.</p> <p>1.Implementing leave system. The company has acquired consent from the employees to collaborate and negotiate on paid leave and flexible hours to provide employees with sound arrangements of living style.</p> <p>2.New employees are entitled to 3 days of paid leave, starting from the date of reporting for duty, according to the company's rules outdoing the provisions specified by Labor Standard Act.</p> <p>3.Encouraging employees to value the balance between work and life.</p>	
(2) Does the company formulated and implemented reasonable employee welfare measures (including compensation, vacations, and other benefits), and appropriately reflected operating performance or results in employee remuneration?	V		<p>Adhering to the "people-oriented" enterprise spirit, we provide various welfare measures, mainly listed as follows:</p> <p>1.According to the actual needs of employees, we provide etiquette leave that is superior to laws and regulations, such as children's school leave, children's marriage leave, siblings' marriage leave, etc., so that employees can take care of family needs while not working.</p> <p>2.Flexible working system: In order to allow employees to go to work calmly every day, a one-hour flexible working system is implemented for all employees. Employees can go to work between 8 and 9 every morning depending on their traffic conditions, family or personal needs. It is enough to automatically postpone the corresponding time to get off work. In addition to allowing employees to make flexible arrangements, it can also prevent employees from increasing traffic risks in order to catch up with</p>	In compliance with the philosophy of Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Items	Operations		Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
		<p>the time to swipe their cards for work.</p> <p>3. Pay attention to the health of employees: provide labor and health insurance, retirement reserves, and employee inspections in accordance with the law, and purchase group insurance on the day of reporting for employees (including full-time, part-time, and temporary workers), including life insurance, accident external insurance, hospitalization medical insurance, cancer insurance, accidental medical insurance, business trip insurance, etc., and further provide free group insurance for employees's spouses, children's medical care and cancer, so that the protection of group insurance can be extended to employees' family members.</p> <p>4. The Company has established an employee retirement plan in accordance with the Labor Pension Act, which is a defined contribution plan. Since July 1, 2005, the Company has contributed 6% of each employee's monthly salary to their individual retirement account with the Bureau of Labor Insurance. In fiscal years 2025 and 2024, the amounts contributed as specified in the defined contribution plan were recognized as expenses in the consolidated statement of comprehensive income, totaling NT\$17,499 thousand and NT\$16,077 thousand, respectively.</p> <p>6. The Company has established an employee retirement plan in accordance with the Labor Standards Act, which is a defined benefit plan. According to the plan, pension payments are based on years of service and the average regular salary over the six months prior to retirement. The Company contributes 2% of each employee's monthly salary to the pension fund, which is deposited into a designated account at the Bank of Taiwan under the name of the Employee Retirement Fund Management Committee. At the end of each year, the balance in the designated account is reviewed. If the balance is insufficient to cover the pension payments for employees who will retire in the following year, the Company will make the necessary contributions by the end of March to ensure the retirement benefits for employees under the old system. In fiscal years 2025 and 2024, the amounts contributed as specified in the defined benefit plan were recognized as expenses in the consolidated statement of comprehensive income, totaling NT\$1,461 thousand and NT\$2,076 thousand, respectively.</p>	

Evaluation Items	Operations		Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
		<p>7.Others:</p> <p>(1) In addition to giving special leave and etiquette leave according to the law, newcomers are also provided with special leave upon arrival. During the epidemic, when the government announced that students were closed, the policy of remote work was implemented for those who need to take care of children, providing employees have flexible working options; the most admirable thing is that the holidays within a year are properly adjusted and arranged through the labor-management meeting in advance, so that employees can enjoy more long vacations. Every year during the summer vacation in August, there is also a nine-day holiday, which is nicknamed Xiaoxia by colleagues; longer holidays are also arranged during the Chinese New Year, so that employees have more time to enhance family relationships or satisfy personal travel and vacation need.</p> <p>(2) There are two restaurants in the office area, which provide delicious and healthy working lunches every day; besides having lunch at the restaurant, employees can also choose to order bento boxes, which will be delivered to employees' offices by the restaurant, so that employees can eat in the office employees can enjoy healthy, safe and delicious meals.</p> <p>(3) There are two welfare clubs in the office area, and another welfare club and a log cabin catering department are set up in the staff dormitory leisure area to facilitate the accommodation employees to eat and buy daily necessities. At the same time, we will also adjust the product content and services according to the needs of our employees at any time, such as providing product display at special sales, payment and delivery, etc. In addition, we have set up cash machines in many places and negotiated with financial institutions to ask them to provide colleagues with preferential interest rates, handling fees and various financial management plans to encourage employees to make financial planning.</p> <p>(4) Provide free staff dormitories (including water, electricity, and Internet) for employees living in remote areas to reduce the daily fatigue and traffic risks of colleagues due to</p>	

Evaluation Items	Operations		Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
			<p>work. In addition, there is a staff dormitory leisure area, which includes an indoor swimming pool, gym, oven, health trail, indoor gymnasium, outdoor basketball court, tennis court and staff vegetable garden, etc., which are not only provided for the use of dormitory employees, but also open to non-resident employees and Used by family members to encourage employees to engage in legitimate and healthy leisure activities.</p> <p>(5) Motivating reward system: According to the article of incorporation, the Company's profits of current year shall be distributed not less than 0.1% as the employee compensation after offset the accumulated losses, among which the portion allocated to rank-and-file employees shall be no less than 0.05%. In addition to the basic salary and three-quarter bonus, rewards are given to employees according to the company's operating conditions and the performance of each colleague, including performance bonuses, first-half work bonuses, year-end bonuses and bonuses, etc., to boost morale and retain top performers at the right time. In addition, there is a salary adjustment system, and the annual salary adjustment operation is evaluated and carried out with reference to factors such as business performance and price conditions.</p>
(3) Does the company routinely provide safe and healthy work environment for employees in addition to implementing safety and health education?	V		<p>1. Corporate policy on occupational safety and health:</p> <p>(1) Compliance with regulatory requirements and promoting workplace health.</p> <p>(2) Implementing risk management and improving safety awareness.</p> <p>(3) Improving management performance and assuring employee engagement.</p> <p>(4) Fulfilling social responsibility and continuing improvement and optimization.</p> <p>2. The Company is categorized as a secondary business under regulation, which main environment of business execution is the office. With regards to office place, under the provisions of the Enforcement Rules of the Occupational Safety and Health Act, the safety and health team formulates the annual occupational safety and health management plan and promotes it to all department officers for implementation in all working environments at the entry level. The plan includes the following</p>

Evaluation Items	Operations		Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
			<p>and shall integrate with GRI403 standard at the end of the year to review the accomplishment rate:</p> <ol style="list-style-type: none"> (1) Identification, evaluation and control of work environment or operational hazards. (2) Machinery, equipment or device management. (3) Classification, labeling, general knowledge, and management of hazardous chemicals. (4) Safety and health processing standards. (5) Regular examination, key examination, process review, and site patrol. (6) Safety and health education and training. (7) Management of personal protective gear. (8) Health examination, management, and promotion. (9) Collection, sharing and use of safety and health-related information. (10) Emergency response measures. (11) Investigation handling and statistical analysis of occupational accidents, near misses, and incidents affecting physical and mental health. (12) Safety and health management records and performance evaluation measures. <p>3. Apart from complying with various occupational safety and health regulations, the Company continues to improve the optimization of safe and healthy work environment in addition to conducting water quality inspection quarterly, holding two self-defense firefighting staffing drills each year, and regularly inspecting the meal supply hygiene standards of the central kitchen to assure the safety of the work environment for employees.</p> <p>4. The company reduces various occupational accidents and risks based on the concept of “origin, path, and people”:</p> <ol style="list-style-type: none"> (1) Origin: Eliminate all possible occurrence of risks or replace with other low-risk process. (2) Path: Apply engineering improvement on risk transmission path or apply administrative management to separate employees from risks before processing. (3) People: Provide proper personal protective gear for all employees operating specific process. It is required by law that employees without a related certificate may not operate the process requiring specific certification.

Evaluation Items	Operations			Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	Summary and Description	
(4) Does the company establish routine communication mechanism with employees and notify the employees of the operational change that could possibly cause major impact through reasonable means?	V		<ol style="list-style-type: none"> 1. Monthly publication of “YNM Operation Report” that allows employees to fully grasp the current corporate operations and major events. 2. At the beginning of each year, we will conduct the rotation survey and convene the Talent Development Committee (twice a year) to effectively execute career planning for employees. 	In compliance with the philosophy of Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.
(5) Has the company, in regard of customer health and safety, customer privacy, marketing, and labeling of products and services, followed relevant regulations and international standards, and formulated relevant consumer protection policies and appeal procedures?	V		<ol style="list-style-type: none"> 1. According to the “Regulations for Motor Vehicle Safety Investigation, Recall /Correction, Supervision and Management” and “In-Use Motor Vehicle Recall and Correction Regulation,” we have established the sound recall/correction procedures to make sure that customers use our products safely and securely. 2. To protect customers’ privacy, the Company ensures that customer data are collected, processed, transmitted, retained, archived, and destroyed in accordance with the “Personal Data Protection Act.” 3. To protect customers’ rights, the Company ensures that products and services are marketed and labeled in accordance with the “Consumer Protection Act” and internal policies. 4. Complaint Channels and Procedures: The Company places great importance on customer feedback and opinions. A “Customer Complaint Handling Procedure” has been established to manage inquiries and complaints received from customers. Cases are received and processed by the Customer Service Center, which assigns them to the appropriate regional dealerships based on the nature and responsibility of each case. A customer service hotline and online customer service system are available for customers to submit feedback or file complaints to protect their rights and interests. Customer Service Hotline: 0800-088-888 Online Customer Service: https://new.nissan.com.tw/nissan/support.html 	In compliance with the philosophy of Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.
(6) Has the company formulated supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health, or	V		<ol style="list-style-type: none"> 1. The Company has set up the “Supplier Sustainability Task Force” to be in charge of supplier sustainability management, requiring that all suppliers should fulfill their social responsibilities in relation to environmental protection, occupational safety and health and labor rights. 2. The annual implementation results are as follows: 	In compliance with the philosophy of Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.

Evaluation Items	Operations			Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons												
	Yes	No	Summary and Description													
labor human rights, and the respective implementation?			<table border="1"> <thead> <tr> <th>Dimension</th> <th>Management Focus</th> <th>2025 Management Outcomes</th> </tr> </thead> <tbody> <tr> <td>Energy Conservation and Carbon Reduction</td> <td> 1. Set a carbon reduction target of 2% 2. Monitor and track suppliers' energy-saving and carbon-reduction improvement progress 3. Present awards to outstanding suppliers based on performance </td> <td> 1. Actual carbon reduction: 2.21% (194 metric tons) 2. Awards presented to 3 outstanding suppliers at the Supplier Collaboration Meeting </td> </tr> <tr> <td>Labor Rights & Human Rights Management</td> <td> 1. Promote zero labor violations among suppliers 2. Require rejection of 3TG materials from conflict-affected regions 3. Conduct annual supplier labor rights exchange sessions 4. Conduct quarterly labor compliance inspections and corrective action tracking </td> <td> 1. 2 Class B suppliers found with labor compliance violations; corrective actions tracked and completed 2. Held 4 supplier labor rights exchange sessions throughout the year </td> </tr> <tr> <td>Occupational Health and Safety Management</td> <td> 1. Key Supplier Classification and Management 2. Investigation of Occupational Safety Incidents and Development of Corrective Actions for Contractors 3. Sharing of Occupational Safety and Health Case Studies </td> <td> 1. Quarterly occupational safety and health assessments are conducted for 61 suppliers. Suppliers are required to submit corrective action reports addressing any occupational safety incidents and corresponding improvement measures. 2. Since the promotion of safety case sharing, the number of safety incidents has significantly declined from over 150 cases in 2021 (Year 110) to 29 cases in 2025 (Year 114). </td> </tr> </tbody> </table>	Dimension	Management Focus	2025 Management Outcomes	Energy Conservation and Carbon Reduction	1. Set a carbon reduction target of 2% 2. Monitor and track suppliers' energy-saving and carbon-reduction improvement progress 3. Present awards to outstanding suppliers based on performance	1. Actual carbon reduction: 2.21% (194 metric tons) 2. Awards presented to 3 outstanding suppliers at the Supplier Collaboration Meeting	Labor Rights & Human Rights Management	1. Promote zero labor violations among suppliers 2. Require rejection of 3TG materials from conflict-affected regions 3. Conduct annual supplier labor rights exchange sessions 4. Conduct quarterly labor compliance inspections and corrective action tracking	1. 2 Class B suppliers found with labor compliance violations; corrective actions tracked and completed 2. Held 4 supplier labor rights exchange sessions throughout the year	Occupational Health and Safety Management	1. Key Supplier Classification and Management 2. Investigation of Occupational Safety Incidents and Development of Corrective Actions for Contractors 3. Sharing of Occupational Safety and Health Case Studies	1. Quarterly occupational safety and health assessments are conducted for 61 suppliers. Suppliers are required to submit corrective action reports addressing any occupational safety incidents and corresponding improvement measures. 2. Since the promotion of safety case sharing, the number of safety incidents has significantly declined from over 150 cases in 2021 (Year 110) to 29 cases in 2025 (Year 114).	
			Dimension	Management Focus	2025 Management Outcomes											
			Energy Conservation and Carbon Reduction	1. Set a carbon reduction target of 2% 2. Monitor and track suppliers' energy-saving and carbon-reduction improvement progress 3. Present awards to outstanding suppliers based on performance	1. Actual carbon reduction: 2.21% (194 metric tons) 2. Awards presented to 3 outstanding suppliers at the Supplier Collaboration Meeting											
Labor Rights & Human Rights Management	1. Promote zero labor violations among suppliers 2. Require rejection of 3TG materials from conflict-affected regions 3. Conduct annual supplier labor rights exchange sessions 4. Conduct quarterly labor compliance inspections and corrective action tracking	1. 2 Class B suppliers found with labor compliance violations; corrective actions tracked and completed 2. Held 4 supplier labor rights exchange sessions throughout the year														
Occupational Health and Safety Management	1. Key Supplier Classification and Management 2. Investigation of Occupational Safety Incidents and Development of Corrective Actions for Contractors 3. Sharing of Occupational Safety and Health Case Studies	1. Quarterly occupational safety and health assessments are conducted for 61 suppliers. Suppliers are required to submit corrective action reports addressing any occupational safety incidents and corresponding improvement measures. 2. Since the promotion of safety case sharing, the number of safety incidents has significantly declined from over 150 cases in 2021 (Year 110) to 29 cases in 2025 (Year 114).														
5. Has the company referred to the international regulations or guidelines for the preparation of reports for preparing corporate social responsibility reports and other reports that disclose the company's non-financial	V	1. Since 2015, the Company has prepared a CSR report based on the core options under the Global Reporting Initiative GRI G4.0 and published it before June 30 of every year. 2. Since 2018, the Company has prepared a CSR report based on the core options under the GRI Standards and published it before June 30 of every year.	In compliance with the philosophy of Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.													

Evaluation Items	Operations			Discretions with Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	Summary and Description	
information? Do the aforementioned reports receive the confirmation or assurance opinion of a third-party verification unit?			<p>3. Since 2021, the Company has prepared a ESG report based on the core options under the GRI Standards and published it before June 30 of every year.</p> <p>4. Since 2023, the Company has engaged Ernst & Young (EY), an independent and reputable accounting firm, to provide Limited Assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000 for non-historical financial information. This ensures the reliability of the information disclosed in the Sustainability Report. Following the completion of the assurance work, the results have been thoroughly communicated with the governance body. The 2025 Sustainability Report is scheduled for release in August and will include a third-party assurance statement.</p>	
<p>6. If the Company has enacted its code of Sustainable Development Best Practice Principles by Listed and OTC Companies, please describe its operation and the difference from the Code of Practice: In compliance with the policies promoted by the “Sustainable Development Best Practice Principles” of the company.</p>				
<p>7. Other critical information that helps understand the operation of corporate social responsibility:</p> <p>(1) The company's official website (new.nissan.com.tw) can refer to the corporate social responsibility report and sustainability Report over the years.</p> <p>(2) Irregularly disclose relevant information on the company's official website (new.nissan.com.tw) and public information observatory</p>				

(6) Climate-Related Information of TWSE/TPEX Listed Company:

1. Implementation of Climate-Related Information

Item	Implementation status																
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	<p>The automotive industry faces various regulations and policies implemented by governments worldwide in response to climate change. The entire industry must continuously monitor changes in international standards to address potential risks and opportunities in the future. In line with the TCFD framework, Yulon Nissan evaluates the potential risks and opportunities of climate change both now and in the future across the four key areas of governance, strategy, risk management, and metrics and targets. This ensures the implementation of appropriate management strategies and action plans at the right time. The aim is to mitigate the impact of climate risks while identifying new industry opportunities and business prospects. Yulon Nissan's Board of Directors serves as the highest governing body for overseeing and guiding climate risk management. The Board receives regular reports on sustainability-related matters from the Sustainability Development Committee. The Sustainability Development Committee, under the Board's guidance, is the highest governing body for managing climate change-related issues, integrating them into goal-setting and performance management. The Sustainability Environment Development and Customer and Partner Relationship teams are responsible for proposing and executing action plans. The progress of each initiative is tracked annually and regularly reported to the Sustainability Development Committee.</p>																
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	<p>Yulon Nissan has established a climate risk and opportunity identification process that analyzes risks using a dual-dimension matrix based on frequency of occurrence (short, medium, and long term) and impact level. For the identified significant climate risks and opportunities, the company further proposes management guidelines or responsive actions, assesses the financial impact, and incorporates these considerations into operational planning. The Sustainability Development Committee, in collaboration with various departments, sets Yulon Nissan's annual climate indicators and goals. (For further details, please refer to the 2025 Sustainability Report). In response to the high-risk factors, the Company assesses the potential risks and opportunities of climate change both currently and in the future. The following are the actions taken to address climate-related issues:</p>																
	<table border="1"> <thead> <tr> <th data-bbox="539 1395 667 1451">Risk Type</th> <th data-bbox="667 1395 906 1451">Risk Factor</th> <th data-bbox="906 1395 1042 1451">Financial Impact</th> <th data-bbox="1042 1395 1394 1451">Strategic Management Measures</th> </tr> </thead> <tbody> <tr> <td data-bbox="539 1451 667 1883" rowspan="3">Transformation Risks</td> <td data-bbox="667 1451 906 1608">Customer Behavior/Preference Changes</td> <td data-bbox="906 1451 1042 1608">Revenue Decline, Product Cost Increase</td> <td data-bbox="1042 1451 1394 1883" rowspan="3"> Short-term: Introduce low-carbon, energy-efficient vehicle models to meet consumer demand for electric vehicles. Focus on domestic production of electric and new energy vehicles. Mid-to-long-term: Continue to build solar and other renewable energy facilities to increase the use of renewable energy. </td> </tr> <tr> <td data-bbox="667 1608 906 1697">Product Efficiency Regulations and Standards</td> <td data-bbox="906 1608 1042 1697">Revenue Decline</td> </tr> <tr> <td data-bbox="667 1697 906 1883">Cost of Low-carbon Transformation</td> <td data-bbox="906 1697 1042 1883">Increased Operating Costs and Increased R&D investment</td> </tr> <tr> <td data-bbox="539 1883 667 2036">Physical Risks</td> <td data-bbox="667 1883 906 2036">Frequent Extreme Weather Events Leading to Instability in Raw Material and Energy</td> <td data-bbox="906 1883 1042 2036">Revenue Decline, Increased Product Cost</td> <td data-bbox="1042 1883 1394 2036"> Short-term: Continuously monitor the latest information from the National Disaster Prevention and Rescue Technology Center, and take </td> </tr> </tbody> </table>	Risk Type	Risk Factor	Financial Impact	Strategic Management Measures	Transformation Risks	Customer Behavior/Preference Changes	Revenue Decline, Product Cost Increase	Short-term: Introduce low-carbon, energy-efficient vehicle models to meet consumer demand for electric vehicles. Focus on domestic production of electric and new energy vehicles. Mid-to-long-term: Continue to build solar and other renewable energy facilities to increase the use of renewable energy.	Product Efficiency Regulations and Standards	Revenue Decline	Cost of Low-carbon Transformation	Increased Operating Costs and Increased R&D investment	Physical Risks	Frequent Extreme Weather Events Leading to Instability in Raw Material and Energy	Revenue Decline, Increased Product Cost	Short-term: Continuously monitor the latest information from the National Disaster Prevention and Rescue Technology Center, and take
Risk Type	Risk Factor	Financial Impact	Strategic Management Measures														
Transformation Risks	Customer Behavior/Preference Changes	Revenue Decline, Product Cost Increase	Short-term: Introduce low-carbon, energy-efficient vehicle models to meet consumer demand for electric vehicles. Focus on domestic production of electric and new energy vehicles. Mid-to-long-term: Continue to build solar and other renewable energy facilities to increase the use of renewable energy.														
	Product Efficiency Regulations and Standards	Revenue Decline															
	Cost of Low-carbon Transformation	Increased Operating Costs and Increased R&D investment															
Physical Risks	Frequent Extreme Weather Events Leading to Instability in Raw Material and Energy	Revenue Decline, Increased Product Cost	Short-term: Continuously monitor the latest information from the National Disaster Prevention and Rescue Technology Center, and take														

Item	Implementation status			
		Supply, Affecting Supply Chain/Dealers, Which Affects Production and Operations		early disaster prevention measures. Improve drainage systems in factories to mitigate flood damage. Mid-to-long-term: Strengthen hazard communication and control mechanisms between factories and dealers.
	Opportunities	Stricter New Energy Vehicle Development Fuel Efficiency Standards and Consumer Preference Changes, Requiring More Low-carbon, Energy-efficient and New Energy Vehicles	Increased Sales and Revenue	Short-term: Continue investing in R&D to improve technology and efficiency, and launch related vehicle models as the development of low-carbon, energy-efficient, and new energy vehicles progresses. Mid-to-long-term: Promote cooperation within the electric vehicle industry to establish an ecosystem.
3. Describe the financial impact of extreme weather events and transformative actions.	<p>Based on the TCFD framework, physical risks, transition risks, and climate change opportunities, through meetings with external expert consultants and department heads at Yulon Nissan, the financial impacts of extreme weather events and transition actions have been identified. The potential financial and operational impacts caused by climate change events are as follows:</p> <ol style="list-style-type: none"> 1. Supply Chain: Extreme weather events may disrupt the supply of raw materials and energy, leading to operational or production interruptions. 2. Raw Materials: Long-term climate change may cause drastic environmental changes globally, leading to shortages of raw materials, which in turn could affect vehicle and parts delivery schedules. 3. Policy and Regulations: Government energy consumption regulations (CAFE) and stricter emissions regulations (RDE) are being introduced. As a result, automobile manufacturers need to invest in R&D for low-carbon emission products, which increases development and equipment costs, thereby affecting profitability. 4. Low-carbon Transition: With rising environmental awareness among consumers, the demand for new energy vehicles is growing. This will accelerate the R&D and development of related vehicle models, providing more diverse options and expanding market opportunities. 			
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>For significant risks, the committee evaluates the short, medium, and long-term climate-related impacts, develops mitigation and adaptation measures, and promotes climate opportunities and development. The following process is followed to identify climate risks and opportunities: Data Collection → Department Interviews → TCFD Questionnaire Design → Materiality Matrix Analysis → Setting Indicators and Goals.</p> <p>Through this process, the board of directors supervises a top-down approach to drive strategy formulation, resource integration, and performance evaluation. This approach aims to address the sustainability challenges posed by climate change through adaptation and mitigation strategies, reduce business risks, and achieve low-carbon development.</p>			
5. If scenario analysis is used to assess resilience to climate change risks, the	To understand the impact of climate change on future operations, the company has implemented climate scenario analysis to assess the risks to operational sites in the event of extreme climate events and sustainability transformation.			

Item	Implementation status
<p>scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p>	<p>Physical Risk Analysis - Value Chain Disruption Risk Analysis: We conducted scenario analysis on the potential natural disaster risks at each site to understand what risks and challenges the operations might face under extreme weather conditions in the middle of this century. For this risk, we conducted analysis from two perspectives: The threat level of extreme weather to the headquarters and offices. The threat level of extreme weather to service centers (dealers) across Taiwan. We selected the RCP5-8.5 scenario and used information from the “National Disaster Prevention and Rescue Technology Center – Climate Change Disaster Risk Adaptation Platform.” Using flood and slope disaster “risk levels” as indicators, we estimated the climate-related threat levels to the company’s headquarters and offices, as well as to service centers (dealers) across Taiwan. The company has established an emergency response team and issued electronic business notifications to dealerships to remind them of disaster preparedness and reduce the impact of climate-related disasters. In the future, we will continue to plan response strategies based on the results of scenario simulation analyses to mitigate the impact of climate risks.</p> <p>Transition Risk Analysis - Carbon Fee Risk Analysis: In order to achieve the "Net Zero Emissions by 2050" target, the Taiwanese government, through the Environmental Protection Administration, formally announced the “Carbon Fee Collection Measures” in mid-2024. Starting from 2026, carbon fees will be levied on companies that emit over 25,000 tons of CO2 equivalent, with a fee of 300 NTD per ton of CO2 equivalent. To assess the potential long-term impacts on operations, Yulon Nissan evaluated various carbon emission evolution scenarios, including the International Energy Agency (IEA) Stated Policies Scenario (SPS), Announced Pledges Scenario (APS), and the Net Zero Emissions by 2050 Scenario (NZE). We also combined five carbon pricing level forecasts, including the NGFS 2050 Net Zero and NGFS Below 2°C scenarios, to assess the degree of risk exposure and its impact on Yulon Nissan from 2025 to 2050 under different evolving scenarios. This detailed analysis helps the company prepare for and understand the risks and opportunities posed by both physical and transition climate risks.</p>
<p>6.If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p>	<p>In response to the trend of sustainable consumption, the company will focus on promoting e-POWER models and other new energy vehicles such as the ARIYA. To address the physical climate risks we face, the company will strengthen its natural disaster reporting mechanisms and enhance communication with dealerships to minimize the impact of disasters on the supply chain. In the future, the company will continue to adjust its climate risk transition plans regularly based on the results of TCFD risk assessments. To mitigate the environmental impact of greenhouse gas emissions and resource usage, the company has set short-term goals to reduce greenhouse gas emissions by 2% annually and reduce water usage by 2% each year. We will review the progress annually to promote sustainable business practices.</p>
<p>7.If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p>	<p>The company continues to collect internal carbon pricing practices and operational models. As of the publication date of this annual report, internal carbon pricing has not yet been used as a planning tool, therefore it is not applicable. °</p>
<p>8.If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable</p>	<p>In accordance with the “Sustainable Development Roadmap for Listed Companies” released by the Financial Supervisory Commission (FSC) in March 2022, the company, which has a paid-in capital of less than 5 billion NTD, has completed the inventory of Scope 1 and 2 greenhouse gas emissions for the individual company in 2023. Additionally, third-party verification of the individual company’s Scope 1 and 2 greenhouse gas emissions for 2022 and 2023 was completed in 2024. Moving forward, the company will continue to monitor the progress of greenhouse gas inventory and verification disclosures</p>

Item	Implementation status
energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	according to the guidelines and regulations issued by the competent authorities. We will actively cooperate with the government's net-zero plans. The company has set a target to reduce carbon emissions by 2% annually and aims for net-zero carbon emissions by 2050 in the long term. At the same time, together with its parent company, Yulon Group, Yulon Nissan plans to establish solar power generation facilities to reduce greenhouse gas emissions.
9.Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	Please refer to a detailed explanation below.

1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO ₂ e), intensity (metric tons CO ₂ e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.			
According to the regulations of the Sustainable Development Roadmap for Listed Companies:			
1. The parent company should start the greenhouse gas inventory from 2026.			
2. Subsidiaries included in the consolidated financial reports should start the greenhouse gas inventory from 2027.			
The consolidated company has established a greenhouse gas inventory mechanism based on the ISO 14064-1 Greenhouse Gas Inventory Standard (ISO 14064:2018) issued by the International Organization for Standardization (ISO). In 2026, the company completed the greenhouse gas inventory for Scope 1 and Scope 2 according to ISO 14064-1 and complete third-party verification of the greenhouse gas inventory through an external verification body.			
The company's greenhouse gas inventory for the most recent two years is outlined as follows:			
Greenhouse Gas Inventory Scope		2024	2025
Company	Direct Greenhouse Gas Emissions (Category 1)	372.8035	261.3886
	Indirect Greenhouse Gas Emissions from Purchased Energy (Category 2)	813.7062	658.4739
	Indirect Greenhouse Gas Emissions (Category 3~6)	-	613.3329
Total (tons of CO ₂ e) (Scope 1 and Scope 2)		1,186.5097	919.8625
Intensity (tons CO ₂ e / million NTD)		0.0513	0.0608

Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.			
According to the regulations of the Sustainable Development Roadmap for Listed Companies, the minimum scope of assurance to be performed is as follows:			
1. The parent company should begin performing assurance from 2028.			
2. Subsidiaries included in the consolidated financial reports should begin performing assurance from 2029.			
The company's greenhouse gas inventory assurance for the most recent two years is outlined as follows:			
Scope of Assurance		2024	2025
Company	Scope 1 - Direct Greenhouse Gas Emissions	372.8035	261.3866
	Scope 2 - Indirect Greenhouse Gas Emissions from Purchased Energy	813.7062	658.4739
	Scope 3 - Indirect Greenhouse Gas Emissions	663.7385	613.3329
	Total	1,186.5097	919.8625
	Percentage of Total Disclosed Inventory Data (from 1-1-1 above)	100%	100%
Assurance Provider		AFNOR ASIA LTD.	
Assurance Description		Verified in accordance with ISO 14064-1:2018. The inventory data disclosed in the verification statement achieved a reasonable assurance level for Category 1 and Category 2 emissions.	Verified in accordance with ISO 14064-1:2018. The greenhouse gas inventory data disclosed in the verification opinion statement obtained a reasonable assurance level for Category 1 and Category 2 emissions, and a limited assurance level for Category 3 through Category 6 emissions.
Assurance Opinion/Conclusion		Based on the procedures performed and evidence obtained, no significant corrections were identified in the information, and it was found to be in accordance with the applicable standards	

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.
<p>Greenhouse Gas Reduction Base Year and Reduction Targets:</p> <p>The company has completed the 2025 greenhouse gas inventory, with Scope 1 (direct emissions) at 261.3886 tons CO₂e and Scope 2 (indirect emissions from purchased energy) at 658.4739 tons CO₂e and Scope 3 (indirect emissions) at 613.3329 tons CO₂e. The company has set a target to reduce emissions by 2% annually compared to the previous year, with a long-term goal of achieving net-zero emissions by 2050.</p> <p>Greenhouse Gas Reduction Strategies and Specific Action Plans:</p> <p>The company implements emission reduction through various energy-saving and carbon-reduction measures, including replacing energy-efficient equipment (such as refrigerators, lighting, etc.), installing independent switches for each light to enhance equipment efficiency, replacing old company vehicles with electric vehicles, and reducing waste through recycling and reuse. Additionally, the company is transitioning to and producing electric vehicles, which reduces direct emissions from the use of fuel. Furthermore, through regular internal meetings, the company reviews the progress of meeting its greenhouse gas reduction targets to ensure that the carbon reduction mechanisms are in place and to optimize the allocation of company resources.</p>

(7) The Difference in Contrast to the Status of Honest Operation Implemented and the Listed / OTC Company's Corporate Status of Honest Operation Implemented Codes of Practice and Reasons:

Implementation of Integrity Operation

Evaluation Items	Operations (Note 1)		Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
1. Develop ethical management policy and program (1) Has the company formulated the ethical corporate management policy that is approved by the board of directors, stated the policies and practices of ethical corporate management in the articles of incorporation and external documents, and the board of directors and senior management committed to actively implement the management policy?	V		To declare the resolve to fulfill the ethical corporate management, the Company has established the Ethical Corporate Management Best Practice Principles on August 4, 2014. The first and the second amendments were approved in the meetings of the board of directors on March 23, 2015 and March 26, 2018, respectively. The above Principles were disclosed on the Market Observation Post System and the Company's website.
(2) Has the company established an assessment mechanism for the risk of unethical conducts, regularly analyzed and evaluated business activities with a high risk of unethical conduct within the business scope and with a preventive plan formulated accordingly to prevent unethical conducts from occurring, and at least covered the preventive actions stated in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?"	V		To control the risks in the course of business operations, the Company has set up clear risk management reporting and tracking mechanisms, and reports the risks of operation, management, finances, or unethical conduct that each unit is exposed to and countermeasures taken in the weekly meetings. In case the company personnel encounter unethical behaviors from others with involvement of legal violations, the company shall report the relevant facts to the judicial or prosecuting agency. In the event public service agency or public service officials are involved, the company shall also report the anti-corruption agency of the government to process.
(3) Does the company develop prevention on non-integral conducts program to specify the operation procedures, conduct guide, punishment and complain system for violation with implementation in all programs and regularly reviewed and amended the aforementioned mechanism?	V		The Company set up the Work Rules, the Procedures for Handling Internal Major Information, the Procedures for Preventing Insider Trading, the Regulations Governing Management Review, and the Regulations Governing Reporting of Sexual Harassment to prohibit employees from engaging in fraudulence, misappropriating public funds, and destroying gender equality in the workplace. Once violations are identified and verified to be true, the Company will make a claim against employees and their guarantors according to related regulations. We review internal policies and procedures on a regular basis and make amendments according to changes in laws and regulations.

Evaluation Items	Operations (Note 1)		Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
2. Implementation ethical management (1) Does the company evaluate the ethical records of transacting targets and specify the ethical behavior clauses in the contract signed with the transacting targets.	V		Compliance with Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and implementation of the matters mentioned on the left.
(2) Has the company set up a special unit under the board of directors to promote ethical corporate management, and regularly (at least once a year) reported to the board of directors on its ethical corporate management policy and prevention of unethical conduct plans and implementation of supervision?	V		
(3) Does the company develop conflict of interest policy, provide proper petition channel and implement the execution?	V		<p>The company develops “Regulations Governing the Board of Director Meeting” with specification that in case the matters of that Board of Director meeting is in conflict of interest with the stakeholders or the corporation represented, the directors shall explain the significant content of stakeholder relation at the Board of Directors. In case the content in concern for jeopardizing the company interest, the directors may not join the discussion and voting while avoiding during discussion and voting. The directors may not act on other directors to exercise their voting right. The Work Rules of the Company also specify that employees shall not operate or engage in positions similar to those of the persons for themselves or others without the permission of the Company, or they are deemed to be in violation of the employment contract. The Company may terminate the employment contract without notice within 30 days from the date of knowledge.</p>

Evaluation Items	Operations (Note 1)		Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
(4) Has the company had established an effective accounting system and internal control system for the implementation of ethical corporate management, and the internal audit unit formulated relevant audit plans based on the risk assessment of the unethical conducts, and checked by the company or audited by the certified public accountant the compliance with the unethical conduct prevention plan?	V		Apart from developing relevant ethical management practice and regulations, the audit office conducts audit on stakeholder transactions and inside trading each year according to the "Regulations Governing Establishment of Internal Control Systems by Public Companies." In the event of receiving any reporting on violations, the Board of Directors and relevant competent authorizes will be reported for handling. Additionally the company will hold internal control systems self-evaluation operations to assure the validity of internal control and audit.
(5) Does the company routinely hold domestic and external educational training for ethical management?	V		Education and training for new recruits at the company on October 20, 2025, 296 participants, Internal network guide "Internal major information processing procedure", "Internal trade management procedure", "Sincerity management rules" and other acts of disloyalty in defense, compliance by the board of directors and management hierarchy, and daily operation of the company, or It is necessary to comply with commercial transactions and other commercial transactions. In addition, the company's business distribution "Receipt and Remittance Management Law" (February 1, 2019), the entire company is working together, and the remittance is owned by the company.
3. Operations of company reporting system (1) Does the company develop specific reporting and incentive system and establishing convenient reporting channel in addition to assigning proper handling specialist for the target reported?	V		If employees of the Company find unethical conduct, they may report according to the Working Rules and the grievance handling system to the Auditing Office and Integrated Operation Support Dept. If such unethical conduct is verified to be true, offenders will be punished according to the internal policies and related laws and regulations. To implement Article 23 of the Ethical Corporate Management Best Practice Principles, the Company has established the independent grievance E-mails for internal and external stakeholders and the procedures for handling grievances.
(2) Does the company develop investigation standard operation process and relevant confidential mechanism for accepting reported matters?	V		The aforesaid grievance E-mails have also been disclosed on the Company's website. If employees of the Company violate ethical corporate management in a serious manner, they shall be dismissed or laid off according to related laws and regulations or the Company's personnel regulations.

Evaluation Items	Operations (Note 1)		Discretions with Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Reasons
	Yes	No	
(3) Does the company adopt measures that protect the informer without facing improper treatment due to reporting?	V		The establishment of aforementioned report mailbox takes into account the validity of system operation with stipulation that the accepting department may not discriminate or punish the informer in addition to protecting his/her identify and preventing disclosure. Upon receiving reporting, confidential measures will be immediately activated to assure non-disclosure of the name and labor number of the informer or other personal information that could be used to identify the employees.
4. Strengthen information disclosure Does the company disclose the content of ethical management practice developed and promote the effectiveness on the company website and Public Observation Post System?	V		In addition to disclosing the full content of the Ethical Corporate Management Best Practice Principles on the Company's website and the Market Observation Post System, the Company also reports the implementation and the result to the board of directors every year on a regular basis and publishes such information on the Company's website from time to time.
<p>5. For companies having developed independent ethical management practice in accordance with "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies," please describe the discretion between the operation and practice developed :</p> <p>The company has developed shareholder's meeting regulations, Board of Directors meeting standards, internal major information processing operation procedures, prevention of insider transaction management operation procedures, classified document management guidelines, and public announcement and promotion to the company personnel (directors, employees, and appointed personnel). Additionally the company has followed "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" to develop the ethical management practice of the company that has been reviewed without discretion between the actual operations and the aforementioned practice.</p>			
<p>6. Other critical information that helps understand the operations of the ethical corporate management: (ethical management practice that has been revised and developed under corporate review).</p> <p>The Company has established the Ethical Corporate Management Best Practice Principles, which were approved in the meeting of the board of directors on August 4, 2014, based on the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies. The first and the second amendments were approved in the meetings of the board of directors on March 23, 2015 and March 26, 2018, respectively.</p>			

(8) Inquiry Method of Governance Codes, Important Information for enhancing realization of Operation of Corporate Governance and Relevant Regulations Established by the Company

The "For Investors" on the company website has disclosed relevant corporate governance, integrity management practice and other regulations, and will be updated from time to time.

(9) Execution Status of Internal Control System

1. Statement of Internal Control System

Yulon Nissan Motor Co., Ltd.
Statement of Internal Control System

Date: March 10, 2026

Yulon Nissan Motor Company (Yulon Nissan) has conducted a self-assessment of internal control for the period of January 1, 2025 to December 31, 2025. The results are as follows:

1. Yulon Nissan acknowledges that the Board of Directors and management personnel are responsible for establishing, performing, and maintaining an Internal Control System. The said system has already been duly established at Yulon Nissan. The purposes of the Internal Control System is to provide a reasonable assurance for the Company's efficient and effective operations (including profit, performance and safeguard of assets, and etc.), the reliability, timeliness, transparency, and regulatory compliance of reporting, and the compliance with applicable laws, regulations, and bylaws.
2. Yulon Nissan also acknowledges that the Internal Control System possesses inherent constraints irrespective of the intended impeccability of the system design and therefore could only provide a reasonable assurance of the three aforementioned goal. Due to the changes in environment and circumstances, the effectiveness of the internal control system may vary accordingly. Nevertheless, the Internal Control System is equipped with self-monitoring mechanisms. Should any flaws be recognized, the Company would enforce corrective measures immediately.
3. The company evaluates the effectiveness of the design and implementation of its Internal Control System in accordance with the Guidelines for the Establishment of Internal Control System by Public Companies (the "Guidelines"). The said Guidelines divide internal control into five components: (1) Control Environment, (2) Risk Assessments, (3) Control Operations, (4) Information and Communication, and (5) Monitoring. Each component comprises certain factors. More information regarding the said factors is available in the aforesaid Guidelines.
4. Yulon Nissan has assessed and evaluated the design and effectiveness in the design and performance of the aforementioned system.
5. Based upon the evaluation of the aforementioned system, Yulon Nissan considered the Internal Control System during the opening period (including supervision and management of subordinates), which included the Design and performance of the known operation effectiveness and the degree of reaching the efficiency goals, reliability, timeliness, transparency, and regulatory compliance of reporting and obeying the related internal control system of the relevant laws, regulations, and bylaws, are all effective, and it can ensure that the aforementioned goals can reasonably reached.
6. The Statement of Internal Control System will be a prominent feature of Yulon Nissan annual report and prospectus, and will be released to the public. Should any statement herein involve forgery, concealment or any other illegality, Articles 20, 32, 171 and 174 of the Security Exchange Law shall apply.
7. This Statement of Internal Control System has been approved by Yulon Nissan Board of Directors at the meeting of March 10, 2026 with 11 directors present at the meeting and none disagreeing with this Statement of Internal Control System.

Yulon Nissan Motor Co., Ltd.

Chairperson: Yen Chen, Li Lien

President: Chen-Hsiang Yao



2. Project Examination Report of CPAs' Internal Control System: Nil.

(10) Major resolutions made by the Shareholders Meeting and Board of Directors Meeting in fiscal year 2024 and prior to the publication date of annual report

Title of Meeting	Date of Meeting	Important Resolutions
Board of Directors	Mar. 11 2025	1. Approval of YNM 2024 Operating Report and Financial Statements. 2. Approval of YNM 2024 Employee Compensation Distribution. 3. Convention of YNM 2025 Shareholders' Meeting. 4. Approval of 2025 YNM CPA Audit Fees. 5. Approval of “YNM 2024 Internal Control System Statement”. 6. Approval of changing of Chief Finance Officer.
Board of Directors	May. 6, 2025	1. Approval of YNM 2024 Earnings Distribution. 2. Approval of Amend Certain Articles of the Company's Articles of Incorporation. 3. Approval of the Lift on the Prohibition on Directors from Concurrently Acting as a Director and/or Managerial Personnel of Another Company. 4. Approval of Addition to the Proposal to YNM 2025 Shareholders’ Meeting Agenda. 5. Approval of the Lift on the Prohibition on Managerial Personnel from Acting as a Managerial Personnel of Another Company. 6. Approval of Amendments to Certain Provisions of the Company’s Internal Control System for the Payroll Cycle. 7. Approval of Amendments to Certain Provisions of the Company’s Internal Audit Implementation Rules for the Payroll Cycle.
Shareholders Meeting	Jun. 19, 2025	1. Adoption of the 2024 Business Report and Financial Statements 2. Approved the 2024 earnings distribution. Cash dividend NT\$3.90 per share. 3. Approval of Amend Certain Articles of the Company's Articles of Incorporation. 4. The Lift on the Prohibition on 9th term Directors from “Concurrently Act as a Director and/or Manager of another company”.
Board of Directors	Jun. 19, 2025	1. Approval of YNM 2025 Operational Objectives.
Board of Directors	Aug. 5, 2025	1. Approval of YNM 2024 Sustainability Report. 2. Approval of the Managerial Personnel’s Discharge and Assignment. 3. Approval of Taipei branch of the Managerial Personnel’s Discharge and Assignment.
Board of Directors	Nov. 11 2025	1. Approval of Establishment to “YNM Annual Audit Plan 2026”. 2. Approval of Evaluating the Independence and Suitability of CPAs. 3. Approval of Amendment to “YNM Sustainable Development Best Practice Principles” 4. Approval of the Managerial Personnel’s Assignment.
Board of Directors	Mar. 10 2026	1. Approval of YNM 2025 Operating Report and Financial Statements. 2. Approval of YNM 2025 Employee Compensation Distribution. 3. Convention of YNM 2026 Shareholders' Meeting. 4. Approval of 2026 YNM CPA Audit Fees. 5. Approval of “YNM 2025 Internal Control System Statement”.
Board of Directors	May. 12, 2026	1. Approval of YNM 2024 Earnings Distribution. 2. Approval of the Lift on the Prohibition on Directors from Concurrently Acting as a Director and/or Managerial Personnel of Another Company.

Title of Meeting	Date of Meeting	Important Resolutions
		3. Approval of Addition to the Proposal to YNM 2025 Shareholders' Meeting Agenda. 4. Approval of the Lift on the Prohibition on Managerial Personnel from Acting as a Managerial Personnel of Another Company. 5. Approval of Amendment to "YNM Audit Committee Charter". 6. Approval of Amendment to "YNM Corporate Governance Best Practice Principles". 7. Approval of YNM 2026 Operational Objectives.

Major Resolutions of 2025 Shareholders' Meeting and Implementation Status

Note (1) Recognized the company 2024 surplus distribution proposal and each share is distributed with cash dividend of NT3.90.

Execution: September 2, 2025 was assigned as the target date while September 25, 2025 was assigned as the distribution date.

(2) Approval of Amend Certain Articles of the Company's Articles of Incorporation.

Execution: According to the rules execution and making announcement in the company website on Jun 19, 2025.

(3) Approval of the Lift on the Prohibition on Directors from Concurrently Acting as a Director and/or Managerial Personnel of Another Company.

Execution: According to the rules execution and making announcement in the company website on Jun 19, 2025.

(11) Major Issues on record or written statements made by any director which specified his/her dissent to important resolutions passed by the Board of Directors Meeting in fiscal year 2025 and prior to the publication date of the annual report: Nil.

3. Information on CPA Audit fees

(1) Information on CPA Audit Fees:

Unit: NTD thousand

CPA firms	CPA's Name	Audit Period	Audit Fee	Non-Audit Fee	Total Amount	Note
Deloitte & Touche CPA Firm	Chien-Hsin Hsieh	2025.01.01-2025.12.31	9,600	1,819	11,419	Tax service
	Wan-I Liao	2025.01.01-2025.12.31				

(2) The change of CPA firms and the audit fees after change is lower than that before change, the reduced amount, proportion and reason: N/A.

(3) The audit fees after change is more than 10% lower than that before change, the reduced fee amount, proportion and reason: N/A.

4. Information on Change of CPAs

(1) Information of the Previous CPAs: N/A.

(2) Information of the Successive CPAs: N/A.

(3) Previous CPAs' reply of article 10-5-1 and 10-2-3 of Guidelines Governing the Preparation of Financial Reports by Securities Issuers: N/A.

5. Upon the Company's chairman, general manager or financial/ accounting manager employed by the Verifying CPA firm within one year, the name, the position, and time period in the CPA firm or its affiliates should be disclosed: N/A.

6. Changes of Share and Share Collateralizing for Directors, Managers and Shareholders with over 10% of shares held during the 2025 fiscal year and prior to the publication date of the annual report

(1) Changes of Share for Directors, Managers and Major shareholders

Unit: thousand Share

Title	Name	Fiscal year 2025		Current Fiscal Year as of May 13, 2026	
		Number of holding Shares Increased (Decreased)	Increased (Decreased) Number of Shares Collateralized	Number of holding Shares Increased (Decreased)	Increased (Decreased) Number of Shares Collateralized
Corporation Director	Yulon Motor Co., Ltd.				
Chairman	Yulon Motor Co., Ltd. Representative: Yen Chen, Li Lien	-	-	-	-
Director	Yulon Motor Co., Ltd. Representative: Chen-Hsiang Yao (Note 1)	-	-	-	-
Director	Yulon Motor Co., Ltd. Representative: Wen-Chuan Chung (Note 2)	-	-		
Director	Yulon Motor Co., Ltd. Representative: Kuo-Hsing Hsu	-	-	-	-
Director	Yulon Motor Co., Ltd. Representative: Chien-Shun Liao (Note 3)	-	-	-	-
Corporation Director	Nissan Motor Co., Ltd.				
Director	Nissan Motor Co., Ltd. Representative: Yamazaki Shohei (Note 4)	-	-	-	-
Director	Nissan Motor Co., Ltd. Representative: Shibayama Riyo (Note 5)	-	-		
Director	Nissan Motor Co., Ltd. Representative: Hisano Takashi (Note 6)	-	-		
Director	Nissan Motor Co., Ltd. Representative: Fujiki Toshihiro (Note 7)	-	-		
Director	Nissan Motor Co., Ltd. Representative: Masao Tsutsumi (Note 8)			-	-
Director	Nissan Motor Co., Ltd. Representative: Koichi Kitazawa (Note 9)	-	-		
Director	Nissan Motor Co., Ltd. Representative: Ishizuka Atsushi	-	-	-	-

Title	Name	Fiscal year 2025		Current Fiscal Year as of May 13, 2026	
		Number of holding Shares (Increased/Decreased)	Increased (Decreased) Number of Shares Collateralized	Number of holding Shares (Increased/Decreased)	Increased (Decreased) Number of Shares Collateralized
Director	Nissan Motor Co., Ltd. Representative: Sone Kitaru (Note 10)	-	-	-	-
Director	Nissan Motor Co., Ltd. Representative: Ozaki Kazuhiro (Note 11)	-	-	-	-
Independent Director	Jung-Fang Kuo	-	-	-	-
Independent Director	Hung-Wen Chang	-	-	-	-
Independent Director	Chen-Hui Lee	-	-	-	-
President	Chen-Hsiang Yao (Note 12)	-	-	-	-
President	Wen-Chuan Chung (Note 13)	-	-	-	-
Senior Vice President	Sone Kitaru	-	-	-	-
Senior Vice President	Chang-Yi Li	-	-	-	-
Vice President	Konno Isao	-	-	-	-
Vice President	Koichi Kitazawa	-	-	-	-
Vice President	Endo Yuki (Note 15)	-	-	-	-
Vice President	Chao-Yen Liang	-	-	-	-
Vice President	Chia-Chi Lee	-	-	-	-
Vice President	Yu-Jen Chu	-	-	-	-
General Manager	Yu-Chou Hsieh	-	-	-	-
General Manager	Chiung-Ming Chou (Note 16)	-	-	-	-
General Manager	Yen Chou	-	-	-	-
General Manager	Jen-Chung Tu (Note 17)	-	-	-	-
General Manager	Fang-Zhong Lai	-	-	-	-
General Manager	Wai-Chih Liu	-	-	-	-
General Manager	Fang-Yu Yang (Note 18)	-	-	-	-
General Manager	Chin-Cheng Lee	-	-	-	-
General Manager	Wei-Feng Tsay (Note 19)	-	-	-	-
General Manager	Chiu-Yueh Luo	-	-	-	-
General Manager	Chia-Yun Tsai	-	-	-	-
General Manager	Chin-Tsung Huang (Note 20)	-	-	-	-
General Manager	Chih-Nan Hsu (Note 21)	-	-	-	-
Accounting Manager	Chia-Yun Tsai	-	-	-	-

Note 1 : Appointed on Aug. 5, 2025.

Note 2 : Resigned on Aug. 5, 2025.

Note 3 : Appointed on Jan. 1, 2025.

Note 4 : Appointed on May. 29, 2025.

Note 5 : Appointed on Apr. 28, 2025. Resigned on May. 29, 2025.

Note 6 : Resigned on Apr. 28, 2025.

Note 7 : Appointed on May. 29, 2025. Resigned on Apr. 29, 2026.

Note 8 : Appointed on Apr. 29, 2026.

Note 9 : Resigned on May. 29, 2025.
Note 10 : Appointed on Apr. 28, 2025.
Note 11 : Resigned on Apr. 28, 2025.
Note 12 : Appointed on Aug. 5, 2025.
Note 13 : Resigned on Aug. 5, 2025.
Note 14 : Appointed on Nov. 16, 2025.
Note 15 : Appointed on Dec. 1, 2025.
Note 16 : Resigned on Mar. 31, 2025.
Note 17 : Resigned on Jan. 31, 2025.
Note 18 : Resigned on Jun. 2, 2025.
Note 19 : Resigned on Jul. 1, 2025.
Note 20 : Appointed on Jul. 1, 2025.
Note 21 : Appointed on Dec. 1, 2025.

(2)Information of Share Changes: Nil.

(3)Information of Share Collateralizing: Nil.

7. Information on the top-10 shareholders who are affiliates or related as spouse or second cousins:

The Information of Shareholders with Shareholding Percentage as the Top 10, who are Mutually Related

Name	Shareholding of the Person		Shareholding of Spouse and Underage Children		Shareholdings in the Names of Others		Title, name, and relationship of the top-10 shareholders who are affiliates or related as spouse or second cousins		Note
	Number of Shares	Share holding Rate	Number of Shares	Share holding Rate	Number of Shares	Share holding Rate	Name	Relationship	
Yulon Motor Co., Ltd.	143,500,000	47.83	0	0.00	0	0.00	Yu Ching Business Co., Ltd. Sin Chi Co., Ltd. Diamond Hosiery & Thread Co., Ltd. Lo-Wen Enterprises Co., Ltd.	Affiliates Affiliates Affiliates Affiliates	Director
Yen Chen, Li Lien	0	0.00	0	0.00	0	0.00	-	-	Representative of Director
Chen-Hsiang Yao	0	0.00	0	0.00	0	0.00	-	-	
Kuo-Hsing Hsu	0	0.00	0	0.00	0	0.00	-	-	
Chien-Shun Liao	0	0.00	0	0.00	0	0.00	-	-	
Nissan Motor Corporation	120,000,000	40.00	0	0.00	0	0.00	-	-	Director
Yamazaki Shohei	0	0.00	0	0.00	0	0.00	-	-	Representative of Director
Masao Tsutsumi	0	0.00	0	0.00	0	0.00	-	-	
Atsushi Ishizuka	0	0.00	0	0.00	0	0.00	-	-	
Sone Kitaru	0	0.00	0	0.00	0	0.00	-	-	
Yu Ching Business Co., Ltd.	3,500,000	1.17	0	0.00	0	0.00	Yulon Motor Co., Ltd. Sin Chi Co., Ltd. Diamond Hosiery & Thread Co., Ltd. Lo-Wen Enterprises Co., Ltd.	Affiliates Affiliates Affiliates Affiliates	
Sin Chi Co., Ltd.	3,050,000	1.02	0	0.00	0	0.00	Yulon Motor Co., Ltd. Yu Ching Business Co., Ltd. Diamond Hosiery & Thread Co., Ltd. Lo-Wen Enterprises Co., Ltd.	Affiliates Affiliates Affiliates Affiliates	Representative: Kuo-Chi Wang
Wei Wen Investment Co., Ltd.	1,878,000	0.63	0	0.00	0	0.00	Lo-Wen Enterprises Co., Ltd. Wei Tai Investment Co., Ltd.	Affiliates Affiliates	-
Wei Tai Investment Co., Ltd.	1,787,000	0.60	0	0.00	0	0.00	Lo-Wen Enterprises Co., Ltd. Wei Wen Investment Co., Ltd.	Affiliates Affiliates	-
Diamond Hosiery & Thread Co., Ltd.	1,768,000	0.59	0	0.00	0	0.00	Yulon Motor Co., Ltd. Yu Ching Business Co., Ltd. Sin Chi Co., Ltd. Lo-Wen Enterprises Co., Ltd.	Affiliates Affiliates Affiliates Affiliates	Representative: Yen Chen, Li Lien
Lo-Wen Enterprises Co., Ltd.	1,700,000	0.57	0	0.00	0	0.00	Yulon Motor Co., Ltd. Yu Ching Business Co., Ltd. Sin Chi Co., Ltd. Wei Wen Investment Co., Ltd. Wei Tai Investment Co., Ltd. Diamond Hosiery & Thread Co., Ltd.	Affiliates Affiliates Affiliates Affiliates Affiliates Affiliates	-
Farglory Life Insurance Inc.	1,625,000	0.54	0	0.00	0	0.00	-	-	-
Yen Ching-Ling Industrial Development Foundation	1,001,000	0.33	0	0.00	0	0.00	Yulon Motor Co., Ltd. Diamond Hosiery & Thread Co., Ltd.	Same chairperson Same chairperson	Representative: Yen Chen, Li Lien

8. The number of shares held by the company, the company’s directors, managers and its directly or indirectly controlled business toward the same investment businesses, as well as the combined calculated shareholding percentage

Unit: number of shares: %

Reinvested Companies	Invested from Yulon Nissan Motor Co., Ltd.		Invested from directors and managers, or companies that are directly or indirectly controlled by Yulon Nissan		Total investment	
	Shares	Percentage	Shares	Percentage	Shares	Percentage
Yi-Jan Overseas Investment Co., Ltd.	84,986,756	100%	-	-	84,986,756	100%

III. Capital Raising Status

1. Capital and Shares

(1) Source of Share Capital

1. Source of Share Capital

Unit : thousand Shares : NTD : thousand Dollars

Year Month	Par Value	Authorized Capital		Paid-up Capital Stock		Remark		
		Shares	Amount	Shares	Amount	Source of Share Capital	Invested with Assets Other than Cash	Other
2003/10	10	600,000	6,000,000	300,000	3,000,000	Separately Established 3,000,000	-	Note

Note: Approved in the letter No. Shang-Zi-Di 09201296600, dated October 22, 2003

2. Class of Shares

Unit : thousand Shares

Class of Shares	Authorized Capital			Remark
	Issued	Unissued Capital	Total	
Common Stock	300,000(Listed)	300,000	600,000	-

3. Securities under the sum-up reporting method : N/A.

(2) List of Major Shareholders

No. of shares		
Names of Major shareholders	Shares	Percentage %
Yulon Motor Co., Ltd.	143,500,000	47.83%
Nissan Motor Co., Ltd.	120,000,000	40.00%
Yu Ching Business Co., Ltd.	3,500,000	1.17%
Sin-Chi Co., Ltd	3,050,000	1.02%
Wei Wen Investment Co., Ltd.	1,878,000	0.63%
Wei Tai Investment Co., Ltd	1,787,000	0.60%
Diamond Hosiery & Thread Co., Ltd.	1,768,000	0.59%
Lo-Wen Enterprises Co., Ltd.	1,700,000	0.57%
Farglory Life Insurance Inc.	1,625,000	0.54%
Yen Ching-Ling's Foundation.	1,001,000	0.33%

(3) Dividend Policy and Execution Status

1. Dividend Policy governed by this Company By-Laws

For the Company's surplus profit (The 'surplus profit' refers to the net income plus the amounts of the current retained earnings adjustments which are not counted in the net income) at the end of each fiscal year, it shall cover the accumulated losses first, then, appropriating 10% as legal reserve, and set aside or reverse special reserve in accordance with the law. The shareholders' dividend or bonuses out of remaining current profit and undistributed retained earnings at the beginning of the year shall be proposed first by the Board of Directors and to be resolved in the shareholders meeting.

The Company is in a stable and mature industry. Factors such as Company's profitability, funding of future operation and change in industrial environment, shareholder's interest and long term financial planning shall be considered in planning the Company's dividend distribution scheme. The amount shall not exceed 90% of current net income as the principal, however, the final dividend distribution ratio shall be proposed first by the board of directors and to be resolved in the shareholders meeting, regardless of such principle. Distribution of dividend is in the form of cash or shares. Cash dividend each year shall not be less than 20% of the total amount of the appropriated dividend of current year.

2. The proposal to this Shareholders Meeting for dividend distribution as follows

The proposal to the Shareholders General Meeting for 2026 for the dividend distribution is cash dividend at NT\$0.84 per share.

(4) The effect of the distribution of stock dividend as proposed by this Shareholders Meeting on operation performance and earning per share: Nil.

(5) Compensation of the Employee and Directors

1. The articles of association indicate the percentage or scope of compensation for the employees and directors:

If the Company has profits for the current year, it shall be distributed not less than 0.1% as employees' compensation, among which the portion allocated to rank-and-file employees shall be not less than 0.05%. The employees' compensation to be resolved in the form of shares or in cash, is agreed upon by a resolution of the Board of Directors and shall be submitted to the shareholders' meeting. However, if the Company has the accumulated losses, the profits must be reserved in advance to offset such losses. Then according to the ratio mentioned in preceding paragraph, to be reserved for such employees' compensation.

Apart from the appropriation of aforementioned employee remuneration, the Company also distributes three holiday bonuses, annual bonus, operating team growth performance bonus, and other incentive awards based on factors such as operation performance and the individual work performance of employees. The company intends to encourage employees with producing better performance for the company and shareholders.

Directors and of the Company may be paid NTD 100,000 (including the transportation allowances) monthly.

2. Yulon Nissan adopted the distribution proposal of the company's 2025 cash remuneration payable to employees at the Board of Directors Meeting on March 10, 2026 in accordance with the estimation of certain ratio from the profits of current year. In the event of discrepancy between the aforementioned estimation amount and the actual amount distributed, the accounting department shall process in according with variation in estimation and adjust to account in the year of distribution.

3. Information on the Board of the Directors adopting distribution compensation:

2025 director and employee compensation

	Board Resolution (03/10/2026)
	Amount (NT\$)
Directors' Compensation (Cash)	0
Employee's Compensation (Cash)	3,995,000
Total	3,995,000

4. The employee's bonus and directors' remuneration paid from last fiscal year's earnings is:

	Board Resolution (03/11/2025)	Actual Result
	Amount (NT\$)	Amount (NT\$)
Directors remuneration (Cash)	0	0
Employee bonus (Cash)	6,830,000	6,830,000
Total	6,830,000	6,830,000

Note: The employee bonus \$6,830,000 had distributed after the 2025 shareholders' meeting.

(6) Status of company's repurchased Treasury Shares: Nil.

2. Corporate Bonds issued: Nil.

3. Preferred Stock issued: Nil.

4. GDR(Global Depositary Receipt) issued: Nil.

5. Employee Stock Options issued: Nil.

6. Restricted Stock Dividends of Employee Issued: Nil.

7. New shares issued for merger or acquisition: Nil.

8. Recorded up to the previous one quarter of the Date of the Report is in Printing, previously issued or privately raised marketable securities that are still not completed or the completed and planned benefits but not shown over the recent 3 years: Nil.

| IV. Highlights Of Operations |

1. Business Content

(1) Business Scope

1. Business Scope

(1) Business Content: The company's main operating items include the design, research, development, sales and spare parts of cars products:

A. Passenger Vehicles: Sedan, RV and its components

B. Commercial Vehicles: Diesel Truck, Diesel Chassis and its components

(2) Operating weight

Unit : NTD thousand

Business Content	Fiscal year 2024		Fiscal year 2025	
	Amount	Percentage(%)	Amount	Percentage(%)
Finished cars	19,488,401	84.25	11,712,339	77.40
Parts	3,432,760	14.84	3,235,965	21.39
Other	210,855	0.91	183,769	1.21
Total	23,132,016	100.00	15,132,073	100.00

(3) Current main products

A. NISSAN brand:

KICKS series: 1.6L featuring continuously variable transmission SUV.

SENTRA series: 1.6L featuring continuously variable transmission, 4-door sedan.

X-TRAIL series: 1.5T featuring continuously variable transmission SUV.

X-TRAIL series: 1.5T imported e-POWER SUV.

ARIYA series: imported electric car.

B. INFINITI:

QX50: L4 2.0L CVT Continuously Variable Transmission, 5-door mid-sized luxury SUV.

QX55: L4 2.0L CVT Continuously Variable Transmission, 5-door mid-sized luxury sport SUV.

QX60: V6 3.5L/ L4 2.0L Turbo 9AT Nine-speed self-exhaust five-gate large seven-seater luxury exercise car.

(2) Industry Summary

1. Industry Environment Analysis

(1) Global Economic Environment

Robust investment in AI technologies continues to be a key driver of global economic growth. Nevertheless, the Trump administration's tariff policies have heightened trade tensions worldwide. In addition, the ongoing conflicts in Ukraine and the Middle East have increased geopolitical risks and supply chain pressures, resulting in substantial market uncertainty. The forecasts of major research institutions are presented below:

2026 Global Economic Growth Rate Forecast		
Research Institute	Latest Forecast	Date of Announcement
IMF	3.10%	Apr 2026
IHS Markit	2.40%	Apr 2026

(2) China Economic Environment

China's economy is expected to gain support from the temporary truce in U.S.-China trade tensions and the government's domestic demand stimulus measures, which are anticipated to enhance economic growth momentum. Nevertheless, unless a sustainable growth model driven by domestic demand is established, the economy may remain exposed to the risks of rising trade protectionism. Forecasts of China's economic growth by major research institutions are summarized in the table below:

2026 China Economic Growth Rate Forecast		
Research Institute	Latest Forecast	Date of Announcement
IHS Markit	4.40%	Apr 2026
IMF	4.40%	Apr 2026
National People's Representative Meeting	4.50%~5.00%	Mar 2026

(3) Domestic Economic Environment

Driven by robust export growth in AI servers and semiconductor-related industries, and supported by the potential benefits of the Taiwan-U.S. Reciprocal Trade Agreement, Taiwan's economy is expected to sustain positive growth momentum. These factors are anticipated to further stimulate economic expansion. Forecasts by major research institutions are presented below:

2026 Taiwan Economic Growth Rate Forecast		
Research Institute	Latest Forecast	Date of Announcement
IHS Markit	6.30%	Apr 2026
Chung-Hua Institution for Economic Research	7.22%	Apr 2026
Directorate-General of Budget, Accounting and Statistics, Executive Yuan.R.O.C.(Taiwan)	7.71%	Feb 2026

2. Industry Overview and Development

Due to global economic instability, sales decreased by 9.7% from 2024. In 2025, the total sales was 405,358 cars. The sale of made-in-Taiwan vehicle was 203,539 cars, which lower by 10.9% than 2024; market share to 50.9%. The sale of imported vehicle was 201,819 cars, which decrease by 8.5% than 2024; market share to 49.8%.

3. Relationships of the industry's upper, middle and down streams.

Upper streams: partners of manufacturing car parts and components.

Middle streams: center of manufacturing, R&D, and marketing.

Down streams: dealers directly dealing with customers and being responsible for car sales and after-sale services.

4. Development trend and competition by each product line

(1) Small family car(1600cc below):

In 2025, 10,370 domestic small saloon cars under 1600cc were sold, indicating a decreased rate of 19.6% compared to 2024.

(2) Medium-and-large family car (1600cc above):

In 2025, The medium-and-large sedan market sales reached 18,109 cars , indicating a decreased rate of 21.2% compared to 2024.

(3) Small Sport Utility Vehicle car:

In 2025, The small Sport Utility Vehicle car market sales reached 33,926 cars , indicating a increased rate of 8.6% compared to 2024.

(4) Medium-and-large Sport Utility Vehicle car:

In 2025, The medium-and-large Sport Utility Vehicle car market sales reached 77,131 cars , indicating a decreased rate of 10.9% compared to 2024.

(3) Technology, Research and Development (R&D)

1. As of the most recent years and Printing of the Annual Report, the total R&D expenditure invested

Unit : NTD thousand

Item \ Fiscal Year	Fiscal year 2024	Fiscal year 2025	Current Fiscal Year and before May 13, 2026 (Note)
R&D expenditure	351,548	268,250	59,637
Net Sales	23,132,016	15,132,073	4,645,238
Percentage of R&D expenditure over Net Sales	1.5%	1.9%	1.3%

Note : The figures are self-totaled number

2. The technology and product successfully developed

- (1) September 2007: Completed the development of LIVINA new model.
- (2) November 2007: Completed the development of CABSTAR new model.
- (3) February 2009: Completed the development of new TEANA model.
- (4) October 2011: Completed the development of new NEW MARCH model.
- (5) October 2012: Completed the development of new BIG TIIDA model.
- (6) October 2013: Completed the development of SUPER SENTRA model.
- (7) October 2013: Completed the Taiwan emission phase 5 development of TEANA / MARCH / TIIDA 4-door.
- (8) January 2014: Completed the development for ALL NEW LIVINA.
- (9) October 2014: Completed the development for modified model of SENTRA AERO.
- (10) March 2015: Completed the development of new-generation X-Trail model.
- (11) April 2016: Completed 6 car models, TEANA / MARCH / TIIDA 4-door/BIG TIIDA / SUPER SENTRA / ALL NEW LIVINA in accordance with the TPMS regulations.
- (12) February 2017: completed the development for modified model of iTIIDA.
- (13) October 2017: Completed the development of remodeled SENTRA.
- (14) May 2018: Completed the development of remodeled X-TRAIL.
- (15) September 2018: Completed the development of remodeled SUPER SENTRA / BIG TIIDA.
- (16) October 2018: Completed the development of remodeled A ALL NEW LIVINA '19 in accordance with the TPMS regulations.
- (17) November 2018: Completed the development of remodeled NEW MARCH '19 in accordance with the TPMS regulations.

- (18) November 2018: Completed the development of new KICKS model.
- (19) July 2019: Completed the development of remodeled KICKS '19
- (20) October 2019: Completed the development of remodeled SUPER SENTRA / BIG TIIDA '20
- (21) November 2019: Completed the development of remodeled X-TRAIL '20
- (22) June 2020: Completed the development of Euro 6 KICKS model.
- (23) September 2020: Completed the development of ALL NEW SENTRA model.
- (24) September 2020: Completed the development of Euro 6 BIG TIIDA model.
- (25) October 2020: Completed the development of Euro 6 X-TRAIL model.
- (26) April 2021: Completed the development of TIIDA J model.
- (27) July 2021: Completed the development of KICKS commemorative model.
- (28) September 2021: Completed the development of ALL NEW SENTRA “Black Belt” model.
- (29) January 2022: Completed the development of X-trail and KICKS “Night special edition” model.
- (30) April 2022: Completed the development of ALL NEW SENTRA “Black Night” model.
- (31) July 2022: Completed the development of KICKS model.
- (32) November 2022: Completed the development of KICKS “Trend” model.
- (33) April 2023: Completed the development of ALL NEW SENTRA “Bright Black” model.
- (34) July 2023: Completed the development of ALL NEW X-TRAIL Hybrid New Design model.
- (35) January 2024: Completed the development of the ALL NEW SENTRA full model changes.
- (36) April 2024: Completed the development of the KICKS Highlight Edition special model.
- (37) July 2024: Completed the development of the X-TRAIL and KICKS OUTDOOR Wild Fun Edition special models.
- (38) August 2024: Completed the development of the ALL NEW SENTRA Blacked-Out Twin Edition special model.
- (39) April 2025: Completed the development of the X-TRAIL, KICKS, and SENTRA Loca Special Edition models.
- (40) May 2025: Completed the development of the X-TRAIL, KICKS, and SENTRA Summer Special Edition models.

3.R&D Plan

(1) Products to Be Developed & Time

Our Company continues to collaborate and communicate with NISSAN Japan closely to introduce new products that meet the market demand, on the basis of Taiwan market trend analysis and consumer requirement. The current selling models of KICKS, SENTRA, TIIDA, and X-TRAIL are all best-selling models in the market. In response to the rise of energy saving and environmental awareness, not only will our Company follows NISSAN’s global product strategy by launching the EV/HEV models in near future, but we will also strengthen the SUV/e-Power product lines to cope with the increasingly booming SUV market in order to continue expanding the market share.

(2) Expected Development Costs

Unit : NTD thousand

2026	2027	2028
224,379	334,440	382,650

(4) Long, short term business development plan

Looking ahead, while the global economy continues to demonstrate resilience supported by the AI technology boom, it remains subject to pressures arising from geopolitical tensions, including the Russia–Ukraine war and conflicts in the Middle East, as well as uncertainties associated with the Trump administration’s global tariff policies. In response to changes in pricing structures resulting from tariff realignments and the growing demand for new energy vehicle transformation, the Company will prudently implement both short- and long-term strategic initiatives. Through flexible market positioning and product portfolio optimization, the Company aims to strengthen its growth momentum and enhance profitability.

1. Short -term business development plan

(1) Product strategy

Facing short-term gaps in domestic vehicle models, the company will leverage the strengths of local suppliers. Actively engaged in the development of special edition models and accessories to strengthen product competitiveness. Speeding up the introduction of New Energy cars to cope with market demand and design the optimal combination of car models and boost market share via a complementary strategy with domestic made car and imported car models incorporated.

Meanwhile, we also plan product lines close to the market trends , strive to produce the most attracting and needs-based products with an emphasized vehicle core value on better appearance, more durable usability, advanced technology and higher performance.

(2) Marketing strategy

A. NISSAN:

- (A). With the brand proposition of “Inspiration Through Details,” the Company strengthens its image as a refined Japanese technology brand through creative marketing campaigns and consistent advertising messages, further enhancing brand recognition and customer affinity.
- (B). Leverage the brand to drive annual marketing campaigns and create product buzz, thereby enhancing overall sales momentum.
- (C). Continue to optimize digital systems, including the Digital Sales Consultant Platform, NISSAN PAD, and the i-NISSAN Sales Platform, to provide customers with a more convenient vehicle purchasing experience.
- (D). Utilize the NISSAN Care App for both mass and targeted push notifications, leveraging precision marketing to reach target customer segments and improve conversion rates.

B. INFINITI:

- (A). Continue introducing new vehicle models and upgraded specifications to create market buzz and drive overall brand sales.
- (B). Expand the application of digital sales support tools and reinforce five-star premium service quality to continuously improve both sales and after-sales services, thereby strengthening channel competitiveness.

(3) Customer retention and engagement enhancement strategy

- A. By continuously optimizing every customer touchpoint process and organizing owner events, the company aims to deepen customer relationships.
- B. By building the NISSAN mobility ecosystem, the company provides customers with a diverse range of services to enhance the value at every stage of vehicle ownership and increase customer loyalty.

(4) Profit increasing strategies

To achieve the best profit efficacy by enhancing car model combination management, and to effectively increase car model sales and profits by continuous implementation of car model profit and cost management.

2. Long-term business development plan

To sustain the demand for company growth, NISSAN Motor reexamines the mid and long-term internal and external environmental impact assessment and identifies the future potential market risks and opportunities. The Company mid-term strategic objectives as described below:

A. Product development strategy

By introducing a broader range of competitive new energy vehicle (NEV) models and U.S.-made vehicle models, the Company aims to meet customer expectations while actively promoting product-focused marketing initiatives to ensure the competitiveness of its vehicle lineup.

B. Brand Enhancement Strategy

NISSAN has repositioned itself as a “Refined Japanese Technology Brand,” guided by the core brand philosophy of “Inspiration Through Details.” Built upon its three brand DNA pillars—Electrification, Craftsmanship, and Trust—the brand seeks to strengthen the integration of technological innovation, human-centric values, and emotional connections. Going forward, NISSAN will continue to deepen consumer engagement and brand affinity through brand image campaigns and intergenerational communication initiatives, further enhancing brand value and strengthening market competitiveness.

C. Channel and Service Strategy

NISSAN has officially initiated the Nissan Premium Service (NPS) network enhancement program, guided by the Japanese philosophy of Omotenashi hospitality, to elevate the overall customer experience. Between 2026 and 2027, the Company plans to complete the establishment of nine NPS flagship facilities and introduce a range of customer-focused initiatives, including consultative services, AI-powered customer support, a first-time repair commitment, and upgraded showroom experiences. These efforts are expected to establish a new benchmark for next-generation brand service standards.

D. Cost Rationalization Strategy

We will review the whole value chain of automotive lifecycle and manage it with respect to its total delivery cost so as to continue to improve the cost competitive efficiency and benefit.

E. Implement ESG sustainability activities and optimizing human resource system

(A) The company has integrated ESG into its medium- to long-term strategic transformation initiatives. Through the Yulon Nissan Sustainability Development Committee, it ensures the effective implementation of the company’s sustainability vision and strategies. The committee is responsible for formulating sustainability goals across various domains, laying a more solid foundation for the company’s path toward long-term sustainable operations.

- (B) The Company strives to explore the potential and value in employees by encouraging them to constantly engage in innovation and take challenges. The Company forms cohesion among all employees to reach a consensus through close communication and excellent interaction, which becomes the driving force of constantly promoting corporate development.
- Distinguished supervisor plan: Intensify the managerial capacity of management.
 - Supervisor successor plan: Develop entry-level officers and successor for mid-level supervisor.
 - Key talent retention: Retain the core talents for the company effectively through reasonable and transparent assessment system.
 - Dual-track system: Build professional technological position and managerial positions in terms of long-term development orientation so employees will receive explicit development path.
- G. Continue to refine “innovative” corporate culture
- The future core competitive advantage will continue to develop from “innovation” with introduction of innovative products and services to effectively utilize the core intelligence capital of the company and comprehensively build customer values.
- (A) In terms of product innovation, the company will collect and manage customer opinions with introduction or mainstream models into process management, thereby to discover the potential demand for consumers, develop and introduce products meeting customer expectation, and create maximum values for customers and shareholders.
- (B) In terms of service innovation, the Company will continue to optimize the hardware and software environment of dealership locations and enhance dealers’ overall operational and management capabilities. Guided by the philosophy of “Inspiration Through Details,” the Company is committed to delivering an exceptional customer experience.

2. Market, Production & Sales Review

(1) Market Analysis

1. Sales Area of company’s Main Products

This company’s products are designing, R&D, Sales of Sedan, RV vehicles and commercial vehicles, and sales of other components. Taiwan area is our main sales area and continue to expand the Asian market, like the export of the parts in Japan and China areas.

2. Market Share

In 2025, we sold 12,886 NISSAN brand and 231 INFINITI brand ones. The total sales volume is 13,117 units and the market share is 3.2%.

3. Analysis and Description of 2025 Market Sales Status and Growth

Due to the impact of U.S. tariff policies and the extension of Taiwan’s vehicle replacement tax incentive program in 2025, consumer spending in Taiwan became more conservative in 2025, The total annual new vehicle registrations reached 405,358 units, representing a 9.7% decrease compared with 2024. In 2025, by market segment, domestically produced vehicles recorded sales of 203,539 units, a 10.9% decline compared with 2024, with a market share of 50.2%. Imported vehicles recorded sales of 201,819 units, an 8.5% decrease compared with 2024, with a market share of 49.8%. By vehicle type, sedan sales totaled 76,638 units, a 17.1% decline compared with 2024, while RV (recreational vehicle) sales reached 260,270 units, a 8.4% decrease compared with 2024.

4. Market Sales Forecast for This Year (2026)

The Taiwan automobile market was affected by macroeconomic uncertainties, including geopolitical instability in the Middle East and U.S. tariff policies. Cumulative total market sales from January to April are 125,158 units, 4.0% YOY decline. However, the market is expected to gradually recover in 2026, driven by clearer tariff policies and Taiwan's economic growth supported by the AI boom. In line with the market rebound, the Company, under the brand theme of "Emotion Driven by Details," will continue to deliver premium products and provide customers with an excellent driving experience, including:

(1) Nissan Brand

A. The domestic vehicle lineup will introduce special edition and facelift models that embody refined Japanese craftsmanship, enhancing product appeal through upgraded quality features and providing customers with a more diverse and enjoyable driving experience.

B. In the fourth quarter, the all-new QASHQAI is expected to be introduced, equipped with Nissan's proprietary third-generation e-POWER system. It delivers a sporty urban crossover SUV experience, offering consumers an EV-like driving experience without range anxiety.

(2) INFINITI Brand

The Company will continue to negotiate with the parent company for the introduction of new models, including the facelifted QX60 and the QX65, to enhance product competitiveness and better meet the needs of INFINITI customers.

(3) Evaluation of the introduction of U.S.-manufactured vehicles.

Leveraging tariff advantages on U.S.-manufactured vehicle imports, the Company will continue to expand its vehicle lineup to provide a more diverse range of product offerings.

5. Competitive Niche

(1) Advantageous Operation and Management Ability

A. Expand combined operational effects across the strait and of the group.

B. Leverage Nissan's global resources to reduce part costs.

C. Strengthen our financial management ability and investment performance.

(2) A Superior and Complete Product Line

A. Introduce products that meet market and customer needs to create customers' value.

B. Innovate IT to strengthen product variation and competitive advantages.

C. To develop a new energy brand image and increase product value and brand awareness

(3) Chinese Style of Design Ability

A. Play an important role in Nissan's global R&D centers and dominate the design of some of our car models.

B. Create profits through our technical output.

C. Cater to the tastes of the Chinese market and design/develop products that can better meet customers' needs.

(4) Comprehensive Service System

A. Provide real-time and comprehensive value-added services through our e-platform including the digital platform for online car purchases, the digital platform for certified second-hand cars, the data middle office, and a diversity of services.

B. The Company will continue to optimize the hardware and software facilities of its dealership network and enhance dealers' overall operational and management capabilities, delivering an exceptional customer experience under the brand philosophy of "Emotion Driven by Details."

(5) Learning Organization

A. Increase our employees' core, management and professional competency.

B. Increase the use of Nissan's V-UP system problem solving approach and gradually accumulate our acquired successful experience to form an innovative learning organization and establish long-term competitive advantages.

C. Implement AI tools and conduct process reviews and optimization to enhance organizational operational efficiency.

6. Advantageous and Disadvantageous Factors of Perspective Development and Strategies to Address

(1) Advantageous Factors

With the launch of the Re-shaping Brand Plan, the Company remains committed to its core brand philosophy of "Emotion Driven by Details." Guided by innovation as the foundation of its development strategy, the Company continues to focus on creating value for customer to increase our "product power" and "service quality" to create a higher competitive edge. For our "product power", we will successively introduce Nissan's quality car designs (NISSAN and INFINITI brands) and combine the personalized IT interface with our products to provide our consumers with a more convenient and mobile life.

A. In respect to NISSAN service, For our "service quality", we will continue to provide our consumers with "genial", "speedy", "professional", and "reliable" service with our thoughtful service ideal.

B. In terms of service quality, the NISSAN and INFINITI brands will continue to enhance sales and after-sales service quality, improve both hardware and software facilities, and leverage innovative information technologies to deliver customer-centric services aligned with customer value propositions. Through these efforts, the Company aims to create greater added value and achieve higher levels of customer satisfaction.

(2) Disadvantageous Factors

A. It is expected that, following the implementation of the Taiwan-U.S. reciprocal tariff policy, automakers will introduce a wider range of U.S.-manufactured models, intensifying competition in the automotive market.

B. Despite the subsidies provided under the vehicle replacement incentive program, the proportion of aging vehicles in Taiwan remains relatively high, posing challenges to road safety and environmental protection. Insufficient policy incentives have dampened consumers' willingness to replace older vehicles, which in turn hinders the growth of new vehicle sales.

(3) Countermeasures

To strengthen its competitiveness, the Company will continue to uphold a spirit of innovation by introducing superior products and services, while enhancing transaction convenience through digital marketing initiatives. These efforts are aimed at creating greater value for consumers and reinforcing its customer-oriented management philosophy.

At the same time, the Company will continue to advance its Re-shaping Brand Plan, guided by its core brand philosophy of "Emotion Driven by Details." The plan is centered on three key brand DNA pillars—Innovation in Electrification, Advanced Human-Centric Technology, and Evolving Trust—and will strengthen consumer identification with the brand through seven dimensions: brand, product, marketing, sales, service, customer satisfaction, and distribution channels.

(2) The major usage and production processes of main products:

The company's main business is design, research, develop, sale and components sales of car products, and there are no production processes, therefore it's not applicable.

(3) Supplies of main raw materials:

The company is not a production manufacturing industry; therefore it's not applicable.

(4) List of Major Suppliers and Clients Over the Recent 2 Fiscal Years

1. Data of suppliers accounting for more than 10% of total purchases over the recent 2 fiscal years

Unit : NTD thousand

Rank	Fiscal year 2024				Fiscal year 2025				First Quarter in 2026			
	Supplier's Name	Amount	% to Net Purchase	Relationship with Yulon-Motor	Supplier's Name	Amount	% to Net Purchase	Relationship with Yulon-Motor	Supplier's Name	Amount	% to Net Purchase	Relationship with Yulon-Motor
1	Yulon Motor Co., Ltd.	19,723,712	99	Relative Party	Yulon Motor Co., Ltd.	13,117,387	99	Relative Party	Yulon Motor Co., Ltd.	2,666,717	99	Related Party
2	Others	91,030	1		Others	19,208	1		Others	4,427	1	
	Net Purchase amount	19,814,742	100		Net Purchase amount	13,136,595	100		Net Purchase amount	2,671,144	100	

2. Data of clients accounting for more than 10% of total sales over the recent 2 fiscal years

Unit : NTD thousand

Rank	Supplier's Name	Fiscal year 2024			Fiscal year 2025			First Quarter in 2026		
		Amount	% to Net Purchase	Relationship with Yulon-Motor	Amount	% to Net Purchase	Relationship with Yulon-Motor	Amount	% to Net Purchase	Relationship with Yulon-Motor
1	Yulon Finance Corporation	19,474,010	84	Relative Party	11,668,784	77	Relative Party	2,252,151	71	Relative Party
2	Others	3,658,006	16		3,463,289	23		907,028	29	
	Net Purchase amount	23,132,016	100		15,132,073	100		3,159,179	100	

3. Employee Data for the Recent Two Years and as of the Publication Date of Annual Report

Fiscal Year		Fiscal year 2024	Fiscal year 2025	Current Fiscal Year as of May 13, 2026
No. of Employee	Marketing	132	116	118
	Management	98	67	59
	Research & Development	136	120	103
	Total	366	303	280
Average age		44.43	45.07	46.04
Average seniority		15.86	16.37	17.04
Academy Ratio	Doctor	0	0	0
	Master	201	170	156
	College	147	122	114
	Senior High School	17	10	10
	Below Senior High School	1	1	0

4. Expenditures on Environment Protection

(1) Losses and Disposal caused by environmental pollution over the recent 2 years: Nil.

(2) Probable environmental expenditures:

The Company has passed the ISO 14001 certification in Nov. 2015, and the ISO 14001: 2015 certification in Nov. 2025 and will continue to support the environment protection in the future. No major probable environmental expenditures are expected in the future. Expect future environmental protection expenditure: 98.7 million /year.

5. Labor-Capital Relationship

(1) Current Prominent Labor-Capital Agreements, Employee Benefits and Their Implementation

1. Status of Labor-Capital Agreements

- (1) This company holds a monthly meeting with the labor representatives for proper communication of problems and improvements between the proprietor and the laborers.
- (2) Understand and pay more attention the needs and voice of the employee to promote the Labor-Capital harmony.
- (3) Ask for the opinions from the officials of the labor authorities, scholars or lawyers on relevant issues and hold seminars of relevant topics regularly.
- (4) Continue to strengthen our effort in educating the employees to enhance convergence.

2. Employee Benefits

- (1) Set the flexibility in working hours.
- (2) New employees enjoy special leave upon arrival
- (3) Provides safe, convenient, quiet dormitory environment and free of charge.
- (4) Establish employee welfares zone, which includes tennis court, indoor and outdoor basketball court, warm water swimming pool, sauna facilities, gymnasium, etc.
- (5) Hold family day on May 1 labour day, annual domestic and foreign tourism, year-end lucky draw and banquet.
- (6) Set up Worker's Complaint Handling System to assist colleagues to solve working problems and to maintain their rights and privileges.
- (7) The Employee Assistance Program (EAP) was set up, with specialized professionals to assist employees with consultations on various problems encountered in their work and life, so as to relieve employees' work-life pressure and maintain their mental health.
- (8) Institutionalize regulations on the prevention of sexual harassment to provide a harassment-free environment for the employees and employee-to-be. Necessary actions would be taken to prevent, correct, punish and handle acts of harassment, and to ensure the protection of the privacy of the victims as well as the rights of all employees.

3. Retirement System

- (1) This company complies with the requirements set forth in the Labor Standards Law and institutionalized relevant regulations on retirement and pecuniary aid in case of death.
- (2) For enhancing the quality of human resources and proper mechanism for replacing the old with the young employees, we have institutionalized a flexible retirement and resignation program.
- (3) The employee retirement regulations developed in accordance with "Labor Pension Act" belongs to the regulation governing pension appropriation. The Company has appropriated 6% from the monthly salary of employees to the individual pension fund accounts at the Bureau of Labor Insurance since July 1st, 2005. The 2025 and 2024, the Company has recognized the amount of appropriation according to the ration stipulated in the appropriation program to the Statement of Comprehensive Income in the amount of NT17,499 thousand and NT16,077 thousand, respectively.
- (4) The Company's employee retirement plan, established in accordance with the "Labor Standards Act," is a defined benefit retirement plan. According to the plan, the payment of employee retirement pensions is calculated based on the length of service and the average regular monthly wages for the six months prior to retirement. The Company allocates 2% of the total monthly payroll to the retirement fund, which is deposited into a dedicated account at Taiwan Bank under the name of the Labor Retirement Fund Supervisory Committee. The account balance is reviewed annually at the end of each year. If the balance is insufficient to cover payments to employees eligible for statutory retirement in the following year, additional contributions are made by the end of March of the next year to ensure the rights of employees under the old labor pension scheme. The amounts allocated in accordance with the specified ratios under the defined benefit plan for the years 2025 and 2024 were recognized as expenses of NT2,076 thousand and NT1,883 thousand, respectively, in the individual comprehensive income statements.
- (5) Employee retirement is handled according to the following provisions:
 - A. The Company has established a retirement plan for formally employed staff. The retirement fund is accrued monthly at 2% of each employee's total monthly salary, managed by the

Company's Labor Retirement Fund Supervisory Committee, and deposited in a dedicated account at Taiwan Bank under the Committee's name.

- B. Employees opting for retirement under the Labor Standards Act may only claim their retirement pension upon meeting the retirement eligibility criteria stipulated by the Act and completing the retirement procedure.
 - C. Employees opting for retirement under the Labor Pension Act shall have 6% of their monthly wages contributed to their individual accounts from the declaration date onwards. Their service years prior to choosing the Labor Pension Act are preserved until they meet the retirement requirements under the Labor Standards Act and retire, at which time they may claim their retirement pension.
 - D. Employees hired on or after July 1, 2005 (including those re-employed after resignation) are all subject to the Labor Pension Act.
- (6) The retirement standards for employees are as follows:
- A. Employees may voluntarily retire if they meet one of the following conditions:
 - (A) Have worked for the Company for 15 years and are at least 55 years old.
 - (B) Have worked for the Company for 25 years or more.
 - B. Employees who have worked for the Company for 10 years and are at least 60 years old.
 - C. Employees may not be forced to retire unless one of the following conditions is met:
 - (A) They have reached 65 years of age.
 - (B) They have lost mental capacity or have disabilities making them unable to perform their duties.
- (7) The retirement pension payment standards under the Labor Standards Act are as follows:
- A. Based on years of service, employees who have served between one and fifteen years receive a pension equivalent to two months' average wage per year of service. From the sixteenth year onwards, they receive one month's average wage per year of service, up to a maximum of 45 months. Periods less than six months are counted as half a year, and periods of six months or more are counted as a full year.
 - B. Employees retiring due to mental incapacity or physical disability incurred in the course of their duties shall receive an additional 20% pension based on the standard above.
 - C. The pension base is defined as the average monthly wage at the time of approved retirement.

(2) Labor Dispute

Harmonized Labor-Capital has been maintained since the very beginning, and labor dispute that had caused company loss has never happened.

In 2025, there was no loss due to labor disputes.

6. Intellectual Property Management Program

(1) Intellectual Property Management Policy

In line with the Company's management philosophy of “Pursuing Customer Satisfaction, Creating Corporate Prosperity, and Contributing to Social Well-being,” the Company has established the following Intellectual Property Management Policy:

1. Continuously accumulate and develop intellectual property assets.
2. Avoid infringing upon the intellectual property rights of others.

Through the implementation of this policy, the Company aims to enhance its competitive advantage and maximize market value. All employees are required to comply with and uphold this policy.

(2) Intellectual Property Management Overview

The Company's intellectual property management system covers four primary areas: patents, trademarks, trade secrets, and copyrights. With the assistance of the Group and external legal professionals, the Company manages the acquisition, protection, maintenance, utilization, and development of intellectual property in compliance with applicable laws and regulations.

1. Patent Management

To encourage employee innovation and research and development activities, the Company seeks patent protection for its technologies and products and effectively manages R&D 成果 to accumulate intangible assets. The Company's patent management framework covers the planning, creation, review, maintenance, and utilization of patents across all business units. In addition, the Company implements measures to mitigate potential infringement risks.

2. Trademark Management

To safeguard the distinctiveness and reputation of the Company's trademarks, employees are encouraged to actively use registered trademarks following registration. Such use not only helps build brand equity but also prevents trademark cancellation due to non-use for three consecutive years under applicable trademark laws. The Company also takes appropriate actions against unauthorized use of identical or similar trademarks on the same or similar goods and services that may cause consumer confusion, thereby protecting its corporate image and strengthening brand reputation.

3. Trade Secret Management

Since 2014, the Company has implemented measures to protect confidential information that is not generally known to persons involved in the relevant field, including production, sales, and business methods, technologies, processes, formulas, software programs, designs, and other information that may be used in production, sales, or business operations. To protect such highly confidential assets, the Company has established Information Security Management Procedures that classify confidential documents according to sensitivity levels and assign access rights to control the dissemination of confidential information. In addition, confidentiality agreements are executed in connection with employment, appointment, contracting, licensing, and other business relationships to ensure that confidential information is not improperly disclosed to third parties.

4. Copyright Management

The Company manages and utilizes copyrights by retaining and documenting completed works to establish the date of creation. Before using copyrighted works owned by others, the Company evaluates the legitimacy of such use and, where necessary, obtains authorization from the copyright owner. To safeguard its lawful rights and interests, the Company stipulates that copyrights created by employees in the course of their duties belong to the Company. When cooperating with external parties, the Company also actively seeks to secure ownership of copyrights whenever appropriate. Furthermore, the Company adopts measures to ensure that employees respect the copyrights of others.

(3) Intellectual Property Management Improvement Plan

The Company reported matters related to intellectual property management to the Board of Directors at its 8th meeting of the 9th Board of Directors on November 11, 2025.

To further strengthen its intellectual property governance framework and promote intellectual property awareness, the Company completed the following improvement initiatives during 2023–2025:

1. 2023

- (1) Updated case studies in the patent fundamentals training videos to facilitate orientation and training for new employees.
- (2) Conducted an online workshop on the collection of trademark use evidence. Participants included personnel from 13 departments, including the Marketing Department, Product Planning Office, and YNTC, totaling 22 participant-hours (22 participants × 1 hour).
- (3) Completed the second phase of the trade secret inventory project, adding 212 items and bringing the total number of related documents to 1,229.

2. 2024

- (1) Conducted an online copyright awareness training program for employees across all departments and business partners, totaling 321 participant-hours (321 participants × 1 hour).

3. 2025

- (1) Conducted an online trade secret awareness training program for employees across all departments and business partners, totaling 298 participant-hours (298 participants × 1 hour).

4. Planned Intellectual Property Management Improvement Activities for 2026

- (1) The Company plans to designate trademark management as a key focus area and conduct activities such as the collection and maintenance of trademark use evidence.

(4) Current Intellectual Property Achievements

1. Patents: The Company held 3 valid patents in force.
2. Trademarks: The Company held 26 valid registered trademarks in force.

7. Cyber security management

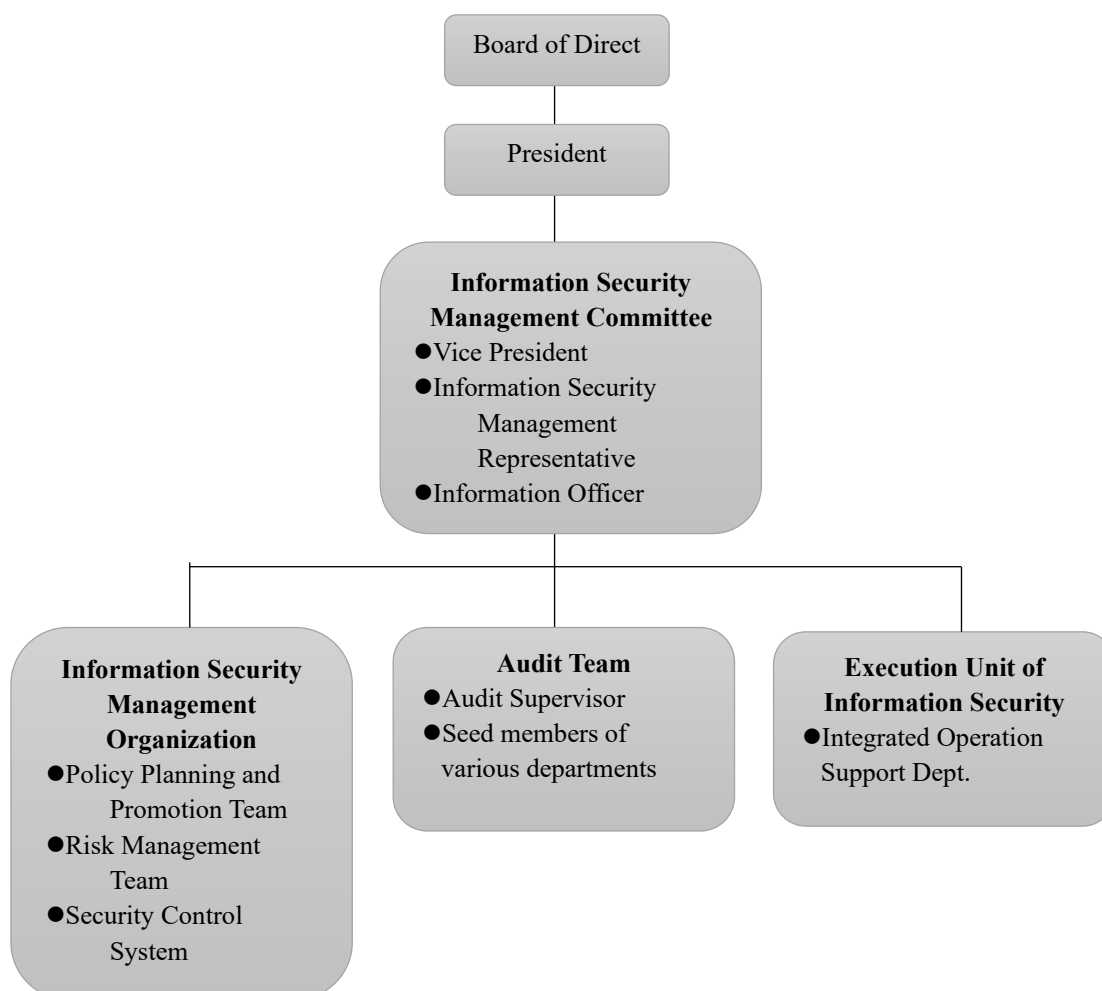
(1) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

Our company has passed the annual external independent audit for persistent maintenance of the international information security standards as outlined in the ISO27001 certification. An independent information security department “Information Security Organization Structure” has also been established, with Information Security Representatives to plan the information security operations for our company.

Yulon Nissan Motors, to secure our company's business secrets and follow the guidelines of Personal Data Protection Law as set forth by the government, will continue to proactively manage our information security and strengthen our defense capability. We will ensure all our information operations not only comply with the international information security standards, but are also in conformance with domestic and foreign information security acts and regulations. We will invest more in the research of information security and make it a way of life in our daily business operations.

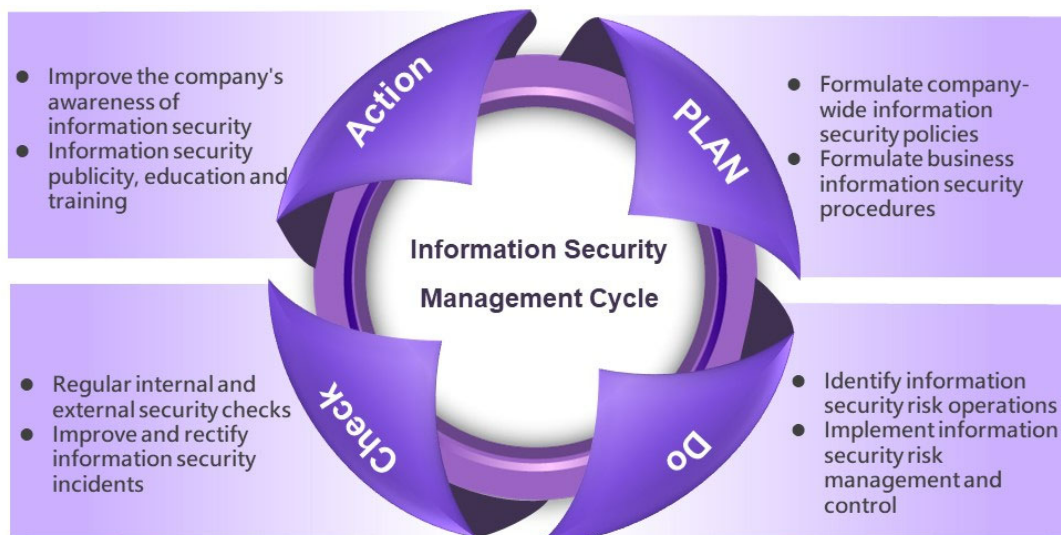
Our information security-related management measures are as follows:

- A. Establish “Yulon Nissan Information Security Management Committee” to review the company information security governance policies, audit the company information security management operations, and periodically report the information security governance status to the Board of Directors.



B. Draw up information/communication security policies:

The information security management mechanism, following the steps of PDCA and the axis of the information security strategies, will be executed in three aspects, ie., information security governance, legal compliance, and technology implementation. From systems to technologies, personnel to organizations, we will improve our information security protection capability in all dimensions.



Information Security Policy		
Information Security Governance	<ul style="list-style-type: none"> Proactive improvement of the management systems Control of the risks Strengthening of the prevention mechanism. 	Continue to proactively improve the management systems, including the reinforcement of education and training, design of information security infrastructure, and the strengthening of the protection technologies.
Legal Compliance	<ul style="list-style-type: none"> Periodical review Modification Establishment of a law-abiding mechanism 	Establish a law-abiding cyclical mechanism to review, and modify internal operation protocols so as to comply with the international information security standards.
Technology Implementations	<ul style="list-style-type: none"> Internal and external data collection Data analysis utilization, forecast of the weakness of threats Control of risk management. 	Utilize the data analysis technology to predict the information security risks and minimize thereof, so as to ensure the information security.

C. Obtain International Certification in Information Security:

Continuous passing of the annual ISO27001 information security management certification, and implementation of the information security evaluation procedures.

D. Implement an annual information security evaluation management process:

The purpose of this is to utilize a systematic risk evaluation methodology to clarify the possible risks to our information assets, so that we can take appropriate measures for containment, so as to minimize the risks to a bearable level to ensure that the business operation continues without obstacles.

E. Investment of resources in information security:

Continuously invest resources in information security-related implementations. Resources will be invested in areas such as the security infrastructure for perfect governance and technology, the defense mechanism for information security improvement, the analysis of security intelligence, and education/training. The goal is to improve the information security capability in all dimensions, from the aspect of management to technology.

1. Cybersecurity Governance and Oversight

The Company has established a Cybersecurity Committee to oversee cybersecurity management. The Company has also obtained ISO 27001 certification verified by BSI. The certification undergoes recertification every three years, with annual surveillance audits conducted during each certification cycle to ensure its continued validity.

2. Cybersecurity Threat and Trend Monitoring

The Company monitors cybersecurity threats and emerging trends through threat intelligence provided by organizations such as TWCERT and major technology vendors (e.g., Microsoft), and develops appropriate defensive measures accordingly.

3. Cybersecurity Education and Training

- (1) Cybersecurity awareness training is conducted annually for all employees.
- (2) Professional cybersecurity training is provided annually for designated cybersecurity representatives.
- (3) Cybersecurity awareness is promoted through the employee portal, email communications, online seminars, and other channels, with at least ten awareness activities conducted each year.

4. Security Testing and Assessment

The Company conducts cybersecurity assessments at least annually, including social engineering exercises, penetration testing, and vulnerability scanning.

5. Implementation of Cybersecurity Governance

- (1) The Cybersecurity Management Review Meeting is convened at least once each year.
- (2) Cybersecurity management activities are implemented in accordance with the Plan-Do-Check-Act (PDCA) cycle prescribed under ISO 27001.

F. Strengthen safety awareness

In order to implement the concept of information security to every employee, the company raises employees' awareness and vigilance of information security through annual staff training and social engineering simulation exercises. At the same time, when employees violate the information security policy, they will be punished according to the employee penalty rules to reduce the risk of information security and the impact on the company's operations.

G. Capital security incident reporting procedure

In recent years, hacker attacks have been diversified. The company conducts business continuity drills for all information systems every year, and establishes a complete set of information security notification procedures as follows. The notification and handling of information security incidents are carried out in accordance with the specifications of the procedures.

(2) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

In 2025, there was no loss due to significant cyber security incidents.

8. Prominent Contracts

Contract	Counter party	Contract Period	Highlights of Provisions	Restrictive Terms
Technical cooperation agreement	Nissan Motor Co., Ltd.	2003.11.01~2008.10.31	Technical cooperation to develop and manufacture a variety of vehicles	1. Restriction on sub-licensing to a third party 2. Restriction on sales beyond licensed territories
Dealing agreement on import cars	Nissan Motor Co., Ltd.	2003.11.01~2008.10.31	Dealing matters with import cars	1. Restriction on sales beyond licensed territories 2. Confidential responsibility on third party business
OEM, Substitute Materials Contract	Yulon Motor Co., Ltd.	2015.05.01~2020.04.30	Assembly for variety of vehicles and auto parts	1. Restriction on sub-licensing to a third party 2. Restriction on sales beyond licensed territories
Sales Contract	Yulon Finance Corporation	Note	Provide Car Financing to Dealers	1. Restriction on sub-licensing to a third party 2. Confidential responsibility on third party business
Distribution agreement	Yuan Long Motor Co., Ltd. and 3 other companies	2025.03.01~2028.02.29	Sales of Nissan a variety of vehicles and auto parts	1. Restriction on sub-licensing to a third party 2. Confidential responsibility on third party business
Distribution agreement	Yu Tang Motor Co., Ltd. and 4 other companies	2025.03.01~2028.02.29	Sales of Nissan a variety of vehicles and auto parts	1. Restriction on sub-licensing to a third party 2. Confidential responsibility on third party business
Distribution agreement	Yu Shing Motor Co., Ltd.	2025.03.01~2028.02.29	Sales of Nissan a variety of vehicles and auto parts	1. Restriction on sub-licensing to a third party 2. Confidential responsibility on third party business
Distribution agreement	Empower Motor Co., Ltd.	2025.05.01~2028.02.29	Sales of Nissan a variety of vehicles and auto parts	1. Restriction on sub-licensing to a third party 2. Confidential responsibility on third party business
Distribution agreement	Chen Long Motor Co., Ltd.	2024.03.01~2025.08.31	Sales of Nissan a variety of vehicles and auto parts	1. Restriction on sub-licensing to a third party 2. Confidential responsibility on third party business
Distribution agreement	Lian Chen Motor Co., Ltd.	2022.03.01~2026.06.30	Sales of Nissan a variety of vehicles and auto parts	1. Restriction on sub-licensing to a third party 2. Confidential responsibility on third party business
Distribution agreement	Empower Motor Co., Ltd. and 4 other companies	2023.07.01~2026.06.30	Sales of INFINITI a variety of vehicles and auto parts	1. Restriction on sub-licensing to a third party 2. Confidential responsibility on third party business

Note: Yulon Nissan Motor Co., Ltd., and Yulon Finance Corporation are affiliates, and Dealers collections are made through Yulon Finance Corporation; therefore contract duration was not specifically instituted.

V. Review and Analysis of Financial Conditions and Operation Performance and Risk Management

1. Financial Conditions

Unit : NTD thousand

Item	Fiscal Year	Fiscal year 2024	Fiscal year 2025	Difference	
				Amount	%
Current Assets		\$8,810,601	\$7,115,242	\$(1,695,359)	-19%
Long-Term Equity Investments		13,648,183	14,357,817	709,634	5%
Fixed Assets		783,040	626,829	(156,211)	-20%
Other Assets		910,971	744,434	(166,537)	-18%
Total Assets		24,152,795	22,844,322	(1,308,473)	-5%
Current Liabilities		2,002,408	1,669,310	(333,098)	-17%
Other Liabilities		2,882,100	3,083,873	201,773	7%
Total Liabilities		4,884,508	4,753,183	(131,325)	-3%
Share Capital		3,000,000	3,000,000	-	-%
Capital Reserves		5,988,968	5,988,968	-	-%
Retained Earnings		10,828,581	10,068,246	(760,335)	-7%
Other adjustment items shareholders' equity		(549,262)	(966,075)	(416,813)	76%
Total shareholder equity		19,268,287	18,091,139	(1,177,148)	-6%

Variance Analysis

- (1) The increase of long-term equity investments was because of increase in investment income, and no dividends were distributed by the mainland investment company in 2025.
- (2) The decrease of other adjustment items shareholders' equity was because of the asset of the mainland investment company of unfavorable unrealized exchange.

2. Financial Performance

Unit : NTD thousand

Item	Fiscal Year		Increase (Decrease) Amount	Changes (%)
	Fiscal year 2024	Fiscal year 2025		
Gross Revenue	\$ 23,149,917	\$ 15,143,869	(8,006,048)	(35)
Less: Sales Returns				
Sales Allowances	17,901	11,796	(6,105)	(34)
Net Operating Revenue	23,132,016	15,132,073	(7,999,943)	(35)
Operating Cost	20,473,909	13,699,100	(6,774,809)	(33)
Operating margin	2,658,107	1,432,973	(1,225,134)	(46)
Operating Expenses	2,596,568	2,045,322	(551,246)	(21)
Operating Profit	61,271	(612,322)	(673,593)	(1099)
Non-Operating Revenue and Gain	2,003,160	1,181,247	(821,913)	(41)
Non-Operating Expense and Loss	14,500	41,378	26,878	185
Income Before Income Tax	2,049,931	527,547	(1,522,384)	(74)
Income Tax Expense	379,588	137,618	(241,970)	(64)
Net Income	\$ 1,670,343	\$ 389,929	(1,280,414)	(77)

Variance Analysis :

- (1) The decrease in gross revenue operating margin and operating profit was due to the number of vehicles sold decreased.
- (2) The decrease in non-operating revenue and gains was primarily due to the reduced earnings of the reinvested company.

3. Cash Flow Analysis

(1) Cash Flow Analysis for the Recent 2 years

Item	Fiscal Year		Increase (Decrease) Ratio(%)
	Fiscal year 2024	Fiscal year 2025	
Cash Flow Ratio (%)	(Note1)	11	-
Cash Flow Adequacy Ratio (%)	(Note2)	(Note2)	-
Cash Reinvestment Ratio (%)	(Note3)	(Note3)	-
Note1. The ratio of net cash flows from operating activities to current liabilities for the year 2024 was negative and therefore not presented..			
Note2. The ratio of the sum of net cash flows from operating activities over the past five years to the sum of capital expenditures, increase in inventories, and cash dividends over the same period for the years 2024 and 2025 was negative and therefore not presented.			
Note3. For the years 2024 and 2025, the amount of net cash flows from operating activities less cash dividends was negative and therefore not presented.			

(2) Cash Flow Analysis for the Next Year

Unit:NTD thousand

Cash balance at the beginning of the year	Expected annual net cash flow from operating activities	Expected annual net cash flow from investment and accommodation activities	Expected cash balance	Expected contingency plan for insufficient cash	
				Investment plan	Financial plan
5,530,134	-647,581	-410,602	4,471,951	-	-

4. Influence on Financial Condition caused by Prominent Capital Expenditures in fiscal year 2025

(1) The Use and Capital Source of Prominent Capital Expenditure

Unit : NTD thousand

Program items	Actual and estimated source of capital	Actual or estimated date of completion	Total fund needed	Actual or estimated use of capital					
				Fiscal year 2021	Fiscal year 2022	Fiscal year 2023	Fiscal year 2024	Fiscal year 2025	Fiscal year 2026
Model Clamp Lifting Tool	Self-owned fund	114.12.31	2,514,678	366,693	191,706	103,406	100,814	113,576	94,005
Other equipment	Self-owned fund	114.12.31	129,850	2,992	14,231	5,755	4,848	4,165	2,900
MIS equipment	Self-owned fund	114.12.31	49,082	9,392	2,450	9,120	9,603	14,567	15,015

(2) Anticipated benefits

1. Invested in new model mold, increase production line to raise market shares.
2. The investment in information system related hardware and software, updating management information system will increase the managerial efficiency and strengthen market competition capabilities.
3. Increase the degree of automation, reduce the labor costs.

5. Investment Policy in Fiscal Year 2025, Major Reasons for Profit and Loss, Its Improvement Plan and Next Year's Investment Plan

Unit : USD thousand \ NTD thousand

Investor Company	Investee Company	Percentage of Ownership on December 31,2025	Investment Gain (Loss)	Cause of Gain(Loss)	Improvement plan	Investment plan in the currently year
Yulon Nissan Motor Company, Ltd.	Yi-Jan Overseas Investment Co., Ltd.	100	\$1,091,839	New model launches in China increased sales volume.	Nil	Nil
Yi-Jan Overseas Investment Co., Ltd.	JetFord, Inc.	100	USD35,024	New model launches in China increased sales volume.	Nil	Nil

Review and Analysis of Financial Conditions and Operation Performance and Risk Management

Investor Company	Investee Company	Percentage of Ownership on December 31,2025	Investment Gain (Loss)	Cause of Gain(Loss)	Improvement plan	Investment plan in the currently year
JetFord, Inc.	Aeolus Xiangyang Automobile Co., Ltd.	16.55	USD 3,344	New model launches in China increased sales volume.	Nil	Nil
JetFord, Inc.	Guangzhou Aeolus Automobile Co., Ltd.	42.69	USD26,699	New model launches in China increased sales volume.	Nil	Nil

6. Risk Management and Evaluation

(1) Influence of the interest rate, foreign exchange rate and rate of inflation on company's profit/loss and plans to encounter these risks in the future:

1. Influence of interest rate fluctuation on the company's profit/loss and future coping strategies:

The Company currently maintains a sufficient cash position and has no borrowings. Therefore, fluctuations in interest rates have a limited impact on the Company's profit or loss.

2. Influence of foreign exchange rate fluctuation on the company's profit/loss and future coping strategies

To avoid potential risks, the company has not specially manipulated the foreign exchange rate; the exchange rate difference is utilizing the sharing method agreed with Nissan.

3. Influence of inflation on the company's profit/loss and future coping strategies: Nil.

(2) Policy on High Risk, High Leverage Investment, Capital Loans to Others, Endorsement and Trade on Derivatives, Major Reason for Profit/Loss and plans to encounter these risks in the future:

1. This company has not involved in High Risk, High Leverage Investment.

2. As to the Capital Loans to Others, Endorsement and Trade on Derivatives, these activities are governed by company's 'Procedure of Capital Loans to Others', 'Procedure of Endorsement' and 'Procedure of Trade on Derivatives'. There was no related activity in 2025.

(3) Future research/development plans and estimated investing R&D expenditure:

Please refer to : IV \ Highlights of Operations – 1.Business Scope – (3)Technology, Research and Development (R&D)

(4) Important Changes of Local and Foreign Government Policies and Regulations and Their Influence Over Company's Financial Condition and Plans to Encounter these Risks in the Future:

The Company continuously monitors laws and policies that may affect its business and operations. At present, significant domestic and international policy and regulatory changes have had no material impact on the Company's financial position or operations.

(5) Changes on technology and industrial change influence toward the company's finance business and coping strategies:

The company has the best car research/development team and personnel in the country, to quickly handle the technology changes and industrial change.

(6) Changes on Corporate Image that Influence Company's Risk Management and Contingency Plans:

The company has a good corporate reputation, and there has been no negative report in connection with the corporation.

(7) Benefit anticipated and possible risks of merge and acquisition:

It's not applicable, because the company was not involved in any merge and acquisition.

(8) Benefit anticipated and possible risks of plant site expansion: N/A.

(9) Risks of having purchase or sales centralization

1. Purchase: The company incoming shipment is Yulon Motor Company, Ltd., it's a listed company that has an outstanding credibility, excellent production technology and strong finance, so the company has no need of worrying about the interruption of incoming shipment.
2. Sales: Local market is the main selling of the company, selling cars and parts to the consumers through each location dealer. The company has an exclusive department responsible for supervising the sales development of each dealer, after a long period, the dealers' sales are pretty stable, so there is no risk of having sales centralization

(10)The impact and the risk of having a big Volume of transferring or changes of Shareholders equity of the Directors, or holding more than10% shares shareholders, Except for the releasing of shares : Nil.

(11)The impact and risk of changing operating rights of the company: Nil.

(12)Litigation/Non-Litigation Events:

1. The company: Nil.
2. The proportion of shares that the owned by big shareholders like the Company's Board Members, General Manager, Real Owner that exceeds 10% and the belonging company: Nil.

(13)Other Important Risks and actions to be taken: Nil.

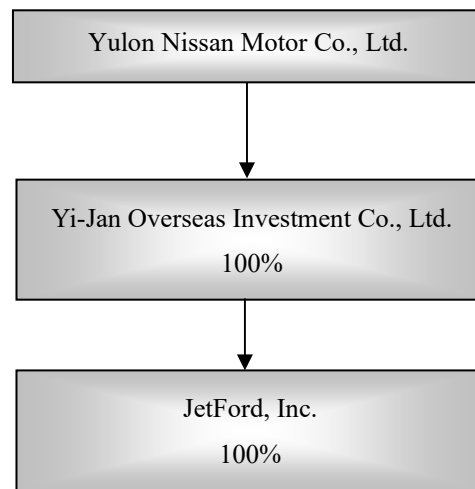
7. Other Important Items: Nil.

| VI. Special Noted Items |

1. Affiliates information

(1) Affiliates Consolidated Operation Statement

1. Organization Chart of Yulon Motor's Affiliated Companies



2. Basic information of affiliates

Dec. 31, 2025
Unit : USD thousand

Name	Establishing Date	Address	Actually accrued capital amount	Main Business Items
Yi-Jan Overseas Investment Co., Ltd.	1999.11.17	2F,Cayside,Harbour Drive P.O.Box 30592 S.M.B. George Town Grand Cayman Island B.W.I.	USD 84,987	Investments
JetFord, Inc.	1994.01.12	P.O.Box 3151 Road Town, Tortola British Virgin Islands	USD 71,772	Investments

3. Shareholders representing both holding companies and subordinates: Nil.

4. Information of the directors and general managers of the affiliates

Dec. 31, 2025

Name	Title	Name or representative	Shares	
			Shares	Percentage
Yi-Jan Overseas Investment Co., Ltd.	Director	Yulon Nissan Motor Co., Ltd. Representative: Chen-Hsiang Yao	84,986,756	100%
JetFord, Inc.	Director Director Director	Yi-Jan Overseas Investment Co., Ltd. Representative: Chen-Hsiang Yao Chao-Yen Liang Yu-Jen Chu	71,771,793	100%

5. Affiliates' Operating Results

Dec. 31, 2025

Unit : NTD thousand

Affiliate Code Number	Name	Capital	Total Assets	Total Liabilities	Net Value	Operating Revenue	Operating net income	Net Income / Loss (after-tax)	Earning Per Share (NT dollar) (after-tax)
22270001	Yi-Jan Overseas Investment Co., Ltd.	2,671,733	18,943,493	-	18,943,493	1,092,069	1,091,839	1,091,839	12.84
22270002	JetFord, Inc.	2,255,787	18,941,839	3,261	18,938,578	1,104,363	1,092,033	1,092,033	15.21

(2) Affiliates Consolidated Financial Report:

Statement

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standards No.10, ”Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed is included in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours

Company Name: Yulon Nissan Motor Co., Ltd.



Responsible person: Yen Chen, Li Lien



March 10, 2026

(3) Consolidated report of public companies and their affiliates: Nil.

- 2. Fiscal Year 2025 and prior to the publication date of the annual report, The Status of Issuing Private Placement Securities: Nil.**
- 3. Other necessary supplementary notes: Nil.**
- 4. Any events that had significant impacts on shareholders’ right or securities prices as stated in Section 3 Paragraph 2 in Article 36 of the Securities Transaction Law for fiscal year 2025 and prior to the publication date of the annual report: Nil.**



X-TRAIL e-POWER



X-TRAIL 1.5T



QX50 2.0T



QX55 2.0T



KICKS 1.6



QX60 2.0T



QX60 3.5



ARIYA EV



SENTRA 1.6



Yulon Nissan Motor Co., Ltd.



Chairperson Yen Chen, Li Lien



Corporate Vision

Becoming the Benchmark Company of “Product Innovation”
and “Service Innovation” in the Cross Strait Auto Industry

YULON NISSAN MOTOR CO., LTD

No.39-2 Bogongkeng, Xihu Village, Sanyi Township,
Miaoli County 367, Taiwan (R.O.C.)
24Hour Service hot-line 0800-088-888
<http://new.nissan.com.tw/nissan>