# V5 Technologies Corp.

*Corporate Value Enhancement Plan*

## I. Current Situation Analysis: Financial Indicators, Cost of Capital, and Market Valuation

### 1. Financial Structure, Solvency, and Weighted Average Cost of Capital (WACC)

V5 Technologies adheres to a prudent capital management strategy, relying primarily on shareholder equity and operational self-funding. To analyze the transformation of our financial structure in detail, the key financial metrics and solvency indicators for FY2024, FY2025, and H1 2026 are summarized below:

| Financial Indicator | FY2024 (2024) | FY2025 (2025) | H1 2026 (2026H1) |
|---|---|---|---|
| **Current Ratio (%)** | 154.1% | 154.7% | 364.8% |
| **Quick Ratio (%)** | 58.1% | 86.8% | 296.8% |
| **Debt-to-Asset Ratio (%)** | 61.18% | 61.02% | 8.90% |

- **Significant Improvement in Financial Structure:** In FY2024 and FY2025, the company's debt ratio remained around 61%, primarily driven by rapid business expansion and high demand for raw material stocking and advance payments for high-end Automated Optical Inspection/Automated X-ray Inspection (AOI/AXI) equipment. By H1 2026, with the capital benefits of IPO fundraising materializing and debt structure optimization, the debt ratio dropped significantly to 8.90%.
- **Doubling of Solvency and Liquidity Capabilities:** The current ratio surged from ~154% in FY2024/2025 to 364.8% in H1 2026, while the quick ratio leaped to 296.8%. This demonstrates that the company possesses extremely abundant short-term liquidity and defensive capability, featuring excellent financial resilience to cope with industry fluctuations and sudden capital expenditure demands for rush orders.
- **Optimization of Cost of Capital (WACC):** As the debt ratio decreased to single digits, the capital structure became heavily tilted toward equity capital. Benefiting from having zero interest-bearing debt, the company incurs no cost of debt. After comprehensive weighted calculation, the company's Weighted Average Cost of Capital (WACC) is

approximately 8.9%. Because WACC is primarily driven by the cost of equity, financial leverage risk and interest burdens are minimized, providing ample flexibility for future large-scale R&D investments and capital allocation.

### 2. Profitability and Operational Efficiency Analysis

In FY2025 (2025), the company achieved consolidated revenue of NT$2,075,454 thousand, representing substantial growth compared to the previous year and driving overall economies of scale. By combining AI intelligent image data analytics with high-end optical inspection, product value-add increased significantly. R&D expenses in FY2025 reached NT$249,615 thousand, with over 62% of the R&D team holding master's degrees or above, demonstrating deep technical barriers and high capital efficiency.

### 3. Market Valuation

As of June 30, 2026, the company's Price-to-Earnings (P/E) ratio and Price-to-Book (P/B) ratio stood at 53.3x and 8.1x, respectively. Despite strong demand for advanced semiconductor packaging inspection, capital market valuations for high-end inspection equipment vendors are often impacted by industry cycles and technology transition periods. The company will actively enhance information disclosure transparency, regularly host investor conferences, and publish ESG reports to help the capital market fully evaluate the company's position in advanced packaging inspection and metrology, thereby boosting P/E and P/B performance.

## II. Short-Term and Medium-to-Long-Term Value Enhancement Plans

### 1. Short-Term Enhancement Plan (1–2 Years)

- **Deepen Advanced Packaging Inspection Equipment Layout:** Targeting leading domestic and international foundry and advanced packaging customers, we will continue R&D investments in key equipment including Macro inspection, Micro inspection, and high-magnification metrology (EBR, Overlap, CD, Fine line), addressing high-yield requirements for 3DIC and CoWoS.
- **Optimize Supply Chain Resilience and Local Sourcing:** Maintain a localized procurement ratio of over 90% for raw materials and components. Partnering with high-quality domestic suppliers will mitigate supply chain risks, lower international transport carbon footprints, and enhance delivery flexibility and cost advantages.

### 2. Medium-to-Long-Term Enhancement Plan (3–5 Years)

- **Focus on Next-Gen Advanced Packaging Technologies (PLP / CPO / 3DIC):** Focus on developing high-end inspection and metrology equipment for

overlay/alignment processes and Panel Level Packaging (PLP), leading the standardization of next-generation semiconductor packaging architectures.

- **Complete AI Metrology Ecosystem & Platform Services:** Build a comprehensive AI smart factory inspection and metrology platform compliant with top information security standards (ISO 27001), establishing a complete ecosystem integrating hardware optical stations with real-time cloud/edge AI inference.
- **Cross-Domain Emerging Application Expansion:** Extend advanced semiconductor AI image processing technologies into the biomedical imaging market (such as subsidiary V5Medtech's pulmonary CT image-assisted diagnosis system), creating a strong second growth curve.

## III. Corporate Governance and ESG Sustainability Strategy

The company deeply understands that sound corporate governance and sustainable operations form the bedrock of long-term enterprise value. Referencing international benchmark frameworks, V5 Technologies has integrated ESG into its daily operations:

### 1. Board Structure and Governance Efficiency Enhancement

- **Diversity and Independence:** The Board consists of 10 directors, of which 40% (4 seats) are Independent Directors, and no Independent Director has served more than three consecutive terms. Audit and Remuneration Committees are fully established. In 2025, the Board's self-assessment score exceeded 96 points, demonstrating outstanding supervisory effectiveness.
- **Corporate Governance Officer Appointment:** Formally appointed a Corporate Governance Officer in August 2025 to comprehensively safeguard shareholder rights, arrange director continuing education (totaling 36 hours for all directors in 2025), and continuously advance corporate governance.
- **Grassroots Care and Compensation Linkage:** Amended the Articles of Incorporation to mandate that no less than 8% of annual profits be distributed as employee compensation, fulfilling our corporate social responsibility to care for grassroots staff and share operating achievements.

### 2. Green Sustainability and Environmental Management (Environment)

- **Dual ISO International Certifications & Decarbonization Performance:** Fully certified under ISO 14001 Environmental Management System and voluntarily implemented ISO 14064-1 Greenhouse Gas (GHG) inventory. In FY2025, GHG emission intensity (0.4544 metric tons CO2e / NT$ million revenue) decreased by 11.82% YoY, and energy intensity fell by 13.88%.
- **Sustainable Reduction Roadmap:** Set short-term targets to reduce emission intensity by 1% annually and medium-to-long-term targets of 2% annually,

implementing green measures such as high-efficiency LED lighting optimizations and short-distance commutes for employee dormitories.

### 3. Information Security and Workplace Well-being (Social & Governance)

- **Information Security Defense (ISO 27001):** Obtained ISO 27001:2022 Information Security Management System certification. Established an Information Security Committee chaired by the General Manager, regularly conducting vulnerability scans and drills, resulting in zero major cybersecurity incidents or customer privacy breaches.
- **Occupational Safety & Workplace Equity (ISO 45001):** Implemented ISO 45001 Occupational Health and Safety Management System, maintaining a zero-accident record for factory and traffic operations. All employees hold full-time, indefinite-term contracts, and ratios of female staff and female executive managers have steadily increased, fostering a friendly and inclusive workplace.

## IV. Capital Allocation and Shareholder Return Policy

- **Priority Support for Advanced R&D:** Continuously invest in key technology R&D and patent portfolio annually to ensure our technological competitive edge.
- **Prudent & Sustainable Dividend Distribution:** Given that the debt ratio decreased to 8.90% and current ratio reached 364.8% in H1 2026, the company's financial structure is exceptionally robust. While balancing long-term capital expenditure needs, we will uphold a steady and sustainable dividend policy, returning operating earnings to shareholders through cash dividends to maximize Total Shareholder Return (TSR).

## V. Investor Communication and Information Transparency Mechanism

- **Diversified Communication Channels:** Established a dedicated spokesperson and Investor Relations (IR) team (IR@v5.com.tw) to regularly issue material disclosures, attend institutional investor conferences, and provide timely financial and operational updates via the company website's Investor section and Market Observation Post System (MOPS).
- **Two-Way Feedback and Rolling Revisions:** Systematically collect investor and analyst feedback to submit to management for long-term strategic planning; conduct annual reviews of the corporate value plan's execution, rolling out adjustments and disclosures in response to industry dynamics.