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2025 Annual Report

Notice to readers

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

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1. Letter to Shareholders

Dear Shareholders,

We sincerely thank all shareholders for their long-standing support and encouragement. Benefiting from the government's policy that "cybersecurity is national security" and the growth opportunities driven by the AI industry, the Company has leveraged its years of experience in information system integration, while collaborating with specialized partners across various fields, to continue providing customers with comprehensive AI, cloud, and cybersecurity solutions, thereby driving excellent revenue and profitability in 2025. Looking ahead, as AI applications continue to accelerate in real-world deployment, cybersecurity regulations are further strengthened, and demand for enterprise digital transformation rises, the Company will continue to deepen its deployment of high value-added services, steadily drive long-term growth, and create greater value for shareholders.

1.1 Operating results for 2025

1.1.1 Business plan implementation results

The Company's 2025 consolidated net operating revenue was NT\$8.394 billion, an increase of 11.38% compared to 2024 at NT\$7.537 billion. The 2025 consolidated net income for the period was NT\$851,292 thousand, an increase of 6.67% compared to 2024 at NT\$798,059 thousand, earnings per share after tax was NT\$8.00.

Unit: NT\$ thousand

Item	2025	2024	Increase (decrease) amount	Change ratio %
Operating revenue	8,394,371	7,536,746	857,625	11.38%
Operating cost	6,354,554	5,651,473	703,081	12.44%
Operating margin	2,039,817	1,885,273	154,544	8.20%
Operating income	996,785	918,149	78,636	8.56%
Non-operating income and expenses	62,952	85,617	(22,665)	(26.47%)
Income before income tax	1,059,737	1,003,766	55,971	5.58%
Net income	851,292	798,059	53,233	6.67%

1.1.2 Status of budget implementation: The Company did not release its financial projection for 2025. Thus, it is not applicable.

1.1.3 Financial income, expenditure, and profitability analysis

Unit: NT\$ thousand

Analysis	Item	2025	2024
Financial income and expenditure	Interest income	15,294	14,372
	Interest expense	3,943	1,959
Profitability	Return on assets (%)	11.24	11.58
	Return on equity (%)	24.46	23.78
	Net profit before tax to paid-in capital ratio (%)	99.64	94.37

Analysis	Item	2025	2024
	Net profit rate (%)	10.14	10.59
	Earnings per share (NTD)	8.00	7.50

1.1.4 R&D Status

The continuous advancement of high-level advanced processes in semiconductors has significantly boosted the computing power of various processors (CPU, GPU, NPU). This has led to the flourishing development of mobile device applications, the increasing number and applications of IoT connectivity in various industries, the practical application of data mining and complex AI model innovation through high-performance chips, and the greater availability of cloud computing with increased computing power in the same space. Additionally, AI-driven software development containerization, factory automation in response to Industry 4.0, and the commercialization of 5G have enabled industries to realize application innovations. Every industry is developing innovative applications to increase business opportunities. In recent years, with the rapid advancement of generative artificial intelligence (GenAI) technologies, enterprises have seen a sharp increase in demand for their application and adoption. GenAI not only empowers enterprises in automated content generation, professional document drafting, customer service responses, data analysis, and decision support, but can also be integrated with internal corporate data to develop proprietary intelligent applications, helping optimize operational processes and enhance service quality. In response to this trend, enterprises are actively adopting new technologies such as large language models (LLMs), multimodal AI, and AIGC (AI Generated Content), while integrating them with Retrieval-Augmented Generation (RAG), knowledge graphs, and cloud-native architectures to develop diverse application scenarios, including intelligent content generation, smart Q&A, knowledge management, and automated decision-making. In addition, enterprises place strong emphasis on AI ethics, cybersecurity protection, and data governance to ensure compliant and secure deployment of models. However, while new technologies are highly developed, one thing that must not be ignored is that the threat of the dark web is also becoming increasingly severe with the development of these new technologies, such as the use of open-source AI models to execute illegal applications without ethical frameworks in place. The Company has for many years continued its professional technological research and development and application software research and development which have won good reviews from customers. Concurrently, the technology team has researched and developed, and designed suitable structure and various services for the IT, CT, OT, cloud computing, AI platforms, and information security architectures with the industry knowledge that they have learned from their development experiences for customers' projects. The focus for this year is continuous new

product research, and development of new functions for existing products. Some of the Company's key R&D are as follows:

1. Manufacturing:

To establish AI agent application framework.

2. Telecommunications:

A distributed AI agent collaboration architecture based on the Ripple Effect protocol: to build a highly resilient AaaS (Agent-as-a-Service) platform for manufacturing scheduling.

3. Financial services:

An AML system maintenance, diagnostics, and comprehensive operational support platform based on RAG technology.

4. All sectors:

(1) AI cybersecurity steward.

(2) Development and practice of EAR ZT zero trust security interconnection technology platform—deepening AI technology applications and AI platform integration.

1.2 Summary of Business Plan for 2026

1.2.1 Business Policy

1. To cope with the enormous amount of data easily generated by various cloud services and smart mobile devices applications, AI applications in various fields are built from the diverse and huge amount of data analytical applications for different industries and the utilization of increasingly mature GenAI. We will propose industry-specific solutions based on our company's experience in high-tech manufacturing, telecommunications, financial services, and retail. These solutions will focus on big data analytics, AI, and GenAI applications, including consulting, platforms, analytical tools, and collaborative services with specialized AI/GenAI software providers. In addition, we assist clients in introducing generative artificial intelligence (GenAI) technologies into their existing application systems. Through deep integration with existing systems, we enhance data analytics, automation, and decision-support capabilities, further optimize operational processes, and strengthen corporate competitiveness.

2. Promote cross-industry alliance

The application software and hardware of the cloud services are mostly based on shared mechanism. This is supportive in reaching the goal of energy saving and carbon reduction which further reduces costs. Therefore, cross-industry alliance will be one of the success factor for cloud services on the condition of finding a suitable business model for the cross-industry alliance. The Company is preparing to promote cross-industry alliance and to develop a suitable business model to realize a profit model based on an

added-value chain (such as jointly construct a B2C service operation model for O2O - Virtual/physical mall with shopping media, physical stores and logistics). Additionally, various telecommunications companies began the deployment of 5G infrastructure in 2020. Our company continues to provide backbone OTN expansions necessary for 4G/5G and strives to capture business opportunities from Small Cell base station installations required after the completion of the 5G backbone construction in the six major metropolitan areas. We are also simultaneously collaborating with telecommunications companies to plan and provide IT services for their customers, such as the recently introduced all-optical network (APN) transmission protocol, which, combined with the Company's expertise in data center technologies, offers customers a cross-regional high-availability architecture (Remote HA) setup.

3. Expansion of software integration, cloud and ground integration, and managed security services.

Cloud services facilitate the expansion of business applications and technical services coverage, including e-commerce platforms (store management, integrated order management, personalized customer management, customer browsing behavior tracking analysis, operational data dashboards), AI digital transformation (providing customer data platforms, business intelligence data analysis, enterprise collaboration and productivity applications, video streaming, AI photo editing services), AI marketing interaction platforms, AI data science platforms, AI robotics applications, GenAI industry applications, microservices (container) development management platforms, cloud and ground integration, and managed security services (MDR, CDR, NDR) will be a focus of our company's operations.

4. Promoting Next Generation Data Center (NGDC)

Businesses are receiving sufficient support in the handling of different types of data as the software and hardware of information technology evolve. Concurrently, it gradually increases the complexity of data center and unfolds the never before seen challenges in management. Examples are: Computing environment includes standalone/cluster, virtual machine/cluster, microservices@container, data processing includes WebService@CPU, DataAnalytics@CPU/GPU, HPC/AI/ML@CPU/GPU and other various application types. The control and management of data center has also extended to the linked external cloud service data center. All of the above shows the rigorous challenges faced by the Next Generation Data Center (NGDC). The NGDC management structure needs to be able to concurrently manage and allocate the standalone machine, virtualization, container, and so on control system resources, supporting enormous data mining, machine

learning, AI and general IT application execution for the CPU or GPU computing resources. At the same time, it has to possess flexibility in cloud service interface and quantify information system resource utilization ratio, and more functions.

5. Expand application software developments of core businesses

The Company's core businesses are: Large IT integration projects across sectors in manufacturing, finance, telecommunications, government institution, and education and research units. We have already developed application software in these core businesses (such as, ERP, MES, PLM, AML, CEM). In the future, we will continue to expand developing more types of application software and services for the customers. Simultaneously, in coping with huge demands for innovative services, such as, 5G/AI/IoT/edge computing, the Company is planning to join hands with specialized manufacturers in various fields to provide a more diverse and complete service for the customers. Looking ahead, for industry clients, we will assist in introducing generative artificial intelligence (GenAI) technologies into existing application systems. This will not only enable deep integration with existing software (such as ERP, MES, PLM, AML, and CEM), but also enhance data analytics, automation, and decision-support capabilities, helping clients stay ahead of the market amid digital transformation and smart upgrade trends, while improving operational efficiency and competitive advantage.

6. The telecommunication sector is providing quicker data services and wider bandwidth usage. In recent period within ten years time, the entire mobile industry has officially entered into the Big Data era developing machine learning and artificial intelligence. The Company has been coping with this trend early on in the previous few years, began big data related application R&D and establishment. Related indicator projects include the major telecommunications operators' Big Data Solution to conduct customer core system availability data collection and statistical analysis. This leads to the increase in the overall core system availability, accelerating various trouble repair and system effectiveness planning. It also utilizes Data Analysis Expression. It is hoped to achieve the various recommended mechanism of Omni Channel. In addition, telecommunications companies began deploying 5G infrastructure in 2020, and the Company has continued to provide backbone OTN capacity expansion required for 5G and seeks to: 1. capitalize on the Small Cell base station business opportunities required for signal coverage enhancement following the completion of 5G backbone construction in the six special municipalities; 2. replace existing legacy PTN and SDH line applications with Metro-OTN, an urban OTN application derived from OTN; 3. simultaneously plan and provide IT services to telecommunication companies' customers, such as the All-Optical Network

transmission protocol (APN) recently adopted by telecommunications companies, which can be combined with (Stark Technology's professional data center technical capabilities to provide customers with a cross-regional high-availability architecture (Remote HA) setup; the goal is to enable all information processing equipment to be integrated with optical communication technology and combined with related silicon photonics technologies in the future, achieving ultra-low power consumption, ultra-low latency, and ultra-high transmission rates; 4. Provide zero-trust network architecture setup to address increasingly severe information security attacks, and assist telecommunication operators in building SDN/NFV to provide CPE services to their customers.

7. The great leap in transmission technology has rapidly propelled the development of the Internet of Things (IoT). Various business models built on IoT infrastructure are being proposed and tested for market acceptance, alongside developments such as edge IoT, ongoing regulation and control of IoT, and the gradual proliferation of 5G IoT . Research by the Industry, Science and Technology International Strategy Center (ISTI) of Industrial Technology Research Institute (ITRI) indicates that the global IoT market, which was USD 631.4 billion in 2017, surpassed USD 1 trillion for the first time in 2021, with Taiwan's IoT output officially exceeding NT\$2 trillion in 2022. The Company will leverage its years of experience in IT core technologies and hardware and software deployments across various industries, including 5G, edge computing, blockchain, AI/machine learning, and LPWAN (LoRa, NB-IoT), to actively develop IoT application business opportunities in professional fields.

1.2.2 Expected sales volume and its basis and important production and sales policies

In December last year, with the efforts of all of our management and employees, the Company has completed the 2026 Business Plan:

1. Government agencies: Government agencies are promoting AI-driven proactive cyber defense, local digital public services, urban-rural modeling and digital twins, fraud prevention and internet governance, AI island initiatives, and cybersecurity enhancement. Addressing increasingly severe supply chain attacks and external cyber threats, as well as generative artificial intelligence (GenAI). Transitioning from the experimental stage to practical deployment, and cloud infrastructure: enhancing the scalability and resilience of digital services, etc.
2. Manufacturing:
 - (1)Artificial intelligence (AI) and generative AI (GenAI):
 - A. From PoC to production: 2025 marks a key inflection point, as enterprises are no longer merely testing AI but are allocating budgets to agentic AI and AI-optimized operations (AIOps) to address complex

decision-making challenges in production environments.

B. Infrastructure upgrades: to support massive computing demands, the high-tech industry has significantly increased procurement spending on AI servers and data center hardware.

(2) Cybersecurity protection and resilience:

A. Cybersecurity budgets in the high-tech manufacturing sector account for 14% of total IT budgets, the highest among all industries (compared to an average of approximately 9% for general enterprises).

B. Investment focuses on supply chain security, OT/IT convergence security, and defense against AI-driven automated attacks (such as preventing deepfakes and more sophisticated ransomware).

(3) Cloud infrastructure and digital transformation:

A. Hybrid cloud deployment: the high-tech industry is among the most proactive in cloud migration, with budgets continuing to flow toward hybrid cloud and edge computing (Edge AI) to meet the real-time data processing needs of smart factories.

B. Digital twins: used to simulate production processes, optimize energy consumption, and support sustainable transformation (Green IT).

3. Financial industry:

(1) Generative AI and autonomous finance:

A. AI adoption among financial institutions in Taiwan has exceeded 40%, with the banking sector reaching as high as 87%.

B. Budgets are shifting from early-stage “text-based customer service” to wealth advisory, fraud detection, and automated loan approval.

C. Agentic AI: in 2026, the focus is on developing AI agents capable of executing tasks, such as automated trade execution and real-time compliance auditing.

(2) Cloud strategy evolving from “cloud migration” to “cloud-native”:

A. Private cloud as the primary approach, with hybrid cloud as a complement: due to regulatory and cybersecurity considerations, 68% of the financial industry remains deployed on private clouds, while the share of public cloud continues to increase year by year (projected to reach 27% in 2026).

B. Core system transformation: significant budgets are being invested in the “microservices-based transformation of core systems” to address the frequent API integration requirements of open banking (e.g., Open Banking).

(3) Cyber resilience and regulatory compliance (RegTech):

A. AI security platforms: as AI applications increase, the financial sector is investing substantial budgets in AI security protection to prevent data

leakage and counter AI-driven fraud.

B. Resilience building: in response to regulatory requirements on “digital resilience,” budget allocation for offsite backup, anti-ransomware measures, and zero trust architecture (Zero Trust) continues to remain at a high level. Key related technologies:

(a) Hyperautomation: robotic process automation (RPA) combined with AI to claims handling and account opening reviews.

(b) Anti-fraud AI: real-time monitoring of anomalous transactions and prevention of deepfake-based account takeovers.

(c) Confidential computing: enabling cross-institution data sharing while protecting customer privacy.

(d) Green finance (Green IT): carbon accounting systems and ESG-compliant digital reporting.

4. Telecom industry:

(1) AI deployment—from generative AI to agentic AI:

A. Core computing power: telecom operators such as Chunghwa Telecom are actively building distributed AI data centers (AIDC) to meet the edge computing demands driven by AI smartphones and AI PCs.

B. Customer service and applications: substantial budgets are being invested in “intelligent assistants” and advanced AI voice customer service, such as Taiwan Mobile’s “Wan Neng Ta Mai” recommendation system and automated transcription technology.

C. AI governance: trust, risk, and security management for AI (AI TRiSM) has become a new budget allocation item.

(2) Network resilience and next-generation communications:

A. Multi-orbit satellites: in response to geopolitical factors and digital resilience, low-Earth orbit satellites and integrated space–air–ground networks are key areas of budget allocation for 2025–2026.

B. 5G Advanced (5G-A): Far East and Chunghwa Telecom continue to invest in next-generation 5G standards (5G SA, small cells) to support lower-latency Industry 4.0 applications.

C. Submarine cables: significant budgets are expected in 2026 for the construction of new domestic and international submarine cables to strengthen international connectivity.

(3) Cloudification and microservices transformation (Telco OS):

A. Core system modernization: to move away from the rigidity of traditional telecom architectures, budgets are shifting toward microservices architecture, transforming functions such as billing, account management, and maintenance into APIs to improve responsiveness.

- B. Green telecom: driven by ESG requirements, investment in using AI to optimize base station energy efficiency and data center cooling (e.g., liquid cooling technologies) is increasing year by year. Key related technologies:
 - (a) Edge AI/AIDC: edge computing clouds, low-latency video streaming, and AI terminal support.
 - (b) Network function virtualization (NFV): enhancing network flexibility and reducing hardware procurement costs.
 - (c) Post-quantum cryptography (PQC): preparing next-generation information security in advance to mitigate future quantum computing threats.
 - (d) Smart home (Matter): integrating cross-brand IoT devices to expand telecom value-added service revenue.
5. Education and research:
- (1) AI computing infrastructure (National Center for High-Performance Computing and research institutions):
 - A. Supercomputer upgrades: the National Science and Technology Council allocated approximately NTD 4.07 billion in 2025 to build a “next-generation high-performance computing system and AI evaluation environment,” aiming to enhance Taiwan’s overall computing power ranking (currently 17th globally).
 - B. Computing resilience: budgets are being allocated for distributed deployment and offsite backup to avoid over-concentration of AI systems in a single location and to ensure the security of research data.
 - (2) Higher education: Smart Nation 2.0 and talent development:
 - A. Sovereign AI development: the Ministry of Education and the National Science and Technology Council are collaborating to reposition the objectives of higher education. Key budget allocations include subsidizing universities and colleges to establish programs related to AI, quantum technology, and space technology.
 - B. Industry–academia alignment: from 2025 to 2026, significant funding is being invested in the “Taiwan Chip-based Industrial Innovation Program” to encourage university research centers to procure advanced process-related design tools and computing resources.
 - (3) Basic education ((K-12) and digital digital equity):
 - A. Digital learning enhancement program: the Ministry of Education continues to promote the “Digital Learning Enhancement Program for Elementary and Secondary Schools,” with budgets allocated for upgrading tablet devices and subsidizing digital content and educational software.

- B. Digital Assistance for Rural Areas: the 2025 policy plan allocates a budget to establish mobile digital consulting service bases and implement a "one-to-one" remote video companionship program for schoolchildren in remote areas to bridge the digital gap. Key related technologies:
- (a) Sovereign AI models: developing LLMs (e.g., TAIDE) tailored to Taiwan's local language, voice, and culture, along with related applications.
 - (b) Cybersecurity and evaluation: AI security assessments and campus network defense to prevent the leakage of research outcomes.
 - (c) Intelligent robots: NT\$ 10 billion was allocated for the "Intelligent Robot Program" from 2025 to 2028, focusing on research centers such as the Southern Branch of the Industrial Technology Research Institute.
 - (d) Low-orbit satellite communication: Improving the emergency communication resilience of campuses and remote research stations.

6. Healthcare:

(1) AI clinical implementation and automation:

- A. Medical imaging AI: A special budget was allocated for "application of medical imaging AI" in 2025, with particular emphasis on incorporating AI modules into clinical diagnosis procedures to reduce the workload for radiologists and specialist physicians.
- B. Smart medical records and prognosis forecasting: Budget is being re-directed from a simple appointment booking system towards "generative AI medical record generation" and a "severe patient risk warning system".

(2) Next-generation digital healthcare platform (Next-Gen HIS):

- A. Data standardization: In the 2025 budget, the Ministry of Health and Welfare is promoting a "next-generation digital healthcare platform," with FHIR (Fast Healthcare Interoperability Resources) standardization as its core goal.
- B. System transformation: many large hospitals (such as National Taiwan University Hospital, Veterans General Hospital, and Chang Gung Memorial Hospital) are beginning to upgrade their rigid legacy systems, allocating budgets to microservices and cloud-native architectures to support cross-hospital data sharing.

(3) Home-based healthcare and long-term care 3.0:

- A. Smart care: in alignment with the "Smart Care: 3 Upgrades, 5 Enhancements," budgets are directed toward remote patient

monitoring devices, smart assistive equipment, and AI-enabled community healthcare platforms.

B. Acute care at home: From 2025 onwards, medical teams were incentivized to use mobile ICT equipment to provide provision of treatment in patients' homes, and the relevant mobile medical record and teleconsultation systems became the focus of procurement. Key related technologies:

(a) Genomic data analysis: in alignment with NGS reimbursement under the National Health Insurance system, establishing personalized precision medicine systems.

(b) Healthcare cybersecurity (Zero Trust): preventing medical ransomware and protecting patient privacy and biometric identification data.

(c) Agentic AI (clinical agents): automating scheduling, operating room resource allocation, and AI-assisted triage.

(d) Hybrid cloud/edge computing: leveraging cloud computing power to train AI while ensuring that medical records remain on-premises.

7. E-commerce and retail industry:

(1) Commercialization of AI agents:

A. From "chatting" to "closing transaction": 2025 serves as the experimental phase, while in 2026, substantial budgets will be allocated to agentic AI. These AI systems not only answer questions but can also proactively execute functions such as demand forecasting, dynamic pricing, automated replenishment, and shopping assistant services.

B. Search reform: Companies are investing in GEO (Generative Engine Optimization) in response to the shift in consumer shopping behavior from traditional search to AI recommendations.

(2) OMO 2.0: Deep integration of virtuality and reality:

A. Data connection: The budget prioritizes fully integrating "offline experiences" with "online data". For example, if a consumer tries on the product in the store and places the order at home, the IT system must be able to accurately attribute and update membership points across channels in real time.

B. Experiential Stores: IT budgets in physical retail channels are shifting toward smart fitting rooms, unmanned self-checkout, and in-store interactive displays, enhancing the immersive, on-site experience that e-commerce cannot replicate.

(3) Point economy and membership management (Loyalty 2.0):

A. CDP (customer data platform) upgrade: The retail industry continues

to increase its CDP budget, aiming to achieve "invisible AI" personalized recommendations by 2026 – the system already completes accurate push notifications before consumers even realize their needs. Key related technologies:

(a) Agentic AI: Automated marketing campaign setup and AI shopping steward.

(b) OMO 2.0 integrated platform: Online and offline inventory, membership, and cash flow are completely synchronized.

(c) Smart logistics and cold chain: shorten delivery times (e.g., one-hour delivery) and increase the proportion of fresh food.

(d) Privacy computing: exchange data with brands under the premise of de-identification (RMN advertising).

8. All sectors: As mobile applications and cloud services mature, the demand for electronic data storage and applications will grow rapidly and significantly. The management, search and utilization of large amounts of structured and unstructured data has become an important IT development direction. The use of unstructured data—such as text, images, and audio—has become increasingly widespread across industries, with data volumes growing rapidly. Demand for data search and subsequent applications has also surged significantly. At the same time, information security issues persist and continue to evolve with each new generation. Fortunately, the rise of blockchain technology and its feature with complete prevention of data tampering during transmission have enabled various fields to begin R&D and verification, and the start of introducing applications. It is foreseeable that there will be more and more related innovative applications developed in the field of information exchange in the future. As enterprises accelerate the adoption of generative AI (GenAI) applications, cybersecurity challenges have also intensified throughout the development and deployment processes. In particular, under multi-layered architectures spanning cloud, on-premises, and endpoint environments, strict safeguards are required across data transmission, model training, and inference processes to prevent sensitive information leakage, unauthorized access, or data tampering. Enterprises need to address the authenticity of AI model data sources, the privacy protection of training data, and the risk of malicious attacks or abuse following model deployment. Common information security challenges include Deepfake generation, model reverse engineering, prompt injection, data drift leading to misjudgments, and API interface attacks. In response to these threats, enterprises should adopt a zero trust architecture, strengthen endpoint and cloud security protection, establish multi-layer identity authentication and access controls, continuously monitor AI system operations and anomalous behavior, and conduct security testing and risk assessments on AI models to ensure the

safety and reliability of GenAI applications. In addition, from the perspective of the R&D trend of the major information security manufacturers, the new generation of information security defense technology will use the big data analysis, User Behavior Analytics, Deception, and Isolation technologies to develop products with machine learning and cognitive capabilities. It is predicted that large enterprises will adopt this new technology; the above are potential business opportunities of the Company.

1.3 Future development strategies of the Company

The Company's long-term development strategy remains unchanged. Based on "speed" and "talent," more value-added and application software will be developed. We will satisfy the needs of enterprise customers for large-scale integrated systems with the fastest "speed" and recruit and train outstanding IT talents. The short-term strategy is to maintain the existing business and focus on "cloud service", "new generation data center management framework", "big data", "AI", "Industry 4.0", "Internet of Things", and explore new business opportunities from the issue of "cyber security". Looking at the booming development of "cloud" and "devices", the business opportunities that the Company sees are: There are potential innovative user experiences (app) that are to be developed for the different sectors. There is a considerable demand for many device manufacturers to combine the Company's experiences in various industries and related integration of cloud computing developing opportunities together.

1.4 Impacts of the competitive environment, the regulatory environment, and the overall economic environment

Currently, the Company is one of the largest system integrators in Taiwan in terms of revenue, profit or company size. Therefore, the impact from the external competition is positive, as we are better at system integration than other competitors. More stable finances, more talents, more products, and more popularity with the customers. At the same time, we will continue to explore new business opportunities in content supply and service. In addition, the Company's proactive adoption of GenAI applications has further enhanced our competitiveness and productivity.

From an industry perspective, various industries have heavily invested in AI/GenAI-related applications in recent years. Telecommunication companies continue to expand capacity in OTN, 6G is under verification, APN is being introduced, telecommunication operators and cable TV operators are competing for bandwidth provision to end-users (G-PON vs. DOCSIS 3.1), financial services continue to invest in Fintech and Regtech, and the rapid decline in traditional telecommunications service revenue necessitates the development of diversified services, most of which are related to information services. This creates

opportunities for the Company to collaborate with telecommunications companies across various fields. Major domestic banks are establishing branches abroad, the Financial Supervisory Commission is incorporating anti-money laundering (AML) regulations into administrative rules, companies are using AML platforms to avoid business sanctions, and information security threats (e.g., file encryption, DDoS-type ransomware attacks) are becoming increasingly severe, making endpoint protection and monitoring (EDR/MDR, NDR, CDR) the last mile of cybersecurity defense. The successful application of more big data technologies (using GenAI, machine learning) and blockchain applications in various fields, the introduction of Industry 4.0 in manufacturing, and the diversified development of the Internet of Things (IoT) (e.g., wearable devices, vehicle systems, home automation, specialized fields, such as maritime and port monitoring and disaster prevention monitoring) all clearly indicate that the impact on the Company is positive, and we still have many new opportunities and markets to develop.

We wish you all good health and prosperity.

Chairman

Liang, Hsiu-Chung

2. Corporate Governance Report

2.1 Directors and Management Team

2.1.1 Directors

March 31, 2026; Unit: Shares, %

Title	Nationality/Place of Incorporation	Name	Gender Age	Date Elected	Tenure (Y)	Date first Elected	Shareholding When Elected		Present Shareholding		Spouse & Minor Shareholding		Shares held in the name of others		Education (Experience)	Concurrent Positions in the Company and Other Companies	Spouse or relatives of second degree or closer acting as managerial officers or director			Remarks
							shares	%	shares	%	shares	%	shares	%			Title	Name	Relation	
Chairman	R.O.C.	Liang, Hsiu-Chung	Male 61~70 yrs. old	2025.05.29	3	1996.06.03	3,811,358	3.58	3,811,358	3.58	2,400,000	2.26	—	—	M.S., Computer Science, Chung Yuan Christian University Manager, Acer Incorporated Electronic Research Laboratory, Industrial Technology Research Institute (ITRI)	Chairman & CEO, Stark Technology Inc. Chairman, Stark Technology Inc. (USA) Chairman, SRAIN Investment Co., Ltd. Board Member, NII Enterprise Promotion Association Independent Director, Egis Technology Inc.	None	None	None	Note 1
Director	R.O.C.	Chu, Jui-Hua	Female 61~70 yrs. old	2025.05.29	3	2013.06.10	690,929	0.65	690,929	0.65	1,222,974	1.15	—	—	B.B.A., Ming Chuan University EMBA, National Tsing Hua University Financial Manager, Butyl Corporation Director, Stark Technology Inc.	Director, Stark Inforcom Inc. (Corporate Representative) Chairman, Xianhua Investment Co., Ltd.	None	None	None	Note 2
Director	R.O.C.	Chen, Hsing-Chou	Male 61~70 yrs. old	2025.05.29	3	1996.06.03	1,121,247	1.05	1,121,247	1.05	20,000	0.02	—	—	B.S., Electronics, Feng Chia University Sales Specialist, Acer Incorporated Assistant VP, Trend Lab Corporation	Executive VP, Market Business Group, Stark Technology Inc. Chairman, Stark Inforcom Inc. (Corporate Representative)	None	None	None	
Director	R.O.C.	Tseng, I-Shun	Male 61~70 yrs. old	2025.05.29	3	1996.06.03	998,633	0.94	983,633	0.92	89,940	0.08	—	—	B.S., Computer Science, Chung Yuan Christian University Supervisor, Acer Incorporated	Executive VP, 2nd Business Group, Stark Technology Inc. Director, Cloud Intelligent Operation Technology (Corporate Representative)	None	None	None	
Director	R.O.C.	Chen, Kuo-Hung	Male 61~70 yrs. old	2025.05.29	3	2003.05.27	604,129	0.57	604,129	0.57	—	—	—	—	B.S., Electrical Engineering, National Taiwan University President, Howteh Technology Co., Ltd. President, Tailyn Technologies, Inc. Chief Strategy Officer, Stark Technology Inc.	Director, Tailyn Technologies, Inc. Chairman, Howteh Technology Co., Ltd. Director, Chaintel Technology Co., Ltd. Chairman, Litetech System Co., Ltd. Independent Director, Flytech Technology Co., Ltd.	None	None	None	
Director	R.O.C.	Liu, Hsien-Min	Male 61~70 yrs. old	2025.05.29	3	1998.05.29	458,800	0.43	458,800	0.43	400,000	0.38	—	—	B.S., Computing, Tamkang University Manager, Acer Incorporated	Executive VP, 68th Business Group, Stark Technology Inc.	None	None	None	

Title	Nationality/Place of Incorporation	Name	Gender Age	Date Elected	Tenure (Y)	Date first Elected	Shareholding When Elected		Present Shareholding		Spouse & Minor Shareholding		Shares held in the name of others		Education (Experience)	Concurrent Positions in the Company and Other Companies	Spouse or relatives of second degree or closer acting as managerial officers or director			Remarks
							shares	%	shares	%	shares	%	shares	%			Title	Name	Relation	
Director	R.O.C.	Cheng Fa Investment Co., Ltd.	—	2025.05.29	3	2022.05.27	1,230,000	1.16	1,230,000	1.16	—	—	—	—	—	—	—	—	—	
		Representative: Tsai, Hua-Cheng	Male Below 40 yrs old	2025.05.29		2022.05.27	—	—	—	—	—	—	—	—	—	B.B.A., Finance, Chang Jung Christian University MBA, Johnson & Wells University Assistant Manager, Corporate Banking Department, Far Eastern Commercial Bank	Sales Supervisor, Stark Technology Inc. Chairman, Cheng Fa Investment Co., Ltd.	None	None	None
Independent Director	R.O.C.	Lu, Jui-Wen	Male 51~60 yrs. old	2025.05.29	3	2019.05.29	—	—	—	—	—	—	—	B.B.A., Accounting, Soochow University Senior Director, Ernst & Young	CPA, Diwan & Company	None	None	None		
Independent Director	R.O.C.	Yu, Yung-Hung	Male 61~70 yrs. old	2025.05.29	3	2022.05.27	—	—	—	—	—	—	—	Ph.D., Business Administration, University of California, Berkeley, USA Ph.D., Commerce, Sun Yat-Sen University, China MBA, Colorado State University, USA Consulting Partner, Ernst & Young Executive Director, EY Management Services Inc. Adjunct Professor, Wuhan University-Shenzhen Center Independent Director, WPG Holdings Limited	Vice Chairman, Fullerton Technology Co., Ltd. Independent Director, Trigold Holdings Limited	None	None	None		
Independent Director	R.O.C.	Tang, Ying-Hua	Male 61~70 yrs. old	2025.05.29	3	2022.05.27	—	—	—	—	—	—	—	B.S., Electronics, National Taipei Institute of Technology MBA, Leicester University, UK EMBA, National Tsing Hua University Ph.D., Management of Technology, National Chiao Tung University Product Marketing Manager, UMC Assistant VP, Strategic Planning Department, ITE Tech. Inc. President, ITE Tech. Inc. Japan President, MemoCom Corp. President, Waltop International Corporation	Adjunct Assistant Professor, National Taiwan University President, Hou De Association, College of Technology Management (CTM), National Tsing Hua University	None	None	None		

Title	Nationality/Place of Incorporation	Name	Gender Age	Date Elected	Tenure (Y)	Date first Elected	Shareholding When Elected		Present Shareholding		Spouse & Minor Shareholding		Shares held in the name of others		Education (Experience)	Concurrent Positions in the Company and Other Companies	Spouse or relatives of second degree or closer acting as managerial officers or director			Remarks
							shares	%	shares	%	shares	%	shares	%			Title	Name	Relation	
Independent Director	R.O.C.	Chu, Wei-Ling	Female 41~50 yrs. old	2025.05.29	3	2024.05.15	—	—	—	—	—	—	—	—	MBA, College of Management, National Chiao Tung University Vice President (Underwriting), Grand Fortune Securities Manager (Underwriting), Grand Cathay Securities Assistant Manager (Underwriting), Capital Securities	Independent Director, Zilltek Technology Corp. Independent Director, Advagene Biopharma Co., Ltd. Independent Director, Acer Gadget Inc.	None	None	None	

Note 1: Where the chairman and president or equivalent position(highest level executive officer) are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: Considering the current scale and organizational structure, the Chairman concurrently serving as the CEO ensures consistency between decision-making and execution, thereby streamlining management efficiency. Through thorough communication between the Chairman and the Board, the company's operational status and strategic guidelines are effectively implemented in alignment with corporate governance standards. To further strengthen board independence and supervisory functions, the Company plans to increase the number of independent directors in the future. Currently, the following measures have been implemented: 1. More than half of the Board members do not concurrently serve as employees or managerial officers of the Company. 2. Directors are arranged to participate in professional continuing education courses annually to enhance the Board's operational effectiveness.

Note 2: Ms. Jui-Hua Chu was first elected as a Director of the Company in June 2013 and served until her term expired in June 2016. Following the general election at the Annual General Meeting on May 29, 2025, she was re-elected (re-appointed) as a Director of the Company.

1. Major Shareholders of the Institutional Shareholders

March 31, 2026

Name of institutional shareholders	Major shareholders	Percentage of shareholding
Cheng Fa Investment Co., Ltd.	Tsai, Hua-Cheng	72%
	Tang, Kuei-Chen	28%

2. Major Shareholders of the Company's Major Institutional Shareholders: Not applicable.

3. Professional Qualifications of Directors and Independence of Independent Directors

Name	Professional Qualifications and Experience (Note 1)	Independence Analysis (Note 2)	Number of Other Concurrent Independent Directorships
Liang, Hsiu-Chung	<p>(1) Education</p> <ul style="list-style-type: none"> • M.S., Computer Science, Chung Yuan Christian University <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Experience</p> <ul style="list-style-type: none"> • Manager, Acer Incorporated • Electronic Research Laboratory, Industrial Technology Research Institute (ITRI) <p>(4) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Chairman & CEO, and Member of the Nomination Committee • Stark Technology Inc. (USA) – Chairman • SRAIN Investment Co., Ltd. – Chairman • NII Enterprise Promotion Association – Board Member • Egis Technology Inc. – Independent Director <p>(5) In compliance with Article 30 of the Company Act</p>	Meets Criteria for Independence (6) and (8)~(11)	1
Chu, Jui-Hua	<p>(1) Education</p> <ul style="list-style-type: none"> • B.B.A., Ming Chuan University • EMBA, National Tsing Hua University <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Experience</p> <ul style="list-style-type: none"> • Financial Manager, Butyl Corporation • Director, Stark Technology Inc. <p>(4) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Director and Member of the Nomination Committee • Stark Inforcom Inc. – Director (Corporate Representative) • Xianhua Investment Co., Ltd. – Chairman <p>(5) In compliance with Article 30 of the</p>	Meets Criteria for Independence (1) and (6)~(11)	0

Name	Professional Qualifications and Experience (Note 1)	Independence Analysis (Note 2)	Number of Other Concurrent Independent Directorships
	Company Act		
Chen, Hsing-Chou	<p>(1) Education</p> <ul style="list-style-type: none"> • B.S., Electronics, Feng Chia University <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Experience</p> <ul style="list-style-type: none"> • Sales Specialist, Acer Incorporated • Assistant VP, Trend Lab Corporation <p>(4) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Director and Executive VP, Market Business Group • Stark Inforcom Inc. – Chairman (Corporate Representative) <p>(5) In compliance with Article 30 of the Company Act</p>	Meets Criteria for Independence (5)~(11)	0
Tseng, I-Shun	<p>(1) Education</p> <ul style="list-style-type: none"> • B.S., Computer Science, Chung Yuan Christian University <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Experience</p> <ul style="list-style-type: none"> • Supervisor, Acer Incorporated <p>(4) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Director and Executive VP, 2nd Business Group • Cloud Intelligent Operation Technology Co., Inc. - Director (Corporate Representative) <p>(5) In compliance with Article 30 of the Company Act</p>	Meets Criteria for Independence (5)~(11)	0
Chen, Kuo-Hung	<p>(1) Education</p> <ul style="list-style-type: none"> • B.S., Electrical Engineering, National Taiwan University <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Experience</p> <ul style="list-style-type: none"> • President, Howteh Technology Co., Ltd. • President, Tailyn Technologies, Inc. 	Meets Criteria for Independence (1)~(11)	1

Name	Professional Qualifications and Experience (Note 1)	Independence Analysis (Note 2)	Number of Other Concurrent Independent Directorships
	<ul style="list-style-type: none"> • Chief Strategy Officer, Stark Technology Inc. <p>(4) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Director • Tailyn Technologies, Inc. – Director • Howteh Technology Co., Ltd. – Chairman • Chaintel Technology Co., Ltd. – Director • Litotech System Co., Ltd. – Chairman • Flytech Technology Co., Ltd. – Independent Director <p>(5) In compliance with Article 30 of the Company Act</p>		
Liu, Hsien-Min	<p>(1) Education</p> <ul style="list-style-type: none"> • B.S., Computing, Tamkang University <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Experience</p> <ul style="list-style-type: none"> • Manager, Acer Incorporated. <p>(4) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Director and Executive VP, 68th Business Group <p>(5) In compliance with Article 30 of the Company Act</p>	Meets Criteria for Independence (3) and (5)~(11)	0
Tsai, Hua-Cheng	<p>(1) Education</p> <ul style="list-style-type: none"> • B.B.A., Finance, Chang Jung Christian University • MBA, Johnson & Wells University <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Experience</p> <ul style="list-style-type: none"> • Assistant Manager, Corporate Banking Department, Far Eastern Commercial Bank <p>(4) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Director (Corporate Representative of Cheng Fa Investment Co., Ltd.) and Senior Sales Specialist 	Meets Criteria for Independence (3)~(4) and (6)~(10)	0

Name	Professional Qualifications and Experience (Note 1)	Independence Analysis (Note 2)	Number of Other Concurrent Independent Directorships
	<ul style="list-style-type: none"> • Cheng Fa Investment Co., Ltd. – Chairman <p>(5) In compliance with Article 30 of the Company Act</p>		
Lu, Jui-Wen	<p>(1) Education</p> <ul style="list-style-type: none"> • B.B.A., Accounting, Soochow University <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Professional and technical personnel who have passed the national examination required to become certified public accountants.</p> <p>(4) Experience</p> <ul style="list-style-type: none"> • Senior Director, Ernst & Young <p>(5) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Independent Director; Convener of the Audit Committee; Member of the Remuneration, Sustainable Development and Nomination Committees • Diwan & Company – CPA (About 28 years at the CPA firm, including about 16 years as a CPA) <p>(6) In compliance with Article 30 of the Company Act</p>	Meets Criteria for Independence (1)~(11)	0
Yu, Yung-Hung	<p>(1) Education</p> <ul style="list-style-type: none"> • Ph.D., Business Administration, University of California, Berkeley, USA • Ph.D., Commerce, Sun Yat-Sen University, China • MBA, Colorado State University, USA <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Experience</p> <ul style="list-style-type: none"> • Consulting Partner, Ernst & Young • Executive Director, EY Management Consulting Inc. • Adjunct Professor, Wuhan University-Shenzhen Center 	Meets Criteria for Independence (1)~(11)	1

Name	Professional Qualifications and Experience (Note 1)	Independence Analysis (Note 2)	Number of Other Concurrent Independent Directorships
	<ul style="list-style-type: none"> • Independent Director, WPG Holdings Limited <p>(4) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Independent Director; Convener of the Sustainable Development and Risk Management Committees; Member of the Audit and Remuneration Committees • Fullerton Technology Co., Ltd. – Vice Chairman • Trigold Holdings Limited – Independent Director <p>(5) In compliance with Article 30 of the Company Act</p>		
Tang, Ying-Hua	<p>(1) Education</p> <ul style="list-style-type: none"> • B.S., Electronics, National Taipei Institute of Technology • MBA, Leicester University, UK • EMBA, National Tsing Hua University • Ph.D., Management of Technology, National Chiao Tung University <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Experience</p> <ul style="list-style-type: none"> • Product Marketing Manager, UMC • Assistant VP, Strategic Planning Department, ITE Tech. Inc. • President, ITE Tech. Inc. Japan • President, MemoCom Corp. • President, Waltop International Corporation <p>(4) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Independent Director; Convener of the Nomination Committee; Member of the Audit and Remuneration Committees • National Taiwan University – Adjunct Assistant Professor • National Tsing Hua University – President of Hou De Association, College of Technology Management (CTM) <p>(5) In compliance with Article 30 of the</p>	Meets Criteria for Independence (1)~(11)	0

Name	Professional Qualifications and Experience (Note 1)	Independence Analysis (Note 2)	Number of Other Concurrent Independent Directorships
	Company Act		
Chu, Wei-Ling	<p>(1) Education</p> <ul style="list-style-type: none"> • MBA, College of Management, National Chiao Tung University <p>(2) Possesses work experiences in commerce, law, finance and accounting or other fields required for the Company's business operations</p> <p>(3) Experience</p> <ul style="list-style-type: none"> • Vice President (Underwriting), Grand Fortune Securities • Manager (Underwriting) Grand Cathay Securities • Assistant Manager (Underwriting), Capital Securities <p>(4) Current Positions</p> <ul style="list-style-type: none"> • Stark Technology Inc. – Independent Director; Member of the Audit, Remuneration, Risk Management and Nomination Committees • Zilltek Technology Corp. – Independent Director • Advagene Biopharma Co., Ltd. – Independent Director • Acer Gadget Inc. – Independent Director <p>(5) In compliance with Article 30 of the Company Act</p>	Meets Criteria for Independence (1)~(11)	3

Note 1: Professional qualifications and experience: Describe the professional qualifications and experiences of each director. If he/she is a member of the Audit Committee and possesses accounting or finance profession, his/her accounting or finance background and work experiences should be specified. Lastly, state whether there have been circumstances relating to Article 30 of the Company Act.

Note 2: Meets the following circumstances within the two years prior to appointment and during the term:

- (1) Not an employee of the Company or any of its affiliates.
- (2) Not a director or supervisor of the Company or any of its affiliates (not applicable in cases where the person is an Independent Directors of the Company, its parent company, subsidiary, or the subsidiary of the same parent company in accordance with the Act or with local laws).
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the Company or ranks as one of its top ten shareholders.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a manager under subparagraph (1), or of any of the above persons in subparagraph (2) and (3).
- (5) Not a director, supervisor, or employee of a corporate / institutional shareholder that directly holds 5% or more of the Company's outstanding shares, ranks as of its top five shareholders, or has representative director(s) serving on the Company's board based on Article 27 of the Company Act (not applicable in cases where the person is an Independent Director of the Company, its parent company, subsidiary, or the subsidiary of the same parent company in accordance with the Act or with local laws).
- (6) Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the Company (not applicable in cases where the person is

an Independent Director of the Company, its parent company, subsidiary, or the subsidiary of the same parent company in accordance with the Act or with local laws).

- (7) Not a director, supervisor, or employee of a company of which the chairman or president (or equivalent) himself/herself or his/her spouse also serve as the Company's chairman or president (or equivalent) (not applicable in cases where the person is an Independent Director of the Company, its parent company, subsidiary, or the subsidiary of the same parent company in accordance with the Act or with local laws).
- (8) Not a director, supervisor, officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the Company (not applicable in cases where the specific company or institution holds 20% or more but less than 50% of the Company's outstanding shares, and is an Independent Director of the Company, its parent company, subsidiary, or the subsidiary of the same parent company in accordance with the Act or with local laws).
- (9) Not a professional individual, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that provides auditing services or commercial, legal, financial, or accounting services for which the total compensation in the past two years exceeds NT\$500,000 to the Company or to any affiliate of the Company, or a spouse thereof. However, this restriction does not apply to members of the Remuneration Committee, Public Tender Offer Review Committee, or Special Committee for Merger and Acquisition exercising their powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act.
- (10) Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.
- (11) Not a governmental, juridical person or its representative set forth in Article 27 of the Company Act.

4. Diversity and independence of the Board of Directors

The Company has established the "Corporate Governance Best Practice Principles," which stipulate that the composition of the Board of Directors shall be diversified. In alignment with the Company's operations, business model, and development needs, the diversity policy incorporates basic criteria (e.g., gender, age, nationality, and culture) alongside professional expertise, technical skills, and industry experience (e.g., information technology, accounting, and law). Each board member shall possess the requisite knowledge, skills, and competencies to perform their duties. To achieve optimal corporate governance, the Board as a whole shall possess the following capabilities:

- (1) Business judgements.
- (2) Accounting and financial analysis.
- (3) Business management.
- (4) Crisis management.
- (5) Industry knowledge.
- (6) International perspective.
- (7) Leadership.
- (8) Decision-making, and other professional background.

The term of office for current Board of Directors is from May 29, 2025 to May 28, 2028. There are 11 directors which include 4 independent directors. The board members have a wealth of industry and professional experiences. Independent Director Jui-Wen Lu possesses professional expertise as a Certified Public Accountant. Our Board consists of four Master's and two PhD holders. With degrees obtained from the U.S., U.K., and China, and extensive experience in both the foreign corporate sector and academia, the members offer a rich tapestry of international expertise and cultural diversity. No spousal or relation

within the second degree of kinship exist among any members of the Board. The Board composition is in full compliance with Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act and the independence requirements for independent directors stipulated by the FSC. Currently, directors who are also employees of the Company account for 45.45% of the Board, independent directors account for 36.36%, and female directors account for 18.18%. Regarding the age distribution, eight directors are aged 61–70, one is aged 51–60, one is aged 41–50, and one is aged 40 or under. In terms of tenure, one independent director has served for less than 3 years, while three independent directors have served between 3 and 9 years.

5. Rationale and Enhancement Measures for Board Gender Diversity (Where representation is below one-third)
 - (1) Rationale: Due to the specialized nature of our industry, identifying qualified candidates within a short timeframe remains a challenge.
 - (2) Corrective Measures: The Company is committed to board gender equality, with a target of increasing female representation to over one-third. We will actively leverage multiple channels to recruit industry experts, ensuring a diverse board structure and enhancing governance effectiveness.

Implementation of the Company's board diversity policy:

Director	Name	Nationality	Gender	Current positions in the Company	Tenure of Independent Director			Age				Diversity in professional and industry experiences									
					Below 3 years	3 - 9 years	9 years Above	Below 40 years old	41- 50 years old	51 – 60 years old	61- 70 years old	Operational Judgments	Finance & Accounting	Business Management	Crisis Handling	Industry Knowledge	International Perspective	Leadership & Strategic Decisions	Information Technology	Law	Professional Experience in Sustainability
Chairman	Liang, Hsiu-Chung	R.O.C.	Male	✓	–	–	–	–	–	–	✓	✓	–	✓	✓	✓	✓	✓	–	–	✓
Director	Chu, Jui-Hua	R.O.C.	Female	–	–	–	–	–	–	–	✓	✓	✓	✓	–	✓	✓	–	–	–	✓
Director	Chen, Hsing-Chou	R.O.C.	Male	✓	–	–	–	–	–	–	✓	✓	–	✓	✓	✓	✓	–	–	–	✓
Director	Tseng, I-Shun	R.O.C.	Male	✓	–	–	–	–	–	–	✓	✓	–	✓	✓	–	✓	✓	–	–	✓
Director	Chen, Kuo-Hung	R.O.C.	Male	–	–	–	–	–	–	–	✓	✓	✓	✓	✓	✓	✓	–	–	–	–
Director	Liu, Hsien-Min	R.O.C.	Male	✓	–	–	–	–	–	–	✓	✓	–	✓	✓	–	✓	✓	–	–	–
Director	Tsai, Hua-Cheng	R.O.C.	Male	✓	–	–	–	✓	–	–	–	✓	✓	✓	✓	✓	–	✓	–	–	–
Independent Director	Lu, Jui-Wen	R.O.C.	Male	–	–	✓	–	–	–	✓	–	✓	✓	✓	✓	✓	–	–	–	–	✓
Independent Director	Yu, Yung-Hung	R.O.C.	Male	–	–	✓	–	–	–	–	✓	✓	✓	✓	✓	✓	✓	–	–	–	✓
Independent Director	Tang, Ying-Hua	R.O.C.	Male	–	–	✓	–	–	–	–	✓	✓	✓	✓	✓	✓	✓	–	–	–	✓
Independent Director	Chu, Wei-Ling	R.O.C.	Female	–	✓	–	–	–	✓	–	–	✓	✓	✓	✓	✓	–	–	–	–	✓

Specific management objectives and achievement status of the board diversity policy:

Management objectives	Achievement
The number of directors who concurrently serve as managerial officers of the Company shall not exceed one-half of the total board seats.	Achieved
The Board of Directors shall include at least one female director.	Achieved
No more than half of the independent directors shall serve more than three consecutive terms.	Achieved

2.1.2 Management Team

March 31, 2026; Unit: Shares, %

Title	Nationality	Name	Gender	Date Effective	Shares held		Shares held by spouse or minor children		Shares held in the name of others		Education (Experience)	Concurrent Positions in Other Companies	Spouse or relatives of second degree or closer acting as managerial officers			Remark
					shares	%	shares	%	shares	%			Title	Name	Relationship	
Chairman & CEO	R.O.C.	Liang, Hsiu-Chung	Male	1993.02.17	3,811,358	3.58	2,400,000	2.26	—	—	M.S., Computer Science, Chung Yuan Christian University Manager, Acer Incorporated Electronics Research Laboratory, Industrial Technology Research Institute (ITRI)	Chairman, Stark Technology Inc. (USA) Chairman, SRAIN Investment Co., Ltd. Board Member, NII Enterprise Promotion Association Independent Director, Egis Technology Inc.	None	None	None	Note 1
Director & Executive VP	R.O.C.	Chen, Hsing-Chou	Male	2001.01.12	1,121,247	1.05	20,000	0.02	—	—	B.S., Electronics, Feng Chia University Sales Specialist, Acer Incorporated Assistant VP of Trend Lab Corporation	Chairman, Stark Inforcom Inc. (Corporate Representative)	None	None	None	
Director & Executive VP	R.O.C.	Tseng, I-Shun	Male	2001.01.12	983,633	0.92	89,940	0.08	—	—	B.S., Computer Science, Chung Yuan Christian University Supervisor, Acer Incorporated	Director, Cloud Intelligent Operation Technology Co., Inc. (Corporate Representative)	None	None	None	
Director & Executive VP	R.O.C.	Liu, Hsien-Min	Male	2001.01.12	458,800	0.43	400,000	0.38	—	—	B.S., Computing, Tamkang University Manager, Acer Incorporated	None	None	None	None	
Senior Vice President	R.O.C.	Chang Yen-Yuan	Male	2010.01.01	16,115	0.02	—	—	—	—	MBA, Business Administration, National Chung Cheng University	None	None	None	None	
Senior Vice President	R.O.C.	Yeh, Chien-Hsiung	Male	2012.09.01	8,000	0.01	—	—	—	—	B.S., Control Engineering, National Chiao Tung University Sales Manager, MIRLE Automation Corporation	None	None	None	None	
Senior Vice President	R.O.C.	Lai, Yu-Hsuan	Male	2012.09.01	1,082	—	—	—	—	—	B.B.A., Information Management, Chung Yuan Christian University	Director, Ausenior Information Co., Ltd. (Corporate Representative)	None	None	None	
Senior Vice President	R.O.C.	Chen, Tien-Yu	Male	2015.01.01	—	—	—	—	—	—	MBA, Business Administration, Tunghai University B.S., Electrical Engineering, Chung Yuan Christian University Bond Trader, JihSun Securities	None	None	None	None	
Vice President	R.O.C.	Huang, Shun-An	Male	2004.11.16	16,574	0.02	—	—	—	—	B.S., Information Engineering and Computer Science, Feng Chia University MBA, Business Administration, National Chengchi University Technical Manager, Catc Energy Technologies Inc. Supervisor, Acer Incorporated	None	None	None	None	
Vice President	R.O.C.	Huang, Hsin-Chi	Male	2004.11.16	—	—	—	—	—	—	M.S., Electrical and Information Engineering, Yuan Ze University Engineer, GIPS Technology Co., Ltd. Engineer, Motorola	Director, Taiwan Love Beauty Co., Ltd.	None	None	None	
Vice President	R.O.C.	Hsu, Chun-Neng	Male	2010.01.01	—	—	—	—	—	—	MBA, Business Administration, Dayeh University Senior Manager, Machvision, Inc.	None	None	None	None	
Vice President	R.O.C.	Chou, Chih-Wu	Male	2015.01.01	840	—	—	—	—	—	MBA, Information Management, National Chiao Tung University Assistant Manager, D-Link Corporation	None	None	None	None	
Vice President	R.O.C.	Tsai, Yao-Chih	Male	2015.01.01	3,731	—	—	—	—	—	B.S., Electronic Engineering, National Taipei Institute of Technology President, Dawning Technology Inc.	None	None	None	None	
Vice President	R.O.C.	Hsieh, Yu-Kuang	Male	2015.03.16	144	—	—	—	—	—	B.S., Civil Engineering, National Chung Hsing University Manager, Ming Chi Construction Section Chief, Typhoon Inc.	None	None	None	None	

Title	Nationality	Name	Gender	Date Effective	Shares held		Shares held by spouse or minor children		Shares held in the name of others		Education (Experience)	Concurrent Positions in Other Companies	Spouse or relatives of second degree or closer acting as managerial officers			Remarks
					shares	%	shares	%	shares	%			Title	Name	Relationship	
											Manager, Guan Lun Development Co., Ltd.					
Vice President	R.O.C.	Shih, Ping-Kuang	Male	2017.08.02	3,623	—	—	—	—	—	EMBA, National Chung Cheng University B.B.A., Computer Science, Soochow University Sales Specialist of Acer Incorporated	Supervisor, Cloud Intelligent Operation Technology Co., Inc	None	None	None	
Vice President	R.O.C.	Li, Hsin-Yang	Male	2019.09.01	—	—	—	—	—	—	B.B.A., Information Management, National Central University Manager, Internet Security Solutions Inc. Product Planning Manager, Information Network Application Co., Ltd. Project Manager, IQ Technology Inc.	None	None	None	None	
Vice President	R.O.C.	Chai, Yu-Cheng	Male	2020.06.01	160	—	—	—	—	—	B.S., Mathematics, National Tsing Hua University Vice President, Stark Inforcom Inc.	Consultant, Stark Inforcom Inc.	None	None	None	
Vice President	R.O.C.	Ho, Mei-Yu	Female	2020.07.01	13,920	0.01	—	—	—	—	Associate in Tourism, Ming Chuan Junior College of Commerce	None	None	None	None	
Vice President	R.O.C.	Kao, Jen-Chien	Male	2020.07.01	—	—	—	—	—	—	MBA, Business Administration, Shih Chien University	None	None	None	None	
Vice President	R.O.C.	Chang, Huan-Chi	Male	2020.07.01	—	—	—	—	—	—	MBA, Information Management, National Chiao Tung University Vice President, LeaLea Technology Co., Ltd. Executive VP, MultiCom System Integrated Ltd.	None	None	None	None	
Vice President	R.O.C.	Huang, Chi-Hsiang	Male	2021.07.01	928	—	—	—	—	—	B.B.A., Information Management, Chung Yuan Christian University MBA, Management Sciences, Tamkang University Senior Division Manager, Stark Technology Inc. Vice President, Stark Inforcom Inc.	None	None	None	None	
Vice President	R.O.C.	Li, Chun-Te	Male	2022.11.01	—	—	—	—	—	—	B.B.A., Information Management, Tamkang University	None	None	None	None	
Vice President	R.O.C.	Fan, Wen-Lung	Male	2022.11.01	7,000	0.01	800	—	—	—	B.B.A., Computer Science and Information Management, Chinese Culture University Acer Incorporated	None	None	None	None	
Vice President	R.O.C.	Cheng, Hung-Chen	Male	2022.11.01	2,720	—	—	—	—	—	MBA, Information Management, National Chiao Tung University Sales of Everelite Technology Co., Ltd.	None	None	None	None	
Vice President	R.O.C.	Lin, Chih-Chiang	Male	2023.08.10	20,000	0.02	1,000	—	—	—	Professional Master of Laws in Business Administration (PMLBA), National Taiwan University Vice President, Stark (Ningbo) Technology Inc.	None	None	None	None	
Vice President	R.O.C.	Kao, Han-Shu	Male	2026.03.01	—	—	—	—	—	—	B.S., Mechanical Engineering, National Pingtung University of Science and Technology Engineer, AG Tech Inc. Sales Supervisor, Systex Corporation	None	None	None	None	
Vice President	R.O.C.	Hsu, Chih-Hung	Male	2026.03.01	—	—	—	—	—	—	Associate in Manufacturing Engineering, Nanya Junior College Sales Manager, AMIT System Service Ltd. Sales Manager, Tunfa Technology Co., Ltd.	None	None	None	None	
Vice President	R.O.C.	Wen, Shih-Chieh	Male	2026.03.01	—	—	—	—	—	—	B.B.A., Information Management, Tatung University Manager, CTBC Bank Co., Ltd. Assistant Manager, Stark Technology Inc.	None	None	None	None	
Vice President	R.O.C.	Lan, Ching-Chi	Male	2026.03.01	—	—	—	—	—	—	Associate in Electronics Engineering, Ssu-Hai Junior College	None	None	None	None	

Title	Nationality	Name	Gender	Date Effective	Shares held		Shares held by spouse or minor children		Shares held in the name of others		Education (Experience)	Concurrent Positions in Other Companies	Spouse or relatives of second degree or closer acting as managerial officers			Remark ^s
					shares	%	shares	%	shares	%			Title	Name	Relationship	
Financial & Accounting Officer	R.O.C.	Huang, I-Tzu	Female	2022.11.01	8,722	0.01	3,000	—	—	—	B.B.A., Accounting, Chung Yuan Christian University Yihe United CPAs Accountant, Acer Netxus Inc.	None	None	None	None	Note 2

Note 1: Where the chairman and president or equivalent position(highest level executive officer) are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: Please refer to Note 1 on page 17 of this annual report.

Note 2: Concurrently serves as the Corporate Governance Officer.

Note 6: Retired on May 29, 2025, following re-election.

Remuneration Bracket Table

Range of Remuneration	Name of Directors (Note)			
	Sum of A+B+C+D		Sum of A+B+C+D+E+F+G	
	The Company	All Companies in the Financial Reports	The Company	Parent Company and all Investee Companies
Less than NT\$ 1,000,000	Yu, Yung-Hung/ Cheng Fa Investment Co., Ltd./ Chu, Wei-Ling/ Yu, Ming-Chang/ Lu, Jui-Wen/ Tang, Ying-Hua/ Liang, Hsiu-Chung/ Chen, Hsing-Chou/ Chen, Kuo-Hung/ Tseng, I-Shun/Liu, Hsien-Min/ Tsai, Kun-Liang/ Tsai, Hua-Cheng/ Chu, Jui-Hua	Yu, Yung-Hung/ Cheng Fa Investment Co., Ltd./ Chu, Wei-Ling/ Yu, Ming-Chang/ Lu, Jui-Wen/ Tang, Ying-Hua/ Liang, Hsiu-Chung/ Chen, Hsing-Chou/ Chen, Kuo-Hung/ Tseng, I-Shun/ Liu, Hsien-Min/ Tsai, Kun-Liang/ Tsai, Hua-Cheng/ Chu, Jui-Hua	Yu, Yung-Hung/ Cheng Fa Investment Co., Ltd./ Chu, Wei-Ling/ Yu, Ming-Chang/ Lu, Jui-Wen/ Tang, Ying-Hua/ Chen, Kuo-Hung/ Tsai, Kun-Liang/ Chu, Jui-Hua	Yu, Yung-Hung/ Cheng Fa Investment Co., Ltd./ Chu, Wei-Ling/ Yu, Ming-Chang/ Lu, Jui-Wen/ Tang, Ying-Hua/ Chen, Kuo-Hung/ Tsai, Kun-Liang/ Chu, Jui-Hua
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)			Tsai, Hua-Cheng	Tsai, Hua-Cheng
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)				
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)				
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)			Chen, Hsing-Chou/ Tseng, I-Shun/ Liu, Hsien-Min	Chen, Hsing-Chou/ Tseng, I-Shun/ Liu, Hsien-Min
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)			Liang, Hsiu-Chung	Liang, Hsiu-Chung
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)				
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)				
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)				
NT\$100,000,000 and above				
Total	14	14	14	14

Note: This range is sorted in ascending order by the number of strokes in the surname.

2.2.2 Remuneration of President and Vice Presidents

December 31, 2025; Unit: NT\$ thousand; thousand shares

Title	Name	Salary (A)		Severance Pay (B) (Note 1)		Bonuses and Special Disbursement (C) (Note 2)		Employee Remuneration (D) (Note 3)				Ratio of Total Remuneration (A+B+C+D) to Net Income		Remuneration Paid to the President and Vice Presidents from Investee Companies Other than Subsidiaries or from the Parent Company
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairman & CEO	Liang, Hsiu-Chung													
Executive VP	Chen, Hsing-Chou													
	Tseng, I-Shun													
	Liu, Hsien-Min													
Senior Vice President	Chang Yen-Yuan													
	Yeh, Chien-Hsiung													
	Lai, Yu-Hsuan													
Vice President	Chen, Tien-Yu													
	Huang, Shun-An													
	Huang, Hsin-Chi													
	Chu, Jui-Hua (Note 4)													
	Hsu, Chun-Neng													
	Chou, Chih-Wu	51,835	51,835	6,263	6,263	40,182	40,182	20,936	—	20,936	—	119,216 14.00%	119,216 14.00%	461
	Tsai, Yao-Chih													
	Hsieh, Yu-Kuang													
	Shih, Ping-Kuang													
	Li, Hsin-Yang													
	Chai, Yu-Cheng													
	Ho, Mei-Yu													
	Kao, Jen-Chien													
	Chang, Huan-Chi													
	Huang, Chi-Hsiang													
Cheng, Hung-Chen														
Li, Chun-Te														
Fan, Wen-Lung														
Lin, Chih-Chiang														

Note 1: Refers to the amount of pension expenses contributed in 2025 and the pensions paid by the Company.

Note 2: There is chauffeur arranged for the managerial officer. The chauffeur's total salary was NT\$ 568 thousand.

Note 3: As of the date of this annual report, the employee remuneration for 2025 has not yet been calculated and is a proposed amount.

Note 4: Retired on May 18, 2025.

Remuneration Bracket Table

Range of Remuneration	Name of President and Vice Presidents (Note)	
	The Company	Parent Company and all Investee Companies
Less than NT\$ 1,000,000		
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	Lin, Chih-Chiang	Lin, Chih-Chiang
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	Li, Hsin-Yang/ Li, Chun-Te/ Shih, Ping-Kuang/ Hsu, Chun-Neng/ Kao, Jen-Chien/ Chang, Huan-Chi/ Fan, Wen-Lung/ Huang, Shun-An/ Huang, Hsin-Chi/ Chai, Yu-Cheng/ Tsai, Yao-Chih/ Cheng, Hung-Chen	Li, Hsin-Yang/ Li, Chun-Te/ Shih, Ping-Kuang/ Hsu, Chun-Neng/ Kao, Jen-Chien/ Chang, Huan-Chi/ Fan, Wen-Lung/ Huang, Shun-An/ Huang, Hsin-Chi/ Chai, Yu-Cheng/ Tsai, Yao-Chih/ Cheng, Hung-Chen
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	Ho, Mei-Yu/ Chou, Chih-Wu/ Chang Yen-Yuan/ Huang, Chi-Hsiang/ Yeh, Chien-Hsiung / Hsieh, Yu-Kuang/ Chu, Jui-Hua	Ho, Mei-Yu/ Chou, Chih-Wu/ Chang Yen-Yuan/ Huang, Chi-Hsiang/ Yeh, Chien-Hsiung / Hsieh, Yu-Kuang/ Chu, Jui-Hua
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Chen, Hsing-Chou/ Tseng, I-Shun/ Liu, Hsien-Min/ Lai, Yu-Hsuan	Chen, Hsing-Chou/ Tseng, I-Shun/ Liu, Hsien-Min/ Lai, Yu-Hsuan
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	Liang, Hsiu-Chung	Liang, Hsiu-Chung
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	Chen, Tien-Yu	Chen, Tien-Yu
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)		
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)		
NT\$100,000,000 and above		
Total	26	26

Note : This range is sorted in ascending order by the number of strokes in the surname.

2.2.3 Names and Distributions of Employee Remuneration to Managerial Officers

December 31, 2025; Unit: NT\$ thousand; thousand shares

	Title	Name	Stock Amount	Cash Amount (Note 1)	Total	Ratio of Total Amount to Net Income (%)
Managerial Officers	Chairman & CEO	Liang, Hsiu-Chung	—	21,276	21,276	2.50%
	Executive VP	Chen, Hsing-Chou				
		Tseng, I-Shun				
		Liu, Hsien-Min				
	Senior Vice President	Chang Yen-Yuan				
		Yeh, Chien-Hsiung				
		Lai, Yu-Hsuan				
		Chen, Tien-Yu				
	Vice President	Huang, Shun-An				
		Huang, Hsin-Chi				
		Chu, Jui-Hua (Note 2)				
		Hsu, Chun-Neng				
		Chou, Chih-Wu				
		Tsai, Yao-Chih				
		Hsieh, Yu-Kuang				
		Shih, Ping-Kuang				
		Li, Hsin-Yang				
		Chai, Yu-Cheng				
		Ho, Mei-Yu				
		Kao, Jen-Chien				
		Chang, Huan-Chi				
		Huang, Chi-Hsiang				
		Cheng, Hung-Chen				
Li, Chun-Te						
Fan, Wen-Lung						
Lin, Chih-Chiang						
Financial & Accounting Officer	Huang, I-Tzu (Note 3)					

Note 1: As of the date of this annual report, the employee remuneration for 2025 has not yet been calculated and is a proposed amount.

Note 2: Retired on May 18, 2025.

Note 3: Concurrently serves as the Corporate Governance Officer.

2.2.4 Analysis of the Ratio of Total Remuneration Paid to the Directors, President, and Vice Presidents in the Most Recent 2 years by the Company and all Companies in the Consolidated Financial Statements to the Net Income in the Parent Company Only Financial Statements, and Explanation of the Remuneration Policy, Standards and Combinations, Procedures for Determining Remuneration, and their Correlation with Business Performance and Future Risks

1. Analysis of the total remuneration paid to the directors, president, and vice presidents in the most recent 2 years as a percentage of net income:

Year Item	Ratio of total remuneration paid to net income							
	2025 (Note)				2024			
	Total remuneration (in thousands)		Ratio of Total Amount to Net Income (%)		Total remuneration (in thousands)		Ratio of Total Amount to Net Income (%)	
	The Company	All Companies in the Consolidated Financial Statements	The Company	All Companies in the Consolidated Financial Statements	The Company	All Companies in the Consolidated Financial Statements	The Company	All Companies in the Consolidated Financial Statements
Directors	37,185	37,185	4.37%	4.37%	38,899	38,899	4.87%	4.87%
President and Vice Presidents	119,216	119,216	14.00%	14.00%	112,736	112,736	14.13%	14.13%

Note: The directors' remuneration was approved by the Board of Directors. The employee remuneration distributed to directors concurrently serving as employees is a proposed amount.

2. Description of the policies, criteria and composition of remuneration; the procedures to determine remuneration, and their interrelationship with business performance and future risks:

- (1) According to Article 24 of the Company's Articles of Incorporation, the Board of Directors is authorized to determine individual remuneration based on chairman and each director's participation and contribution to the Company's operations, while taking into account prevailing industry standards.
- (2) Only the travel allowance and remuneration to directors were paid to the directors in cash and no variable compensation is paid.
- (3) According to Article 23 of the Company's Articles of Incorporation, the Company's profits concluded from a financial year are subject to employee remuneration of no less than 3% and director remuneration of no more than 5%. However, where the Company still has accumulated losses, amount shall be reserved for making up the accumulated loss first. The above-mentioned employee remuneration amount, no less than 4% shall be allocated for compensation distributions for non-executive employees. The recipients of the employee remuneration distribution must include the employees of subsidiaries who meet certain criteria. The board is given the authorization in determining the criteria. The overall rewards for managerial

officers consists of fixed salary and variable pay. The remuneration for each officer is determined by the Remuneration Committee with reference to industry standards, taking into account their academic and professional background, the responsibilities of the position, and professional expertise. Bonuses are determined based on the officer's contribution to overall operations and the Company's business performance. The evaluation encompasses a comprehensive range of indicators, including goal achievement rate, revenue, profitability, operational efficiency, ethical management, regulatory compliance, and sustainability performance, all of which are subject to the Chairman's final approval.

- (4) Future risk: The Company has already purchased liability insurance for the directors and managerial officers.

2.3 Implementation of Corporate Governance

2.3.1 Board of Directors

A total of 4 meetings of the Board of Directors were held in the previous (2025) period. The attendance of the directors are as follows:

Title	Name	Attendance in Person	By proxy	Attendance Rate (%)	Remarks
Chairman	Liang, Hsiu-Chung	5	0	100%	Re-elected
Director	Chu, Jui-Hua	3	0	100%	Newly elected on May 29, 2025
Director	Chen, Hsing-Chou	5	0	100%	Re-elected
Director	Tseng, I-Shun	4	1	80%	Re-elected
Director	Chen, Kuo-Hung	5	0	100%	Re-elected
Director	Liu, Hsien-Min	4	1	80%	Re-elected
Former Director	Yu, Ming-Chang	2	0	100%	Term expired on May 26, 2025
Director	Cheng Fa Investment Co., Ltd. Representative: Tsai, Hua-Cheng	4	1	80%	Re-elected
Former Independent Director	Tsai, Kun-Liang	2	0	100%	Term expired on May 26, 2025
Independent Director	Lu, Jui-Wen	5	0	100%	Re-elected
Independent Director	Yu, Yung-Hung	4	1	80%	Re-elected
Independent Director	Tang, Ying-Hua	5	0	100%	Re-elected
Independent Director	Chu, Wei-Ling	3	0	100%	Newly elected on May 29, 2025

Note: Following the general re-election on May 29, 2025, two meetings were held before the re-election and three after. The actual attendance rate (%) is determined by the number of meetings held and attended during each director's term of service.

Other matters that require reporting:

- I. If any of the following circumstances occur during the operation of the Board of Directors, the board meeting date, period, agenda content, all independent directors' opinions, and the Company's handling of independent directors' opinions should be stated:
 - (I) Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee, so Article 14-3 of the Securities and Exchange Act does not apply. For detailed information, please refer to "2.3.3 Audit Committee" of this annual report.
 - (II) In addition to the aforementioned matters, other Board of Directors' resolutions with dissenting or reserved opinions from independent directors that are recorded or with written statements: None.
- II. For the execution of directors' recusal from motions with conflicts of interests, the directors' names, motion content, reasons for conflict of interest avoidance, and voting participation should be stated: The Board of Directors approved the distribution of managerial employee remuneration and the lifting of non-competition restrictions on the Company's directors, while directors who were also employees abstained from voting due to conflicts of interest. The Company's Rules of Procedure for Board of Directors Meetings also explicitly state that directors

shall abstain from proposals that involve personal conflicts of interest.

III. The objectives of enhancing the capabilities of the board of directors in the current year and the most recent year (such as the establishment of an audit committee and improvement of information transparency, etc.) and the assessment of implementation status:

- (I) The Company established an Audit Committee on May 29, 2019, to exercise the powers prescribed by the Securities and Exchange Act, the Company Act, and other laws and regulations, and to assist the Board of Directors in fulfilling its supervision of the Company's quality and integrity in executing accounting, auditing, financial reporting processes, and financial controls. Please refer to pages 39-43, Section 2.3.3 Audit Committee, of this annual report for detailed information.
- (II) The Company established the Remuneration Committee on December 19, 2011, and formulated the "Charter of the Remuneration Committee". Please refer to pages 55-56, Section 2.3.7 Remuneration Committee, of this annual report for detailed information.
- (III) The Company established the Sustainable Development Committee and the Risk Management Committee with the approval of the Board of Directors on October 28, 2022. Please refer to pages 56-60, Section 2.3.8 Sustainable Development Committee & 2.3.9 Risk Management Committee, of this annual report for detailed information.
- (IV) The Company established the Nomination Committee and formulated the "Charter of the Nomination Committee" on May 29, 2025. Please refer to pages 60-61, Section 2.3.10 Nomination Committee, of this annual report for detailed information.

2.3.2 Execution of Board Performance Evaluation

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once a year	2025.01.01 - 2025.12.31	Board of Directors	Internal self-evaluation by the Board of directors	A. Level of participation in company operations B. Improve the decision-making quality of the board of directors C. Composition and structure of the board of directors D. Selection of directors and continuous education E. Internal Control
		Each member of the Board	Self-evaluation by Board members	A. Understand the objectives and mission of the Company B. Understand the directors' job responsibilities C. Level of participation in company operations D. Internal relationship management and communication E. Professionalism and continuous education of directors F. Internal Control
		Audit Committee	Self-evaluation by the Audit Committee	A. Level of participation in company operations B. Understand the functional committee's job responsibilities C. Improve the decision-making quality of functional committee D. Composition of functional committees and selection of committee members E. Internal control

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
		Remuneration Committee Sustainable Development Committee Risk Management Committee Nomination Committee	Self-evaluation by each member of the Committees	A. Level of participation in company operations B. Understand the functional committee's job responsibilities C. Improve the decision-making quality of functional committee D. Composition of functional committees and selection of committee members

The evaluation results are divided into five levels: 1: Very poorly (Strongly disagree); 2: Poor (disagree); 3: Mid-level (Average); 4: Good (Agree); 5: Excellent (Strongly agree). For 2025, the Nomination Committee received an "Excellent" rating in its internal performance self-assessment. Meanwhile, the Board of Directors, individual Directors, and the Remuneration, Sustainability Development, and Risk Management committees were all rated as "Good."

2.3.3 Audit Committee

A total of 4 meetings of the Audit Committee were held in the previous (2025) period.

The attendance of the independent directors are as follows:

Title	Name	Attendance in Person	By proxy	Attendance Rate (%)	Remarks
Former Independent Director	Tsai, Kun-Liang	2	0	100%	Term expired on May 26, 2025
Independent Director	Lu, Jui-Wen	5	0	100%	Re-elected and appointed as the Convener
Independent Director	Yu, Yung-Hung	4	1	80%	Re-elected
Independent Director	Tang, Ying-Hua	5	0	100%	Re-elected
Independent Director	Chu, Wei-Ling	3	0	100%	Newly elected on May 29, 2025

Note: Following the general re-election on May 29, 2025, two meetings were held before the re-election and three after. The actual attendance rate (%) is determined by the number of meetings held and attended during each director's term of service.

Other matters that require reporting:

I. Responsibilities and key tasks of the Audit Committee

(I) The duties of the Audit Committee are as follows:

1. Establish or amend the internal control system according to Article 14-1 of the Taiwan Securities and Exchange Act
2. Evaluate the effectiveness of the internal control system
3. Formulation or amendment to the procedures for the acquisition and disposal of assets, derivatives trading, lending funds to others, or providing endorsements/guarantees to others in accordance with Article 36-1 of the Securities and Exchange Act
4. Matters involving directors' own interests
5. Significant asset or derivatives trading
6. Significant loans or endorsements/guarantees to others
7. Fundraising for, issuance, or private placement of equity securities
8. Appointment, dismissal or remuneration of CPAs
9. Appointment and dismissal of financial or accounting managers or chief internal auditor
10. The annual financial reports signed or sealed by the Chairman, managers, and accounting manager, and the Q2 financial report that required CPA audit and

certification.

11. Other major matters stipulated by the Company or competent authorities

(II) 2025 work highlights

1. Reviewed the Q1, Q2, and Q3, financial statements and submitted them to the Board of Directors for discussion
2. The Board of Directors prepared the 2024 business report, financial statements, and earnings distribution plan, which were audited by Ernst & Young Taiwan, by whom an audit report was issued. The aforementioned business report, financial statements, and earnings distribution plan were audited by the Audit Committee, and no discrepancies were found. Therefore, a report was submitted to the 2025 shareholders' meeting in accordance with the Securities and Exchange Act and the Company Act
3. Evaluation of the Independence and Competence of CPAs
4. Performance Evaluation of the Audit Committee
5. The Effectiveness of the Internal Control System
6. Review of Auditing Fees for CPAs
7. Judgements on the Lending of Funds to others
8. Ernst & Young and its Affiliates Non-confirmation Service
9. Authorization of the Independent Director to Sign and Approve Audit Reports
10. The Amendments to the Company's " Procedures for Engaging in Derivatives Trading "
11. The Amendments to the Company's Seal Management Regulations, Internal Control System and Implementation Rules for Internal Audit
12. Passed the Audit Plan of 2026

II. If any of the following circumstances occur, the date of the Audit Committee meetings, term, motion contents, opposing opinions of Independent Directors, reservations or major recommendations contents, results of the Audit Committee's resolutions, and the Company's response to the Audit Committee's opinion:

(I) Matters specified in Article 14-5 of the Securities and Exchange Act:

Audit Committee Meetings	Motion Contents	Resolution	The Company's Response to Members' Opinions
12th meeting of 2nd term February 27, 2025	<ol style="list-style-type: none"> 1. Proposal to approve the 2024 self-assessment results of the internal control system 2. Proposal on whether accounts receivable and other accounts that meet the criteria are considered lending funds in nature 3. The 2024 Business Report and Financial Statements. 4. The 2024 earnings appropriation plan 5. Evaluation of the Competence and Independence of CPAs 6. Ernst & Young and its Affiliates Non-confirmation Service 7. Review of Audit Fees for CPAs 8. Proposal to change the CPAs Appointed by the Company 9. To Lift Non-competition Restrictions on the Newly Elected Directors 	Approved by all attending committee members	Approved by all attending directors

Audit Committee Meetings	Motion Contents	Resolution	The Company's Response to Members' Opinions
13th meeting of 2nd term April 30, 2025	1. Proposal on whether accounts receivable and other accounts that meet the criteria are considered lending funds in nature 2. 2025 Q1 Financial Statements	Approved by all attending committee members	Approved by all attending directors
2nd meeting of 3rd term July 31, 2025	1. Proposal on whether accounts receivable and other accounts that meet the criteria are considered lending funds in nature 2. 2025 Q2 Financial Statements 3. Authorization of the Independent Director to Sign and Approve Audit Reports	Approved by all attending committee members	Approved by all attending directors
3rd meeting of 3rd term October 29, 2025	1. Proposal on whether accounts receivable and other accounts that meet the criteria are considered lending funds in nature 2. 2025 Q3 Financial Statements 3. The amendments to the Company's " Procedures for Engaging in Derivatives Trading " 4. The amendments to the Company's "Seal Management Regulations " 5. The amendments to the Internal Control System and Implementation Rules for Internal Audit 6. The Audit Plan for 2026	Approved by all attending committee members	Approved by all attending directors

(II) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all Directors: None.

III. If there are Independent Directors' avoidance of motions in conflict of interest, the independent directors' names, motion contents, reasons for avoidance of interests and voting should be specified: None.

IV. Communications between the Independent Directors, the Company's Chief Internal Auditor and the CPAs:

(I) The Chief Internal Auditor communicates with the Audit Committee at least once quarter on the outcomes of the audit report, except where there are special circumstances, he/she will report to the Audit Committee immediately. There have been no abovementioned special circumstances in the year 2025. The state of communications between the Company's Audit Committee and the Chief Internal Auditor is in good state. Matters for communications between the Independent Directors and the Internal Chief Auditor are as shown in the table below:

Date	Matters for Communications with the Internal Chief Auditor
February 27, 2025	1. 2024 Internal Control System Statement 2. 2024 Internal Control System Self-Assessment Results 3. 2024 Audit Plan Implementation Status 4. 2024 Q4 Audit Plan Implementation 5. 2025 Annual Audit Plan Description

Date	Matters for Communications with the Internal Chief Auditor
	6. ISO 14064-1 Implementation Timeline
April 30, 2025	<ol style="list-style-type: none"> 1. Improvements to the 2024 Internal Control Defects and Irregularities 2. 2025 Q1 Audit Plan Implementation 3. ISO 27001 and ISO 27701 Audit Plan 4. External Audit Plan and Results 5. ISO 14064-1 Progress Report 6. Report on the Position Adjustment of the Internal Chief Auditor as Acting Spokesperson
July 31, 2025	<ol style="list-style-type: none"> 1. 2025 Q2 Audit Plan Implementation 2. Audit Plan for Subsidiaries 3. External Audit Plan and Results 4. ISO 27001 and ISO 27701 Audit Results Report 5. ISO 14064-1 Audit Results Report 6. Report on Routine On-Site Audit by the Taiwan Stock Exchange (TWSE)
October 29, 2025	<ol style="list-style-type: none"> 1. 2025 Q3 Audit Plan Implementation 2. Filing of the 2026 Audit Plan 3. External Audit Plan and Results 4. The Amendments to the Internal Control System and Implementation Rules for Internal Audit 5. TWSE On-Site Audit Results and Improvements to Defects and Irregularities
<p>Resolutions: The Independent Directors had no further comments on the aforementioned matters. Upon deliberation and approval by the Audit Committee, the matters were submitted to the Board of Directors.</p>	

(II) The Independent Directors and the CPAs hold private sessions at least twice a year prior to the Audit Committee meetings. During these sessions, the CPAs report to the Independent Directors on the Company’s financial position, overall operations, and internal control audits. They also communicate significant adjusting entries and the impact of regulatory amendments on financial accounts. Special meetings may be convened at any time should significant matters arise.

Date	Attendees	Communication Matters	Implementation Results
<p>February 29, 2025 Separate Meeting before Audit Committee</p>	<p>Independent Directors: Lu, Jui-Wen; Tsai, Kun-Liang; Yu, Yung-Hung; Tang, Ying-Hua</p> <p>Ernst & Young (EY): Hsu, Hsin-Min (CPA); Huang, Min-Ju (CPA); Hsieh, Tsung-Han (AVP)</p>	<ol style="list-style-type: none"> 1. CPA Independence 2. Contents of the Management Representation Letter 3. Significant Risks 4. Internal Control Testing Execution and Results 5. Insights on Significant Qualitative Aspects of Accounting Practices 6. Key Audit Matters (KAMs) 7. Misstatements Identified During the Audit 8. Expected Audit Opinion for Fiscal Year 2024 9. Key Amendments to the IESBA Code 	<ol style="list-style-type: none"> 1. Acknowledged the regulations regarding CPA independence. 2. Reviewed and acknowledged the contents of the Management Representation Letter. 3. Acknowledged the identified significant risks. 4. Acknowledged the internal control testing execution and results. 5. Acknowledged the insights on qualitative aspects of accounting practices. 6. Acknowledged the contents of Key Audit Matters. 7. Acknowledged the misstatements identified during the audit. 8. Acknowledged the expected audit opinion of the financial report. 9. Acknowledged the amendments to the IESBA Code. <p>The Independent Directors had no further comments in this meeting.</p>
<p>July 31, 2025 Separate Meeting before Audit Committee</p>	<p>Independent Directors: Lu, Jui-Wen; Yu, Yung-Hung; Tang, Ying-Hua; Chu, Wei-Ling</p> <p>Ernst & Young (EY): Hsu, Hsin-Min (CPA); Huang, Min-Ru (CPA); Hsieh, Tsung-Han (AVP); Wu, Ya-Chi (Manager)</p>	<ol style="list-style-type: none"> 1. CPA Independence 2. Contents of the Management Representation Letter 3. Insights on Significant Qualitative Aspects of Accounting Practices 4. Review Report to be Issued by the CPAs 	<ol style="list-style-type: none"> 1. Acknowledged the regulations regarding CPA independence. 2. Reviewed and acknowledged the contents of the Management Representation Letter. 3. Acknowledged the insights on qualitative aspects of accounting practices. 4. Acknowledged the expected review opinion of the financial report. <p>The Independent Directors had no further comments in this meeting.</p>

2.3.4 Corporate Governance Implementation Status as Required by Taiwan Financial Supervisory Commission

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
I. Does the Company stipulate and disclose the corporate governance best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"?	V		The Company has already established the corporate governance best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and has disclosed them on the MOPS and company website.	None
II. The shareholding structure of the Company and shareholders' rights and interests (I) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly? (II) Does the Company possess a list of major shareholders and ultimate controllers of these major shareholders? (III) Has the Company built and implemented risk control and firewall mechanism with the related companies? (IV) Has the Company established internal rules prohibiting insider trading on undisclosed information?	V		(I) The Company has already appointed a spokesperson and acting spokesperson unit to handle shareholders' suggestions or disputes. (II) The Company gets hold of these information on its directors, managerial officers and major shareholders with more than 10% stakes at all times and files the shareholding of its major shareholders in a timely manner. (III) The finance and business of the Company and its affiliates are separate and independent operations. (IV) The Company has established the "Procedures for Handling Material Inside Information" and the "Key Points of Prevention of Insider Trading" to prohibit insiders from trading securities using unpublished market information. It also stipulates that directors and managers shall not trade the Company's shares or other equity securities during the period of 30 days before the date of announcement of the annual financial report or during the period of 15 days before the date of announcement of the quarterly financial report. The Company notifies directors and managers by email before the closed period of each quarter to prevent them from violating the regulations accidentally.	None None None None
III. Composition and responsibilities of the Board of Directors (I) Has the Board of Directors established a diversity policy, set goals, and implemented them accordingly?	V		(I) The Company has formulated a diversity policy as per the "Corporate Governance Best Practice Principles" to strengthen the functions of the Board of Directors. The nomination and election of the Company's board	None

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
(II) Does the Company have plans to appoint other functional committees on a voluntary basis other than the appointment of the Remuneration Committee and Audit Committee which are required by law?	V		<p>members are in accordance with the Company's Articles of Incorporation, and a candidate nomination system is adopted. In addition to evaluating the educational and career background qualifications of each candidate, the Company follows the procedures for the election of directors and the Corporate Governance Best Practice Principles to ensure the diversity and independence of the board members.</p> <p>The implementation of the diversity policy refer to pages 24-26 of this annual report.</p> <p>(II) The Board of Directors of the Company has approved the establishment of the Audit Committee, Remuneration Committee, Sustainable Management Committee, Risk Management Committee, and Nomination Committee. Accordingly, the Board has stipulated the respective charters for these committees: the "Audit Committee Charter", "Remuneration Committee Charter", "Sustainable Development Committee Charter", "Risk Management Committee Charter", and "Nomination Committee Charter". The term of office for committee members is the same as that of the Board of Directors. For further details, please refer to the following sections of this annual report and the Company's website: https://www.sti.com.tw/: Pages 39-43: 2.3.3 Audit Committee Pages 55-56: 2.3.7 Remuneration Committee Pages 56-58: 2.3.8 Sustainable Development Committee Pages 59-60: 2.3.9 Risk Management Committee Pages 60-61: 2.3.10 Nomination Committee</p>	None
(III) Does the Company stipulate performance assessment Board of Directors Performance Evaluation Method and conduct the performance assessment on a yearly basis, and was the result of performance assessment reported to the board of directors as a reference for individual directors' salary and nomination of reappointment?	V		<p>(III) The Company's Board of Directors passed the "Regulations Governing the Board of Directors and Functional Committees Performance Evaluation" to conduct annual self-performance evaluations of the Board of Directors, individual board members, and functional committees (including the Audit Committee, Remuneration Committee, Sustainable Development Committee, Risk Management Committee and Nomination Committee). Please refer to pages 38-39 of this annual report for the 2025 evaluation results. The performance evaluation results were reported to the Board of Directors on February 26, 2026. In 2026, the Company will continue to</p>	None

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)																														
	Yes	No	Explanation																															
(IV) Does the Company regularly evaluate its external auditors' independence?	V		<p>enhance communication with directors to improve meeting quality.</p> <p>(IV) The Audit Committee assesses the independence and competence of its assigned CPAs regularly every year. In addition to obtaining the Declaration of Independence and the AQIs provided by the CPAs, the Committee makes evaluation using the assessment items in the following table to confirm that the standards are not violated and refer to AQI's 13 indicators. According to the Company's evaluation on several indicators, the firm's ratio of professional support to the audit department is higher than that of its peers, and the ratio of communication from the competent authority on defects is 0%. The Company will continue to strengthen internal quality review procedures and promote digital auditing to improve audit quality. The evaluation results for the most recent year were discussed and approved by the Audit Committee on February 26, 2026, and submitted to the Board of Directors on the same day. The Board subsequently passed a resolution approving the assessment of the CPAs' independence and competence.</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Yes</th> <th>No</th> </tr> </thead> <tbody> <tr> <td>1. Obtained the Statement of Independence issued by the CPAs.</td> <td>V</td> <td></td> </tr> <tr> <td>2. The CPAs have not provided audit services to the Company for seven consecutive years.</td> <td>V</td> <td></td> </tr> <tr> <td>3. The CPAs has not served as a director, supervisor, managerial officer of the company or subsidiaries or has held positions with significant influences to the audit work.</td> <td>V</td> <td></td> </tr> <tr> <td>4. The CPAs is not a spouse or relative within the second degree of kinship with the directors.</td> <td>V</td> <td></td> </tr> <tr> <td>5. The CPAs does not hold any shares of the Company or the subsidiaries.</td> <td>V</td> <td></td> </tr> <tr> <td>6. The CPAs does not have direct or indirect material financial interests relationship with the Company.</td> <td>V</td> <td></td> </tr> <tr> <td>7. The CPAs must not be in a relationship of joint investments or profit sharing with the Company.</td> <td>V</td> <td></td> </tr> <tr> <td>8. There are no loans between the CPAs and the Company.</td> <td>V</td> <td></td> </tr> <tr> <td>9. The CPA is not doing regular work concurrently for the</td> <td>V</td> <td></td> </tr> </tbody> </table>	Item	Yes	No	1. Obtained the Statement of Independence issued by the CPAs.	V		2. The CPAs have not provided audit services to the Company for seven consecutive years.	V		3. The CPAs has not served as a director, supervisor, managerial officer of the company or subsidiaries or has held positions with significant influences to the audit work.	V		4. The CPAs is not a spouse or relative within the second degree of kinship with the directors.	V		5. The CPAs does not hold any shares of the Company or the subsidiaries.	V		6. The CPAs does not have direct or indirect material financial interests relationship with the Company.	V		7. The CPAs must not be in a relationship of joint investments or profit sharing with the Company.	V		8. There are no loans between the CPAs and the Company.	V		9. The CPA is not doing regular work concurrently for the	V		None
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Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
			<p>Company or affiliates receiving fixed salaries.</p> <p>10. The CPAs has not defend the Company in legal actions or negotiate the conflicts with any third party on behalf of the Company.</p> <p>11.The CPAs is not involved in the management duties in strategic decisions of the Company or affiliates.</p>	
IV. Does the listed company have qualified and sufficient corporate governance personnel, and does the company have a corporate governance officer to be responsible for matters regarding corporate governance (including but not limited to providing Directors and Supervisors with information required for the implementation of business operations, assisting Directors and Supervisors to comply with laws and regulations, preparing meeting-related matters and meeting minutes for the Board of Directors meeting, shareholders' meeting and so forth in accordance with the laws and regulations)?	V		<p>To protect the rights and interests of shareholders and strengthen the powers of the Board of Directors, the Company appointed I-Tzu Huang, Head of Finance and Accounting Center, as the Corporate Governance Officer on October 28, 2022, to be responsible for the supervision and planning of corporate governance, and her qualifications meet the requirements of Paragraph 1, Article 3-1 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.</p> <p>The scope of duties of the Corporate Governance Officer includes:</p> <ol style="list-style-type: none"> 1. Handling matters related to Board of Directors and shareholders' meetings in accordance with the law. 2. Preparing minutes of Board of Directors and shareholders' meetings. 3. Assisting directors in their appointment and continuing education. 4. Providing directors with necessary information for their duties. 5. Assisting directors in complying with laws and regulations. 6. Reporting to the Board of Directors on the results of reviewing the qualifications of independent directors under relevant laws and regulations during their nomination, election, and tenure. 7. Handling matters related to changes in directors. 8. Other matters stipulated in the Articles of Incorporation or contracts. <p>The Corporate Governance Officer reports to the Board of Directors annually on the Company's corporate governance operations. The following is a summary of the officer's performance:</p> <ol style="list-style-type: none"> 1. Five board meetings were held in 2025. Board meeting agendas shall be prepared and sent to directors seven days in advance. The meeting shall be convened and the meeting materials shall be provided. If the meeting agenda requires recusal, directors shall be reminded in advance. The Board of Directors resolution shall be reviewed to determine whether it requires material information disclosure, and board meeting minutes shall be 	None

Assessment Item	Implementation Status		Non-implementation and Its Reason(s)
	Yes	No	
			<p>completed within 20 days after each meeting.</p> <p>One annual shareholders' meeting was held in 2025. The officer assisted with the legal compliance of shareholder meeting procedures and resolutions.</p> <p>2. Assisted directors with continuing education arrangements. All board members completed at least 6 hours of continuing education courses in 2025.</p> <p>3. Process the pre-registration before the shareholders' meeting date and prepare the meeting notice, handbook and meeting minutes within the statutory deadline, and process the change registration affairs after the amendments of the Articles of Incorporation and the re-election of directors.</p> <p>4. Promote the corporate governance index goals, and review the key items for scoring in the corporate governance evaluation index for each term.</p> <p>5. Regularly arranged for communication between independent directors and CPAs regarding the Company's financial position and business condition. Please refer to pages 41-43 of this annual report and the Company's website: https://www.sti.com.tw/.</p> <p>6. Handled directors' and key officers' liability insurance matters and reported to the Board of Directors after renewal.</p> <p>7. Reported the results of reviewing the qualifications of independent directors during their nomination, election, and tenure to the Board of Directors annually.</p> <p>8. Please refer to “2.3.6 Continuing Education/Training of Managerial Officers” on page 54 of this annual report for the further details.</p>

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
V. Has the company established channels for communications with the stakeholders (including but not limited to shareholders, employees, customers, and suppliers), and set up a section for stakeholders on the official website of the company with proper response to the concerns of the stakeholders on issues related to corporate social responsibility?	V		<p>The Company has appointed the spokesperson and acting spokesperson. Related contact information as well as the finance and stock affairs related information have been announced on the MOPS and posted on the company website according to the regulations. This helps to build a good communication channel with the investors.</p> <p>The Company values communication with stakeholders and has established effective communication channels on its external official website and internal employee portal (EIP), with dedicated personnel responsible for responding and improving the operations.</p> <p>To enhance employee satisfaction and improve work efficiency and retention rates, the Company conducts annual employee satisfaction surveys. The Company makes improvements through relevant departments based on the survey results, reports the improvement status to the Sustainable Development Committee, and discloses the information on the Company's official website.</p>	None
VI. Has the company contracted a professional stock affairs agency to handle the shareholders' meeting related affairs?	V		The Company mandates Registrar & Transfer Agency Department of Yuanta Securities Co., Ltd. to be the Company's shareholder services agent, and to handle the affairs related to the stock affairs and has established the "Regulations Governing the Management of the Stock Affairs Process".	None
VII. Information Disclosure				
(I) Does the Company create a website to disclose information regarding its finance, business operations and corporate governance?	V		(I) The Company has made announcement and filed its financial business and corporate governance matters on the MOPS and company website simultaneously according to the laws.	None
(II) Does the Company adopt other methodology of information disclosure (such as creating an English website, appointing a dedicated person to be responsible for the collection and disclosure of the Company's information, implementing the spokesperson system, and uploading videos of the investor conferences on the company's website)?	V		(II) The Company has created an English language website and has appointed dedicated personnel to be responsible for the collection and releasing of various company information. Information relating to the spokesperson system has also been appointed accordingly.	None
(III) Does the Company announce and declare the annual financial statements within two months after the end of the fiscal year and announce	V		(III) The Company has announced and declared the annual financial statements within two months after the end of the fiscal year and announced and declared the financial reports of the first, second and third quarter as well	None

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
and declare the financial reports of the first, second and third quarters as well as the monthly operating report before the deadline?			as the monthly operating report before the deadline. The Company also discloses the financial report in English within two months after the quarterly financial report filing deadline	
VIII. Does the Company have other important information that can help in gaining a better understanding about the operations of corporate governance (including but not limited to the employees' rights, employee care, investor relations, supplier relation, rights of interested parties, training status of directors and supervisors, implementation status of risk management policies and standards of risk measurement, the implementation of customer policies, the purchase of liability insurance for directors and supervisors by the Company)?	V		<p>The Company and subsidiaries value the opinions of its stakeholders, such as, shareholders, employees, customers, and suppliers. We have created a comprehensive two-way communication platform, such as, hotlines, emails, opinion mailboxes. Each year, we will publish the Sustainability Report, disclose the economic, environment and social aspects information on the MOPS and the Company's website under the section on Corporate Sustainable Development and Stakeholders' Section (Website: http://www.sti.com.tw).</p> <ol style="list-style-type: none"> 1. Employee rights and care for employees: Please refer to "4.5 Labor Relations" on pages 149-153 of this annual report. 2. Investor relation To establish a strong governance system and sound supervisory capabilities for the Company's Shareholders' Meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. The Rules for Shareholders' Meeting is also established accordingly. 3. Supplier relation The Company requests its suppliers with dealings to sign the "Integrity Commitment" mandatorily. 4. Rights of stakeholders The Company has already established the Codes of Ethical Conduct to guide the Company's directors, supervisors and managerial officers to meet the ethical standard and to enable the stakeholders of the Company to better understand our ethical standard. 5. Status of Continuing Education/Training of Directors The Company is eager in encouraging its directors to participate in the continuing education. Please refer to "2.3.5 Continuing Education/Training of Directors" on pages 52-53 of this annual report. 6. Status of Continuing Education/Training of Managerial Officers Please refer to "2.3.6 Continuing Education/Training of Managerial Officers" on page 54 of this annual report. 	None

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
			<p>7. The state of purchasing the liability insurance for directors and managerial officers by the Company</p> <p>The Company's Articles of Incorporation stipulated that the liability insurance must be purchased for the directors and managerial officers. The scope of the insurance is to be reported to the Board meeting and filed on the MOPS.</p>	
<p>IX. Please discuss the improvements made based on the latest annual corporate governance evaluation results released by the Taiwan Stock Exchange Corporation's Corporate Governance Center, as well as the priority enhancement items and measures for aspects not yet improved: The Company's 2025 Sustainability Report will be verified by a third party, and for the first time, an English version of the Sustainability Report will be published.</p>				

2.3.5 Continuing Education/Training of Directors

Title	Name	Date	Organizer	Course	Hours
Chairman	Liang, Hsiu-Chung	2025.08.13	Taiwan Corporate Governance Association	Strategic HR Management in Mergers and Acquisitions for Directors and Supervisors	3
	Liang, Hsiu-Chung	2025.11.13	Taiwan Corporate Governance Association	The Board's Role in Supervising Post-Merger Integration and Establishing Management Mechanisms	3
Director	Chu, Jui-Hua	2025.09.26	Securities and Futures Institute	2025 Prevention of Insider Trading Promotion Meeting	3
	Chu, Jui-Hua	2025.10.17	Taiwan Corporate Governance Association	Corporate Governance Officer and Sustainable Governance	3
	Chen, Hsing-Chou	2025.07.09	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit	6
	Tseng, I-Shun	2025.07.09	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit	6
	Chen, Kuo-Hung	2025.08.08	Taiwan Investor Relations Institute	Investment Practices and Market Entry Strategies for Taiwanese Enterprises in Vietnam	3
	Chen, Kuo-Hung	2025.11.11	Taiwan Investor Relations Institute	Taiwan's Future Amidst Shifting Trilateral Relations: U.S., China, and Taiwan	3
	Liu, Hsien-Min	2025.07.25	Securities and Futures Institute	2025 Legal Compliance Introduction on Insider Equity Transactions	3
	Liu, Hsien-Min	2025.09.16	Taiwan Corporate Governance Association	Corporate Governance Officer and Board Member	3
	Tsai, Hua-Cheng	2025.05.27	Taiwan Academy of Banking and Finance	Establishing Integrity Culture, Employee Codes of Conduct, and Accountability Mechanisms: Practical Operations and Case Studies	3
	Tsai, Hua-Cheng	2025.09.25	Securities and Futures Institute	The International Economic Situation and Taiwan's Industrial Dynamics Under Trump 2.0	3

Title	Name	Date	Organizer	Course	Hours
Independent Director	Lu, Jui-Wen	2025.07.09	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit	6
	Yu, Yung-Hung	2025.05.13	Taiwan Institute of Directors	Global Enterprise Management Strategies	3
	Yu, Yung-Hung	2025.08.12	Taiwan Institute of Directors	AI-Driven Industrial Digital Transformation and Innovative Business Applications	3
	Tang, Ying-Hua	2025.12.04	Greater China Financial and Economic Development Association	Outlook on Global and Taiwan Economic, Financial, and Investment Trends in 2026	3
	Tang, Ying-Hua	2025.12.10	Greater China Financial and Economic Development Association	Trump Effects on ESG and Sustainability Governance	3
	Chu, Wei-Ling	2025.05.05	Securities and Futures Institute	NVIDIA's Three-Trillion Miracle: New Strategic Thinking in the AI-Driven Semiconductor Revolution	3
	Chu, Wei-Ling	2025.07.09	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit	6

2.3.6 Continuing Education/Training of Managerial Officers

Title	Name	Date	Organizer	Course	Hours
Chairman and CEO	Liang, Hsiu-Chung	2025.08.13	Taiwan Corporate Governance Association	Strategic HR Management in Mergers and Acquisitions for Directors and Supervisors	3
	Liang, Hsiu-Chung	2025.11.13	Taiwan Corporate Governance Association	The Board's Role in Supervising Post-Merger Integration and Establishing Management Mechanisms	3
Executive Vice President	Chen, Hsing-Chou	2025.07.09	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit	6
	Tseng, I-Shun	2025.07.09	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit	6
Executive Vice President	Liu, Hsien-Min	2025.07.25	Securities and Futures Institute	2025 Legal Compliance Introduction on Insider Equity Transactions	3
	Liu, Hsien-Min	2025.09.16	Taiwan Corporate Governance Association	Corporate Governance Officer and Board Member	3
Financial & Accounting Officer/ Corporate Governance Officer	Huang, I-Tzu	2025.07.09	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit	6
		2025.09.26	Securities and Futures Institute	2025 Prevention of Insider Trading Promotion Meeting	3
		2025.10.30 ~ 2025.10.31	Accounting Research and Development Foundation	Continuing Education Course for Accounting Managers of Issuers, Securities Firms, and Stock Exchanges	12
		2025.11.21	Securities and Futures Institute	2025 Legal Compliance Introduction on Insider Equity Transactions	3

2.3.7 Remuneration Committee

1. Information on Members of the Remuneration Committee

March 31, 2026

Identity	Qualification	Professional Qualifications and Experience	Independence Analysis	Concurrent Remuneration Committee Memberships in Other Public Companies
	Name			
Independent Director (Convener)	Lu, Jui-Wen	Please refer to pages 18-24 of this annual report , Section 2.1.1 Directors:“3. Professional Qualifications of Directors and Independence of Independent Directors” for the further details.		0
Independent Director	Yu, Yung-Hung			0
Independent Director	Tang, Ying-Hua			1
Independent Director	Chu, Wei-Ling			3

2. Duties of the Remuneration Committee

The members must have the loyalty and must exercise the due care of a good administrator in conducting the job responsibilities and submit the suggestions to the Board of Directors for discussion.

- (1) Review of Directors’ and managerial officers’ performance assessment and compensation policies, systems, standards, and structures on a regular basis.
- (2) Regular assessment of the remuneration for Directors and Managerial Officers.

The Remuneration Committee regularly reviews the remuneration policy and plan of the Company to ensure to attract, encourage and retain professional talents needed by the Company.

3. The Operations of the Remuneration Committee

- (1) The Company’s Remuneration Committee consists of four members.
- (2) The term of office for the current members is from May 29, 2025, to May 28, 2028. In the most recent year (2025), the Remuneration Committee held three meetings. The attendance of the members is as follows:

Title	Name	Attendance in Person	By proxy	Attendance Rate (%)	Remarks
Former Convener	Tsai, Kun-Liang	2	0	100%	Term expired on May 26, 2025
Convener	Tang, Ying-Hua	3	0	100%	Re-elected and appointed as the Convener
Member	Lu, Jui-Wen	3	0	100%	Re-elected
Member	Yu, Yung-Hung	2	1	66.67%	Re-elected
Member	Chu, Wei-Ling	3	0	100%	Newly elected on May 29, 2025

Note: Following the general re-election on May 29, 2025, two meetings were held before the re-election and one after. The actual attendance rate (%) is determined by the number of meetings held and attended during each director's term of service.

Other matters that require reporting:

- I. If the Board of Directors chooses not to adopt or revise recommendations proposed by the Remuneration Committee, the date of the Directors' Meeting, session, contents of proposals, results of meeting resolutions, and the Company's disposition of opinions provided by the Remuneration Committee shall be described in detail (also, where the salary and compensation approved by the Directors' Meeting is better than that recommended by the Remuneration Committee, the differences and the reason for the approval shall be described in detail): None.
- II. For the decisions made by the Remuneration Committee, if there are members who hold objection or reservation to a resolution and such objection or reservation is on record or raised through a written statement, the date, session, contents of proposals, all members' opinions, and ways in handling these opinions should be elaborated: None
- III. Major resolutions of the Remuneration Committee in 2025:

Remuneration Committee Meetings	Motion Contents	Resolution	The Company's Response to the Members' Opinions
8th meeting of 5th term February 27, 2025	1. Review the 2024 Distribution of Remuneration to Employees and Directors 2. The Appropriation List for the Pension of the Managerial Officers	Approved by all attending committee members	Approved by all attending directors
9th meeting of 5th term April 30, 2025	1. Resignation of the Managerial Officer, Vice President Chu, Jui-Hua	Approved by all attending committee members	Approved by all attending directors
1st meeting of 6th term May 29, 2025	1. Election of the Convener and Meeting Chairperson of the 6th Remuneration Committee	Approved by all attending committee members	Approved by all attending directors

2.3.8 Sustainable Development Committee

1. Information on Members of the Committee Sustainable Development Committee

The Company established the Sustainable Development Management Committee on October 28, 2022. By resolution of the Board of Directors, the Committee consists of at least three members, with more than half being Independent Directors. Independent Director Yu, Yung-Hung was elected by all members to serve as the convener and meeting chairperson. The Committee members include Independent Director Yu, Yung-Hung, Independent Director Lu, Jui-Wen, and the Head of the Human Resources Center. For detailed information regarding their professional qualifications and experience, please refer to pages 18-24 of this annual report , Section 2.1.1 Directors: "3. Professional Qualifications of Directors and Independence of Independent Directors."

2. Duties of the Sustainable Development Committee

- (1) Propose the corporate sustainability mission and sustainable development policies.
- (2) Formulate goals, strategies, and implementation plans for corporate sustainable development, covering sustainable governance, ethical

management, and environmental and social dimensions.

- (3) Review, track, and revise the implementation and effectiveness of the Company's sustainable development initiatives, and report to the Board of Directors on a regular basis.
- (4) Monitor issues of concern to various stakeholders—including shareholders, customers, suppliers, employees, government, non-profit organizations, communities, and the media—and supervise related communication plans.
- (5) Review the results of the Sustainability Report preparation to ensure completeness and accuracy, and submit it to the Board of Directors for resolution.

3. The Operations of the Sustainable Development Committee

- (1) The Company's Sustainable Development Committee consists of three members.
- (2) The term of office for the current members is from May 29, 2025, to May 28, 2028. In the most recent year (2025), the Sustainable Development Committee held five meetings. The attendance of the members is as follows:

Title	Name	Attendance in Person	By proxy	Attendance Rate (%)	Remarks
Convener	Yu, Yung-Hung	4	1	80%	Re-elected and appointed as the Convener
Member	Lu, Jui-Wen	5	0	100%	Re-elected
Member	Peng, Min-Hui	5	0	100%	Re-elected

Note: Following the general re-election on May 29, 2025, two meetings were held before the re-election and three after. The actual attendance rate (%) is determined by the number of meetings held and attended during each director's term of service.

Other matters that require reporting:

- I. If the Board of Directors chooses not to adopt or revise recommendations proposed by the Sustainable Development Committee, the date of the Directors' Meeting, session, contents of proposals, results of meeting resolutions, and the Company's disposition of opinions provided by the Sustainable Development Committee shall be described in detail: None.
- II. For the decisions made by the Sustainable Development Committee, if there are members who hold objection or reservation to a resolution and such objection or reservation is on record or raised through a written statement, the date, session, contents of proposals, all members' opinions, and ways in handling these opinions should be elaborated: None
- III. Major resolutions of the Sustainable Development Committee in 2025:

Sustainable Development Committee Meetings	Motion Contents	Resolution	The Company's Response to the Members' Opinions
10th meeting of 4th term February 27, 2025	1. Results of the 2024 Sustainability Development Committee Performance Evaluation Questionnaire 2. Implementation Results of 2024 Ethical Management Education and Training 3. Implementation Status of Charitable	Approved by all attending committee members	Approved by all attending directors

Sustainable Development Committee Meetings	Motion Contents	Resolution	The Company's Response to the Members' Opinions
	<p>Activities / Social Contribution</p> <p>4. Implementation Status of Supplier Assessments</p> <p>5. Implementation Status of Greenhouse Gas (GHG) Inventory</p>		
11th meeting of 4th term April 30, 2025	<p>1. Implementation Status of Greenhouse Gas (GHG) Inventory</p> <p>2. 2024 Human Rights Risk Identification and Due Diligence</p>	Approved by all attending committee members	Approved by all attending directors
1st meeting of 5th term May 29, 2025	1. Election of the Convener and Meeting Chairperson of the 5th Sustainability Development Committee	Approved by all attending committee members	Approved by all attending directors
2nd meeting of 5th term July 31, 2025	<p>1. Implementation Status of Supplier Assessments</p> <p>2. Implementation Status of Information Security and Privacy Management</p> <p>3. Implementation Status of Greenhouse Gas (GHG) Inventory</p> <p>4. Review and Approval of the 2024 Sustainability Report</p> <p>5. Review and Approval of the 2025 Stakeholder Engagement and Materiality Assessment</p>	Approved by all attending committee members	Approved by all attending directors
3rd meeting of 5th term October 29, 2025	<p>1. Implementation Status of Greenhouse Gas (GHG) Inventory</p> <p>2. Implementation Status of Supplier Assessments</p> <p>3. Review of 2025 Ethical Management Training Materials and Examination Papers</p> <p>4. Review of the 2025 Human Rights Due Diligence Questionnaire</p> <p>5. Review of the 2026 Stakeholder Engagement and Materiality Assessment Questionnaire</p>	Approved by all attending committee members	Approved by all attending directors

2.3.9 Risk Management Committee

1. Information of Risk Management Committee Members

The Company established the Risk Management Committee on October 28, 2022. By resolution of the Board of Directors, the Committee members are appointed, consisting of at least three members, and more than half of whom shall be Independent Directors. Independent Director Yu, Yung-Hung was elected by all members to serve as the convener and meeting chairperson. The Committee members include Independent Director Yu, Yung-Hung, Independent Director Chu, Wei-Ling, and the Head of the Human Resources Center. For detailed information regarding their professional qualifications and experience, please refer to pages 18-24 of this annual report, Section 2.1.1 Directors: "3. Professional Qualifications of Directors and Independence of Independent Directors."

2. Duties of the Risk Management Committee

The Committee shall exercise the due care of a good administrator and faithfully perform its duties, and shall submit its recommendations to the Board of Directors for discussion.

- (1) Review risk management policies and frameworks, risk appetite, and tolerance.
- (2) Supervise the operation of risk management mechanisms.
- (3) Review management reports on significant risk issues.
- (4) Report the status of risk management to the Board of Directors in a timely manner.

3. The Operations of the Risk Management Committee

- (1) The Company's Risk Management Committee consists of three members.
- (2) The term of office for the current members is from May 29, 2025, to May 28, 2028. In the most recent year (2025), the Risk Management Committee held two meetings. The attendance of the members is as follows:

Title	Name	Attendance in Person	By proxy	Attendance Rate (%)	Remarks
Former Convener	Tang, Ying-Hua	1	0	100%	Term expired on May 26, 2025
Convener	Yu, Yung-Hung	0	1	0%	Newly elected & appointed as the Convener
Former Member	Tsai, Kun-Liang	1	0	100%	Term expired on May 26, 2025
Member	Chu, Wei-Ling	1	0	100%	Newly elected on May 29, 2025
Member	Peng, Min-Hui	2	0	100%	Re-elected

Note: 1. The actual attendance rate (%) is determined by the number of meetings held and attended during each director's term of service.

2. During the 2025 term of office for the outgoing members (Tang, Ying-Hua and Tsai, Kun-Liang), the Committee held one meeting.

3. Following the general re-election on May 29, 2025, one meeting were held after the re-election.

4. For the meetings held after the new appointment on May 29, 2025, Convener Yu, Yung-Hung appointed

another member as a proxy to attend on his behalf for certain reasons.

Other matters that require reporting:

- I. If the Board of Directors chooses not to adopt or revise recommendations proposed by the Risk Management Committee, the date of the Directors' Meeting, session, contents of proposals, results of meeting resolutions, and the Company's disposition of opinions provided by the Risk Management Committee shall be described in detail: None.
- II. For the decisions made by the Risk Management Committee, if there are members who hold objection or reservation to a resolution and such objection or reservation is on record or raised through a written statement, the date, session, contents of proposals, all members' opinions, and ways in handling these opinions should be elaborated: None
- III. Major resolutions of the Risk Management Committee in 2025:

Risk Management Committee Meetings	Motion Contents	Resolution	The Company's Response to the Members' Opinions
6th meeting of 1st term February 27, 2025	<ol style="list-style-type: none"> 1. Report on the Results of the 2024 Risk Management Committee Performance Evaluation Questionnaire 2. Implementation Status of the 2024 Social Engineering Drills 3. Review and Approval of Revisions to the Information Security Policy 	Approved by all attending committee members	Approved by all attending directors
1st meeting of 2nd term May 29, 2025	<ol style="list-style-type: none"> 1. Election of the Convener and Meeting Chairperson of the 2nd Risk Management Committee 	Approved by all attending committee members	Approved by all attending directors

2.3.10 Nomination Committee

1. Information on Members of the Nomination Committee

The Company established the Nomination Committee on May 29, 2025. By resolution of the Board of Directors, the Committee consists of at least three directors, with more than half of whom shall be Independent Directors. Independent Director Tang, Ying-Hua serves as the convener and meeting chairperson. For detailed information regarding their professional qualifications and experience, please refer to pages 18-24 of this annual report, Section 2.1.1 Directors: "3. Professional Qualifications of Directors and Independence of Independent Directors."

2. Duties of the Nomination Committee

- (1) Establish standards for the professional knowledge, skills, experience, gender and so on aspects of diversity and independence required of board members, and use them to identify, review and nominate director candidates
- (2) Build and develop the structure of the Board and Functional Committees, conduct performance evaluations of the Board as a whole Functional Committees, and board members and assess the independence of independent directors

- (3) To plan and to review regularly the director training programs and succession plans
 - (4) Other matters to be performed by the Committee pursuant to the resolution of the Board
3. The Operations of the Nomination Committee
- (1) The Company's Nomination Committee consists of five members.
 - (2) The term of office for the current members is from May 29, 2025, to May 28, 2028. In the most recent year (2025), the Nomination Committee held two meetings. The attendance of the members is as follows:

Title	Name	Attendance in Person	By proxy	Attendance Rate (%)	Remarks
Convener	Tang, Ying-Hua	2	0	100%	Newly elected & appointed as the Convener
Member	Lu, Jui-Wen	2	0	100%	Newly elected on May 29, 2025
Member	Chu, Wei-Ling	2	0	100%	Newly elected on May 29, 2025
Member	Liang, Hsiu-Chung	2	0	100%	Newly elected on May 29, 2025
Member	Chu, Jui-Hua	2	0	100%	Newly elected on May 29, 2025

Note: The Company conducted a general re-election of directors on May 29, 2025. On the same day, the Board of Directors resolved to establish the Nomination Committee, which held two meetings during the remainder of the year. The actual attendance rate (%) is determined by the number of meetings held and attended during each director's term of service.

Other matters that require reporting:

- I. If the Board of Directors chooses not to adopt or revise recommendations proposed by the Nomination Committee, the date of the Directors' Meeting, session, contents of proposals, results of meeting resolutions, and the Company's disposition of opinions provided by the Nomination Committee shall be described in detail: None.
- II. For the decisions made by the Nomination Committee, if there are members who hold objection or reservation to a resolution and such objection or reservation is on record or raised through a written statement, the date, session, contents of proposals, all members' opinions, and ways in handling these opinions should be elaborated: None
- III. Major resolutions of the Nomination Committee in 2025:

Nomination Committee Meetings	Motion Contents	Resolution	The Company's Response to the Members' Opinions
1st meeting of 1st term May 29, 2025	1. Election of the Convener and Meeting Chairperson of the 1st Nomination Committee	Approved by all attending committee members	Approved by all attending directors

2.3.11 Sustainable Development Implementation Status as Required by Taiwan Financial Supervisory Commission

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
I. Does the Company have a governance structure for sustainability development and a dedicated (or ad hoc) sustainable development unit with Board of Directors authorization for senior management, which is supervised by the Board of Directors?	V		<p>The Company's Board of Directors resolved to establish the Sustainable Development Management Committee on October 28, 2022, to serve as a dedicated (or concurrent) unit for promoting sustainable development. The committee consists of at least three members, with more than half of them being independent directors. An independent director serves as the convener and meeting chair to ensure the decision-making, promotion, and implementation of corporate sustainable development-related tasks. The unit conducts risk assessment on the environment, social or corporate governance topics relating to the company's operations based on materiality principle.</p> <p>The Company abides by the Sustainable Development Best-Practice Principles as approved by the Board. Each of the unit implements them in the daily operations based on their work duties under the organization charter. Meetings are held at least twice a year. 5 meetings were held in February, April, May, July and October in 2025. The scope of the motion includes: (1) Identifying material sustainability issues; (2) setting goals and amending policies for sustainability; (3) ensuring legal compliance and execution; and (4) overseeing the implementation of sustainable management and evaluating its progress. Supplemental meetings may be convened as needed to identify relevant issues. Following evaluation and analysis by the respective units, key issues shall be incorporated into execution plans and daily operations.</p> <p>The unit (dedicated or otherwise) responsible for sustainable development shall report its implementation status to the Board of Directors at least once a year. Management is required to submit corporate strategies and action plans to the Board, which shall evaluate the viability of these strategies and monitor their progress. When necessary, the Board shall direct the management team to make appropriate adjustments.</p> <p>This disclosure covers the Company's major operating locations from January to December 2025, including all branch offices nationwide. Certain topics also encompass the subsidiary, Stark Inforcom Inc.</p>	None
II. Does the Company conduct risk assessments on environmental, social, and corporate governance issues that are relevant to its operations and stipulate risk	V		<p>On October 28, 2022, the Board of Directors approved the establishment of the Risk Management Committee. The Committee consists of at least three members, with a majority being independent directors, one of whom serves as the convener and chairperson. The Committee's responsibilities include conducting materiality assessments and communicating with internal and external stakeholders. It is tasked with performing</p>	None

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)						
	Yes	No	Summary							
management policies or strategies based on principles of materiality?			<p>risk assessments on ESG issues related to the Company operations and establishing the "Risk Management Policies and Procedures" to ensure effective identification, measurement, evaluation, oversight, and control. Furthermore, it implements specific action plans to mitigate the impacts of associated risks.</p> <table border="1"> <thead> <tr> <th>Material Topics</th> <th>Risk Evaluation Items</th> <th>Risk Management Policy and Strategy</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td>Environmental Protection</td> <td> <p>Extreme weather phenomena resulting from climate change impact corporate profits and increase risks; natural resources are depleted due to massive human consumption; excessive burning of coal and fossil fuels leads to air pollution; and the use of complex chemical substances endangers human health. These phenomena have a significant impact on our lives and work, endangering the rights of future generations. In view of this, the Company upholds the environmental responsibility of corporate sustainable development by continuously promoting energy-saving measures and the use of renewable energy. Beyond leading by example, we invite suppliers to join us in enhancing energy management performance and increasing the use of eco-friendly materials to lower greenhouse gas emissions and promote resource recycling. Through these efforts, we provide safe products and services while leveraging innovation to capture the risks and opportunities of climate change, moving toward the goal of becoming an environmentally friendly enterprise.</p> <p>* Greening our Work Environment Employees are invited to plant greenery in the office to improve the work environment.</p> <p>* Sound Environment and Safety Management The Company operates as a system integration and consulting service provider. Its headquarters is located in Hsinchu City, in a commercial office</p> </td> </tr> </tbody> </table>	Material Topics	Risk Evaluation Items	Risk Management Policy and Strategy	Environment	Environmental Protection	<p>Extreme weather phenomena resulting from climate change impact corporate profits and increase risks; natural resources are depleted due to massive human consumption; excessive burning of coal and fossil fuels leads to air pollution; and the use of complex chemical substances endangers human health. These phenomena have a significant impact on our lives and work, endangering the rights of future generations. In view of this, the Company upholds the environmental responsibility of corporate sustainable development by continuously promoting energy-saving measures and the use of renewable energy. Beyond leading by example, we invite suppliers to join us in enhancing energy management performance and increasing the use of eco-friendly materials to lower greenhouse gas emissions and promote resource recycling. Through these efforts, we provide safe products and services while leveraging innovation to capture the risks and opportunities of climate change, moving toward the goal of becoming an environmentally friendly enterprise.</p> <p>* Greening our Work Environment Employees are invited to plant greenery in the office to improve the work environment.</p> <p>* Sound Environment and Safety Management The Company operates as a system integration and consulting service provider. Its headquarters is located in Hsinchu City, in a commercial office</p>	
			Material Topics	Risk Evaluation Items	Risk Management Policy and Strategy					
Environment	Environmental Protection	<p>Extreme weather phenomena resulting from climate change impact corporate profits and increase risks; natural resources are depleted due to massive human consumption; excessive burning of coal and fossil fuels leads to air pollution; and the use of complex chemical substances endangers human health. These phenomena have a significant impact on our lives and work, endangering the rights of future generations. In view of this, the Company upholds the environmental responsibility of corporate sustainable development by continuously promoting energy-saving measures and the use of renewable energy. Beyond leading by example, we invite suppliers to join us in enhancing energy management performance and increasing the use of eco-friendly materials to lower greenhouse gas emissions and promote resource recycling. Through these efforts, we provide safe products and services while leveraging innovation to capture the risks and opportunities of climate change, moving toward the goal of becoming an environmentally friendly enterprise.</p> <p>* Greening our Work Environment Employees are invited to plant greenery in the office to improve the work environment.</p> <p>* Sound Environment and Safety Management The Company operates as a system integration and consulting service provider. Its headquarters is located in Hsinchu City, in a commercial office</p>								

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
			<p>building. All branch offices and shipment centers are also located in commercial office buildings or industrial plants. We fully comply with environmental, health, and safety (EHS) policies to manage potential risks, reduce operational impacts, and ensure regulatory compliance, providing employees with a comfortable and safe work environment.</p> <p>* Energy Saving and Carbon Reduction Measures</p> <p>1. <u>LED Lighting</u></p> <p>(1) In compliance with government measures, office lighting has been switched to LED, reducing energy consumption and heat generation, which improves air-conditioning efficiency</p> <p>(2) According to the Company's trial calculations, the 12-hour daily LED lighting solution significantly saves electricity costs compared to previous T8 lamps.</p> <p>(3) LEDs reduce heat and cut approximately 65,399 kg of CO2 emissions annually (coefficient: 0.636 kg CO2/kWh), further lowering indoor temperatures and saving on cooling costs.</p> <p>(4) Lighting circuits are adjusted to reduce unnecessary use.</p> <p>2. <u>Waste Sorting</u></p> <p>Wooden pallets and daily waste are recycled by licensed environmental companies to reduce pollution and promote resource recycling and reuse. This can increase the utilization efficiency of various resources and utilize renewable substances with low impact on the environment enabling the sustainable use of resources.</p>	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
			<p>3. <u>Waste management and Resource Recycling</u></p> <p>(1) Paper Recycling: Resource recycling and waste sorting have been promoted on a regular basis. The handling of papers that are not confidential and with no personal information are reused, while the papers with confidential and personal information are collected on a regular basis for transporting to the professional document destruction company by the appointed transport company after the approval by the managerial officer. The transported papers will be destroyed and recycled onsite with photos taken as record. This process complies with both the personal data protection regulations and the resource recycling principles for environmental protection.</p> <p>(2) Computer Disposal: Information will be deleted for media (such as hard drives) containing personal data and the physical item will be destroyed and discarded. Computers without hard drives will be discarded and sent directly to the recycling plant. Paper application forms are replaced with electronic forms for the systems to reduce the generation of waste.</p> <p>4. <u>Water Resource Management</u></p> <p>The business model of the Company is mainly on product sales and customer services. We do not have manufacturing factories and our operations take place in regular office buildings. There is no large volume usage of water resources. The daily office tap water is our main source of water for usage obtained from the city</p>	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
			<p>government supply which has no significant impact on the water resource.</p> <p>In terms of wastewater management, the office wastewater generated is mainly domestic sewage. We have released the wastewater to the public sewer and sent it to the local wastewater treatment plant for treatment according to the local regulations. It does not have significant impacts on the ecological environment.</p> <p>To treasure the water resource usage, we continue to explore various water saving possibilities. For example: Replace the central cooling tower equipment, adjust the flushing toilet volume for savings in public areas, and use an automatic sensor water supply for urinals to save water.</p> <p>5. <u>Air-Conditioning Systems</u></p> <p>Adjust the temperature of the main unit of the air-conditioner and set the temperature to at least 26°C and 28°C. Introduce fresh cool air in winter to achieve energy saving effects. At the same time, it can reduce the energy exhaustion of the main unit reducing the energy consumption of the air-conditioning. The interior and exterior temperature is significantly lower during winter times. The below energy saving measures are implemented to avoid unnecessary wastage of electricity for air-conditioning:</p> <p>(1) Adjust to a suitable temperature for the main unit of the cooling water for air-conditioning to reduce the operation time of the compressor to achieve energy</p>	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
			<p>saving effects</p> <p>(2) Place eye-catching labels on the switch location and control instructions asking the employees to follow them to avoid forgetting to close the air-conditioning when getting off work.</p> <p>(3) Winter season (December to February) 12.00 pm each day, switch off the air-conditioning system for one hour. It is the lunch break hour during this time and employees are mostly out for lunch. The air-conditioning can be switched on when employees get back to work in the afternoon.</p> <p>(4) Winter season (December to February) switch off the air-conditioning one hour before end of the work day. This is because it is usually not stifling hot during the evenings of winter time. Employees with needs may turn on the air-conditioning again.</p> <p>6. <u>Employee Commuting</u> To reduce the impact to the environment due to commuting by the employees, Stark has constructed an internal shared-ride regulating system to encourage employees to take advantage of the shared-ride when getting to and off work. This gives employees a low-carbon commuting option: We have continue to promote the video conference tool offering employees of different office regions for use in replacement of work travel. This can reduce air pollution and carbon dioxide emissions.</p>	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
			<p>Social</p> <p>Product Safety</p> <p>The Company is an agent for the products of international original manufacturers who are actively accommodating to the environmental protection policies, health and safety requirements of their government having obtained many certifications and are in compliance with related Acts. Most of them complied with ISO certifications, EU Waste from Electrical and Electronic Equipment (WEEE), EU Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS), EU Regulation on the registration, evaluation, authorization and restriction of chemicals (REACH), U.S. ENERGY STAR, etc. On the product equipment sold by the company and the solutions plans, we provide customers a strong and well-experienced technical service team as their backing. In accordance with the actual requirements of the customers, we will provide them non-stop service model option throughout the year. In order to ensure service quality, enhance customer satisfaction, we have appointed a dedicated unit to offer diverse service communication channels. Each year, we took the initiative to conduct customer satisfaction survey. The feedbacks and guidance given by the customers form the basis for our future reviews, amendments, improvements and enhancement to our service quality.</p>	
			<p>Corporate Governance</p> <p>Legal Compliance/ Enhancing Board Duties/ Stakeholders Communications</p> <p>1. Build governance charter and implement internal control system to ensure all of the Company's employees and processes comply with related laws and regulations. There are educational training and smooth complaint channels. 2. Related continuing courses are planned each year for the directors for their rights and helping them to understand legal responsibilities with the latest</p>	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
			<p>laws and regulations, system development and policies.</p> <p>3. Purchase liability insurance for the directors to protect them from situations of litigations or compensation claims when they exercise the due care of a good administrator.</p> <p>2. 4. Build various communication channels for active communications and reduce conflicts and misunderstandings. Set up investor mailbox and the spokesperson is responsible for its handling.</p>	
			<p>Information Security</p> <p>Strengthen the Company's information security management mechanism, implement the ISO 27001 information security management system and ISO 27701 privacy information management system, and obtain third-party certification.</p>	
<p>III. Environment topics</p> <p>(I) Has the Company set up an Environmental management system suitable to industry characteristics?</p>	V		<p>(I) The Company is an IT service provider, and its main business activities include system integration, information professional services, and product distribution. It has no manufacturing processes and therefore poses no material direct pollution risk to the environment. To respond to global climate change and sustainable development trends, the Company has established an environment and energy management system aligned with industry characteristics and integrated it into its corporate governance framework.</p> <p>In 2022, the Company officially changed the name of its Corporate Social Responsibility Management Committee to the Sustainable Development Management Committee, which is responsible for coordinating ESG related issues. The organizational greenhouse gas (GHG) inventory team was established under the Sustainable Development Management Committee in 2023. It is responsible for organizing the greenhouse gas emission inventory, data management, and reduction strategy planning, and regularly reported the implementation status to the Board of Directors and the Risk Management Committee.</p> <p>In 2025, the Company continued to strengthen the operation of its environmental management system and incorporated climate-related risks into its overall risk management framework to ensure alignment between environmental issues and its</p>	None

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
(II) Is the Company committed to improving resource efficiency and the use of renewable materials with low environmental impact?	V		<p>business strategy.</p> <p>(II) In accordance with its “environmental and energy policy,” the implementation status in 2025 is as follows:</p> <ol style="list-style-type: none"> 1. Office paperless operations were further promoted, and an electronic approval system was fully implemented to reduce paper and toner consumption. 2. Company vehicles are being gradually replaced with hybrid or electric vehicles to reduce fuel consumption and carbon emissions. 3. All office lighting has been replaced with high-efficiency LED fixtures, and a policy of turning off lights for one hour during the daily lunch break has been implemented. 4. Indoor air conditioning temperatures are set between 26°C and 28°C to reduce energy consumption. 5. All paper purchased is PEFC-certified paper. 6. The Company has continuously optimized its central air-conditioning cooling water system and replaced it with water-saving equipment. 	None
(III) Does the Company assess potential risks and opportunities associated with climate change and undertake measures in response to climate issues?	V		<p>(III) In order to respond to the impact of climate change on corporate operations and enhance information disclosure transparency, the Company has incorporated climate-related issues into its corporate governance and overall risk management framework. The Sustainable Development Management Committee coordinates the promotion of these efforts and regularly reports the implementation status to the Board of Directors and the Risk Management Committee so that senior Management can fully grasp the impact on operational strategy and finance. Each department conducts climate-related inventory and analysis based on its operating characteristics, comprehensively assesses potential risks, opportunities, and countermeasures, and incorporates the results into annual operational plans and management decision-making as a reference. Through systematic data collection, inventory, and assessment mechanisms, the Company continues to strengthen its climate governance capabilities and corporate resilience, and prudently evaluates and discloses the related financial impacts to reduce uncertainty, enhance operational stability, and capture opportunities for sustainable development.</p>	None

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(IV) Does the Company maintain statistics on greenhouse gas emission, water usage and waste volume, as well as develop carbon reduction, water reduction or waste management policies?	V		<table border="1"> <tr> <td>Fluctuations in energy prices may drive up operating costs</td> <td>Improving energy efficiency can reduce long-term operating expenses</td> <td>Continuously optimize equipment performance and energy management mechanisms</td> </tr> </table>	Fluctuations in energy prices may drive up operating costs	Improving energy efficiency can reduce long-term operating expenses	Continuously optimize equipment performance and energy management mechanisms	None
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<p>(IV) The strategies in response to greenhouse gas management and energy saving and carbon reduction are as follows:</p> <p>1. <u>Greenhouse Gas (GHG)</u></p> <p>Since 2023, the Company has gradually expanded the scope of GHG inventory based on the policy direction of the Financial Supervisory Commission's sustainable development roadmap, covering major operating locations and related emission sources, and continues to refine the inventory method and management mechanism. To ensure the reliability and consistency of inventory data, the Company uses the greenhouse gas inventory data for 2024, which has been assured by a third party, as the base year. Based on this, the Company comprehensively reviews its current energy use structure and emission profile, and resets reduction targets in line with its operational characteristics. The Company is committed to an average annual reduction of 1% in energy consumption as its management target, and will continue to enhance energy efficiency and reduce greenhouse gas emissions through measures such as equipment replacement, structured energy management, and the promotion of employee energy-saving practices. Going forward, the Company will also regularly review implementation effectiveness and make rolling adjustments to relevant practices to ensure the continuous improvement of energy management and carbon reduction initiatives, and to progressively align with international sustainable development trends.</p> <p>2. <u>Energy Management</u></p> <p>The Company's energy consumption relies primarily on purchased electricity. In order to improve energy efficiency, the Company has successively promoted energy-saving projects since 2014, including the replacement of approximately 418 LED lighting fixtures in major office areas. By the end of 2017, it also completed the replacement of approximately 400 LED lighting fixtures at the Taipei office building, resulting in annual electricity savings of approximately 98,400 kWh. Starting from 2023, in line with the FSC's Sustainable Development Roadmap, Stark Technology has progressively expanded the scope of its</p>							

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	Yes	No	
			<p>greenhouse gas inventory to cover all operating sites across Taiwan. Using the greenhouse gas inventory data for 2024, which has been assured by a third party, as the base year, the Company has set a management target of a 1% annual reduction in energy consumption for energy saving and carbon reduction. To achieve this target, the Company implements measures such as air-conditioning temperature control (26°C to 28°C), replacement of high energy-consuming equipment, promotion of LED lighting, and structured energy-saving practices (e.g., turning off lights during lunch breaks and switching to fan mode before the end of the workday), thereby continuously enhancing energy management effectiveness and fulfilling its corporate sustainability commitments.</p> <p>3. <u>Water Resource Management</u></p> <p>The Company's locations across Taiwan are in metropolitan areas of counties and cities and use tap water sourced from reservoirs, primarily for domestic use. Wastewater generated after use is discharged into government-operated sewer systems. In addition, except for the Hsinchu headquarters building, which has its own water meter, water usage at other sites is managed by the respective building management committees. Accordingly, Stark primarily manages water usage at its Hsinchu headquarters. Although the Company is not a high water-intensive enterprise, it continues to exercise self-monitoring and implements water-saving measures at every stage. These measures include replacing cooling tower equipment for the central air conditioning system, installing water-efficient toilets in public areas with adjusted flushing volumes, and adopting automatic sensor-based water supply for urinals, in order to conserve water resources and contribute to environmental sustainability. In terms of water resource management, the Company has also established short-term targets to ensure the continued maintenance of sound water-use efficiency. The short-term target for 2025 is to “maintain per capita water consumption at a level comparable to the baseline year (a variation within ±3% is considered reasonable).” The Company will continue to strengthen awareness of water-saving practices and implement routine inspections of key areas, such as restrooms and cooling towers, to ensure there are no leaks or abnormal water consumption, thereby advancing water resource management in a pragmatic manner consistent with the characteristics of a non–water-intensive enterprise.</p>

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	Yes	No	
			<p>4. <u>Waste management and Resource Recycling</u></p> <p>The Company has designated 2020 as the baseline year for industrial waste management, with a waste intensity of 0.0597% (tonnes of waste per million in annual revenue). A management target has been set to reduce this figure by 0.002% annually, with the aim of continuously improving waste reduction and sorting efficiency. From 2024 onwards, to improve customer service quality and strengthen waste sorting and paper recycling efficiency, the Company has added measures to collect used packaging materials from customers, and will collect and sort them in a unified manner. Due to the expansion of recycling scope, the total volume of waste and paper recycling increased in 2024, resulting in a rise in waste intensity to 0.0655% for the year. This change was driven by the expansion of recycling policies, reflecting the Company's proactive commitment to circular resource reuse rather than an increase in operational consumption.</p> <p>In 2025, building upon its existing recycling mechanisms, the Company further optimized its waste classification management processes and recycling efficiency while continuing to promote source reduction measures. These efforts resulted in a downward trend in waste intensity compared to the previous year. This shift demonstrates that the Company has progressed from a stage of expanding recycling scale to one of enhancing management effectiveness. While maintaining its achievements in resource recycling, the Company has effectively reduced waste generation per unit of revenue, continuing its steady progress toward the sustainable goals of waste reduction and circular utilization.</p> <p>In terms of paper recycling and disposal management, in addition to implementing routine waste sorting and resource recycling, paper that does not contain personal data or confidential information is reused as waste paper. For paper involving personal data or confidential information, it is collected on a regular basis and, upon supervisory approval, entrusted to a qualified transport company for delivery to a designated professional hydropulping plant. On-site hydropulping and recycling are then carried out with video records retained, ensuring compliance with personal data protection regulations while adhering to the principles of resource recycling.</p> <p>In the management of decommissioned computer equipment, any storage media containing personal data (such as hard drives) are first subject to data deletion and physical destruction prior to disposal. Computer equipment without</p>

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			<p>hard drives is, upon completion of the decommissioning process, directly delivered to recycling facilities for processing. At the same time, the Company has promoted the adoption of electronic forms to replace paper-based application processes, thereby reducing waste generation.</p> <p>With respect to the handling of packaging materials for computer equipment, the Company assists, based on customer needs, in collecting packaging from sold equipment. After temporary storage at the Company, such materials are periodically entrusted, in accordance with Article 28, Paragraph 3 of the Waste Disposal Act, to waste clearance and treatment institutions approved by the competent authority for proper removal and processing, thereby ensuring regulatory compliance and the effective management of waste.</p> <p><u>Greenhouse Gas Emissions in the most recent 2 years</u></p> <table border="1"> <thead> <tr> <th>Unit: Metric Tons CO₂e</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Scope 1</td> <td>192.7834</td> <td>183.6302</td> </tr> <tr> <td>Scope 2</td> <td>791.6326</td> <td>1,004.6403</td> </tr> <tr> <td>Scope 3</td> <td>860.7295</td> <td>741.6489</td> </tr> <tr> <td>Total</td> <td>1,845.1455</td> <td>1,929.9194</td> </tr> </tbody> </table> <p>Note: The data boundary covers the parent company, Stark Technology, and its subsidiary, Stark Inforcom Inc.</p> <p><u>Water Consumption in the most recent 2 years</u></p> <table border="1"> <thead> <tr> <th>Unit: Metric Tons CO₂e</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Water Consumption</td> <td>1,515.0000</td> <td>1,507.0000</td> </tr> </tbody> </table> <p>Note: The data boundary covers the parent company, Stark Technology, and its subsidiary, Stark Inforcom Inc.</p> <p><u>Waste Generation Volume in the most recent 2 years</u></p> <table border="1"> <thead> <tr> <th>Unit: Metric Tons CO₂e</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>General industrial Waste</td> <td>4.9400</td> <td>4.1400</td> </tr> </tbody> </table> <p>Note: The data boundary covers the parent company, Stark Technology, and its subsidiary, Stark Inforcom Inc.</p>	Unit: Metric Tons CO ₂ e	2024	2025	Scope 1	192.7834	183.6302	Scope 2	791.6326	1,004.6403	Scope 3	860.7295	741.6489	Total	1,845.1455	1,929.9194	Unit: Metric Tons CO ₂ e	2024	2025	Water Consumption	1,515.0000	1,507.0000	Unit: Metric Tons CO ₂ e	2024	2025	General industrial Waste	4.9400	4.1400
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IV. Social topics (I) Does the Company have the relevant management policies and	V		(I) The Company upholds the spirit of the Universal Declaration of Human Rights and the United Nations Global Compact. In compliance with the Labor Standards Act and None																											

Assessment Item	Implementation Status		Non-implementation and Its Reason(s)
	Yes	No	
procedures stipulated in accordance with the relevant laws and regulations and international conventions on human rights?			<p>relevant local regulations, we have established human rights policies and work rules to safeguard the fundamental human rights of all employees and promote an organizational culture of Diversity, Equity, and Inclusion (DEI). We expect our suppliers, partners, and stakeholders to adhere to these same standards. This policy applies to the Company, its affiliates, suppliers, partners, and contractors.</p> <p>[Human Rights Commitments]</p> <ol style="list-style-type: none"> Regulatory Compliance: Provide reasonable working conditions and a safe, healthy environment. Equality and Anti-Discrimination: Respect diverse backgrounds; prohibit discrimination, harassment, and inhumane treatment; guarantee legal wages, benefits, and career opportunities; and strictly forbid forced and child labor. Freedom of Association: Respect employees' rights to form unions, maintain open communication channels, and promote labor-management harmony. Workplace Safety: Establish an Occupational Health and Safety Center to continuously improve safety standards and protect employees' physical and mental well-being. Information Security: Maintain ISO 27001 and ISO 27701 certifications, comply with data protection laws, and conduct regular audits to uphold digital human rights. Diversity, Equity, and Inclusion (DEI): Ensure fairness in recruitment, promotion, and employment opportunities regardless of race, gender, age, or religion, fostering gender equality and a positive workplace. Supply Chain Responsibility: Implement supplier management protocols, prioritize green procurement, and require suppliers to commit to corporate social responsibility (CSR). <p>[Human Rights Governance Framework]</p> <p>The Board of Directors has established the Sustainable Development Committee, comprising at least three members, with independent directors forming the majority. Under this committee, a cross-departmental ESG Execution Group has been formed. The Employee Relations and Social Engagement Team is responsible for implementing human rights management. Progress is reported regularly to the Committee, which then reports the execution results to the Board of Directors.</p> <p>[Human Rights Due Diligence]</p> <p>In reference to the United Nations Guiding Principles on Business and Human Rights</p>

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
(II) Does the Company stipulate and implement reasonable employee welfare measures (including compensation, leave of absence and other benefits), and appropriately reflect business performance or outcome in employees' compensations?	V		<p>(UNGP), the Company has established human rights due diligence procedures. We conduct annual assessments via questionnaires, with this year's scope focusing on internal employees. Issues covered include privacy protection, gender equality, workplace diversity, occupational health and safety, labor regulations, and maternal health protection. The annual assessment identified Occupational Health and Safety as a high-risk issue, while Privacy Protection and Gender Equality were identified as medium-risk issues.</p> <p>[Mitigation and Remedial Measures]</p> <ol style="list-style-type: none"> 1. Conduct annual training and awareness programs on occupational safety and the prevention of workplace harassment (unlawful infringement). 2. Strictly implement ISO 27001 and ISO 27701 standards and maintain valid external certifications. <p>(II) The Company has established work rules and related personnel management charter. The contents cover the basics of hiring labor by the Company - basic wages, work hours, leaves, pension payments, labor and health insurance payment, occupational hazards compensations that comply with Labor Standards Act related regulations. We have appointed the Employee Welfare Committee which is operated through election by employees for organizing the various welfare matters. In terms of salary policy, it is based on the company's salary position in the market with reference to the industry salary survey outcomes and the comprehensive consideration on the fairness within the organization and external competition to arrive to a competitive overall remuneration policy in ensuring competitive advantage of the company in the human resource competition.</p> <p>[Overall Remuneration Policy]</p> <p>To attract and retain outstanding talents, the Company has developed competitive overall remuneration policies after taking into account an industry survey on salary policy and the company's over remuneration positioning in the market, with reference to the results of industry remuneration survey and comprehensive consideration of the internal fairness and external competitiveness of the organization, to secure the Company's competitive advantage with respect to human resource.</p> <p><u>Industry Survey on Salary Policy</u></p> <p>The purpose of industry survey on salary policy is to understand changes in the external labor market to ensure the Company can maintain its salary level at a certain</p>	None

Assessment Item	Implementation Status		Non-implementation and Its Reason(s)
	Yes	No	
		<p>degree of external competitiveness. Based on the survey outcome, the Company evaluates differences between its current salary payment level and the market level, as basis for the adjustments of salary level and salary combination form and structure.</p> <p><u>Internal Fairness of Salary Policy</u></p> <p>Based on employees' job category, professional knowledge and technology, job scope and relative contribution to the Company's value, the Company flexibly designs a overall reward policy that offers a combination of financial and non-financial rewards. This policy uses bonus incentives as a means to raise the company's operation, teams, and individual performance.</p> <p>[Business performance response and employee remuneration]</p> <p>The Company shares the outcomes of its operation profits. According to the Articles of Incorporation, at least 3% of the profits shall be allocated as employee remuneration and the above-mentioned employee remuneration amount, no less than 4% shall be allocated for compensation distributions for non-executive employees, which shall include employees of affiliates who meet certain criteria.</p> <p><u>Performance Cash Reward</u></p> <p>The Company conducts comprehensive evaluations based on key performance indicators (KPIs), such as the achievement of departmental and individual performance goals. These evaluations integrate qualitative behavioral indices with quantitative work targets to determine reward allocations.</p> <p><u>Annual Salary Adjustment</u></p> <p>Annual salary adjustments are categorized into Regular and Ad-hoc adjustments: Regular Salary Adjustments: To maintain a competitive advantage in compensation, regular adjustments are evaluated based on comprehensive factors, including external market salary surveys and individual performance. For the current year, the average adjustment rate for both management and non-management positions ranged from 2% to 5%, with specific structural adjustments reaching up to 20%. Ad-hoc Salary Adjustments: These are incentive-based structural adjustments focused on competencies and skills. They are designed to motivate employees to acquire new skills and unleash their potential, with adjustments determined by the individual's level of contribution to their tasks and the organization.</p> <p>[Diversity and Equality at the Workplace]</p> <p>For the purpose of implementing human rights policy, we provide employees gender balance and commit to creating opportunities to realize equal opportunities for both</p>	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
(III) Does the Company provide employees with a safe and healthy work environment, and provide safety and health education to employees regularly?	V		<p>males and females with same salary conditions and equality for promotions. Female employees account for 31.15% of the total employees in 2025 with female managers accounting for 30.16% of all managers.</p> <p>[Employee Benefits Measures]</p> <p>Please refer to “4.5 Labor Relations” on pages 149-153 of this annual report.</p> <p>(III) The analysis is as follows</p> <ol style="list-style-type: none"> 1. A safe and healthy work environment for employees: The Company has provided a safe and healthy work environment according to related regulations to labor safety and health, public safety for buildings, and fire safety, and has made filings accordingly. Related insurances for public accident liabilities insurance or engineering risks have been purchased. To maintain personal safety of employees, we have made special purchase of the regular life, accidental and medical insurances for all employees. This is to increase employee safety protection and to reduce harm to health. We add the purchase of travel safety insurance when employees take on overseas work travel to guarantee work travel safety. 2. Employee safety education and management measures: We have established the public safety and health regulations. In 2025, a total of 10 occupational disasters were recorded. Among these, 9 cases of occupational injuries occurred, involving 9 individuals. All recorded incidents were traffic accidents that occurred during the employees' daily commute. <p>Please refer to “4.5 Labor Relations” on pages 149-153 of this annual report.</p> <ol style="list-style-type: none"> 3. Employee health education: The Company cares for its employees’ health and has built a fitness center. Employees can go to the fitness center to release work tension. The center has obtained the healthy certification issued by the Health Promotion Administration, MOHW (effective till December 31, 2024). Commissioned a medical institution each year to provide regular checkups for the employees and to provide a health promotion handbook. Professional healthcare personnel is also contracted at the same time realizing labor health protection and health management to offer a healthy and friendly workplace environment to the employees. The Company has set up the breastfeeding room for use by postnatal mothers. The set up of the breastfeeding room fulfils corporate social responsibility and it also benefits more babies to get breastmilk intake. This supports employees to manage their responsibilities between work and taking care of their dependents. 	None

Assessment Item	Implementation Status		Non-implementation and Its Reason(s)	
	Yes	No		Summary
(IV) Has the company established an effective career development and training program for employees?	V		<p>We want to create a friendly workplace environment and work together with everyone towards a “Double-Win Workplace and Happy Life.”</p> <p>4. Contracted doctors and nurses for onsite health services in the workplace: The Company has acted according to Article 22 of the Occupational Safety and Health Act on contracted doctors and nurses, using onsite or video conference method to organize the health management, occupational diseases prevention and health promotion and so on labor health protection matters. The well-being and health interviews for female employees during pregnancy and post-partum are also enhanced, and assistance is provided to business units in promoting labor health protection so as to create a healthy and friendly workplace environment.</p> <p>5. The Company had no fire incidents in 2025. For disaster prevention, the Company conducts regular fire safety education, training, and emergency drills to enhance employees' safety awareness. For disaster response, the Company has established fire emergency response measures and fire prevention teams to respond to fire incidents.</p> <p>(IV) The Company emphasizes talent training and career development, has a talent development and education unit, and has been awarded the Talent Quality-management System (TTQS) Bronze Medal. The Company is dedicated to establishing effective career development and training plans for employees, and conducts regular or ad-hoc internal or external training. The training scope includes general education, professional skills, and management skills to enhance and update employees' knowledge and skills and build strong human capital. The Company's career development for employees takes into account both core competencies and the cultivation of employees' professional skills. Please refer to “4.5 Labor Relations” on pages 149-153 of this annual report.</p>	None
(V) Does the Company comply with relevant laws and international principles with regards to issues of customers’ health, safety and privacy and marketing and labeling of products and services and stipulate relevant consumer or customer protection policies and complaint	V		<p>(V) The international information technology products sold by the Company to its clients comply with relevant regulations and international standards, including CE, UL, EU REACH, RoHS environmental regulations, WEEE, and other international regulations. Regarding customer privacy, the Company complies with non-disclosure agreements and the Personal Data Protection Act when signing contracts with customers, and has obtained ISO 27701 privacy management system certification, certified by a third party. The Company also has a dedicated unit, email address, and stakeholder section in place to handle customer service-related issues. With respect to customer health and safety, customer privacy, marketing, and product labeling related to products and</p>	None

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
<p>procedures?</p> <p>(VI) Does the Company formulate supplier management policies that require suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor human rights, and the implementation?</p>	V		<p>services, the Company complies with relevant regulations and international standards, and has established policies and complaint procedures to protect consumer and customer rights and interests. These are disclosed in the Corporate Sustainability Supply Chain Management section of the Company's website (http://www.sti.com.tw).</p> <p>(VI) In August 2019, our company established the Supplier Corporate Social Responsibility Guidelines, which cover environmental protection, occupational safety and health, and labor rights issues that suppliers must adhere to. The implementation details are as follows: These issues are included in the purchasing order notes section. When suppliers receive orders from our company, they are required not only to review the order content but also to read the related issues in the notes section and return a signed acknowledgment.</p>	None
<p>V. Does the Company refer to international reporting rules or guidelines to publish Sustainability Report to disclose non-financial information of the Company? Has the preceding report obtain verification or opinions from a third-party authentication unit?</p>	V		<p>The structure of the Company's Sustainability Report follows the GRI Standards 2021 issued by the Global Reporting Initiative (GRI) and the standards set by the Sustainability Accounting Standards Board (SASB). It also aligns with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies." The report concludes with comprehensive disclosure of the framework's content, GRI Standards, SASB industry-specific metrics, and a SASB index table. Regarding the Company's 2025 Sustainability Report, a third-party organization will be commissioned to perform limited assurance on specific Key Performance Indicators (KPIs) in accordance with the Standard on Assurance Engagements No. 3000 (ISAE 3000).</p>	None
<p>VI. If the Company has established ethical corporate governance policies based on "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the policies and their implementation: They have already been established by the Company, with no material deviation.</p>				
<p>VII. Other important information to facilitate better understanding of the Company's implementation of sustainable development:</p> <ol style="list-style-type: none"> 1. Please visit the section on corporate sustainability on the Company's website (https://www.sti.com.tw). 2. Information security incidents are frequent. We work with suppliers to assist in the planning of information security construction projects and services to improve the information security of enterprises and the public, and to report new computer threats and new knowledge to suppliers for technical improvement and effectively maintaining a high information security level for the enterprises and the public. 3. Include the high-quality green energy equipment sold by suppliers into the sales product line, to urge suppliers to strengthen the research and development of high-quality, reliable energy-saving and carbon-reduction products, and apply for certification of the green procurement amount from the Environmental Protection Administration of Executive Yuan. This shows our commitment to corporate social responsibility. 				

2.3.12 Climate-Related Information

1. Implementation of Climate-Related Information

Item	Implementation Status																		
<p>1. Describe Board of Directors and management oversight and governance of climate-related risks and opportunities.</p>	<p>To enhance risk management mechanisms and strengthen the management of opportunities and impacts related to Environmental, Social (People), Economic, and Climate Change issues, the Board of Directors approved the establishment of the "Risk Management Committee" and the "Sustainable Development Committee" in October 2022. This move elevated the oversight level to the Board of Directors as the highest governance unit. Both committees are chaired by Independent Directors as conveners, demonstrating the Company's commitment to climate governance.</p> <p>The Environmental and Safety Team under the Company's ESG Execution Group is responsible for assisting in climate-related risk management. The team reports its progress and performance to the Risk Management Committee and the Sustainable Development Committee under the Board of Directors.</p> <p>Information regarding the 2025 TCFD disclosures is available in the "Environmental Sustainability" section of the Company's Sustainability Report for the current year.</p>																		
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p>The Company followed the Corporate Governance 3.0 - Sustainable Development Blueprint issued by the Financial Supervisory Commission, Taiwan, and adopted the Task Force on Climate-Related Financial Disclosures (TCFD) disclosure framework to disclose the performance of climate management on the official website.</p> <p>This year, three significant risks and one opportunity were identified. These include two transition risks (covering policy and legal, and market), and one physical risk (supply chain disruption caused by extreme weather events). The identified opportunity relates to products and services. A summary of the impact analysis for these risks and opportunities is provided below:</p> <table border="1" data-bbox="432 974 1479 1937"> <thead> <tr> <th data-bbox="432 974 568 1003">Orientation</th> <th data-bbox="568 974 644 1003">Term</th> <th data-bbox="644 974 740 1003">Category</th> <th data-bbox="740 974 836 1003">Agenda</th> <th data-bbox="836 974 1158 1003">Shock / Impact</th> <th data-bbox="1158 974 1479 1003">Management Approach</th> </tr> </thead> <tbody> <tr> <td data-bbox="432 1003 568 1496">Transition Risks</td> <td data-bbox="568 1003 644 1496">Short and Medium Term</td> <td data-bbox="644 1003 740 1496">Laws and Regulations</td> <td data-bbox="740 1003 836 1496">Carbon Emission Policies and Sustainability Regulations</td> <td data-bbox="836 1003 1158 1496">Recruit and cultivate professionals in this field and provide relevant personnel training, resulting in increased manpower and training costs.</td> <td data-bbox="1158 1003 1479 1496"> <ol style="list-style-type: none"> 1. Allocate dedicated budgets and coordinate relevant functional teams to assign manpower. 2. Optimize systems to enhance the efficiency of inventory processes and data collection. 3. Strengthen education and training to improve overall awareness of energy conservation and carbon management requirements across the Company. </td> </tr> <tr> <td data-bbox="432 1496 568 1937">Transition Risks</td> <td data-bbox="568 1496 644 1937">Short, Medium and Long Term</td> <td data-bbox="644 1496 740 1937">Market</td> <td data-bbox="740 1496 836 1937">Customer Sustainability Requirements</td> <td data-bbox="836 1496 1158 1937">Allocate a dedicated budget and coordinate relevant functional teams to deploy manpower; optimize systems to enhance inventory efficiency and data collection; strengthen education and training to improve company-wide awareness of energy conservation and carbon management requirements.</td> <td data-bbox="1158 1496 1479 1937"> <ol style="list-style-type: none"> 1. Establish internal audit management and review standards. 2. Set up a dedicated responsible unit to address stakeholder recommendations, and proactively pursue continuous improvement and response. </td> </tr> </tbody> </table>	Orientation	Term	Category	Agenda	Shock / Impact	Management Approach	Transition Risks	Short and Medium Term	Laws and Regulations	Carbon Emission Policies and Sustainability Regulations	Recruit and cultivate professionals in this field and provide relevant personnel training, resulting in increased manpower and training costs.	<ol style="list-style-type: none"> 1. Allocate dedicated budgets and coordinate relevant functional teams to assign manpower. 2. Optimize systems to enhance the efficiency of inventory processes and data collection. 3. Strengthen education and training to improve overall awareness of energy conservation and carbon management requirements across the Company. 	Transition Risks	Short, Medium and Long Term	Market	Customer Sustainability Requirements	Allocate a dedicated budget and coordinate relevant functional teams to deploy manpower; optimize systems to enhance inventory efficiency and data collection; strengthen education and training to improve company-wide awareness of energy conservation and carbon management requirements.	<ol style="list-style-type: none"> 1. Establish internal audit management and review standards. 2. Set up a dedicated responsible unit to address stakeholder recommendations, and proactively pursue continuous improvement and response.
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Transition Risks	Short and Medium Term	Laws and Regulations	Carbon Emission Policies and Sustainability Regulations	Recruit and cultivate professionals in this field and provide relevant personnel training, resulting in increased manpower and training costs.	<ol style="list-style-type: none"> 1. Allocate dedicated budgets and coordinate relevant functional teams to assign manpower. 2. Optimize systems to enhance the efficiency of inventory processes and data collection. 3. Strengthen education and training to improve overall awareness of energy conservation and carbon management requirements across the Company. 														
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Item	Implementation Status					
	Physical risk	Short, Medium and Long Term	Immediacy	Supply chain Disruptions Caused by Extreme Weather	<ol style="list-style-type: none"> 1. The impact of extreme weather, such as typhoons and floods on inventory losses. 2. Penalty for breach of contract due to supplier's inventory shortage affecting customer's delivery 	<ol style="list-style-type: none"> 1. Regularly review and assess suppliers' environmental impacts and management. 2. Continuously develop suppliers.
	Opportunities	Short, Medium and Long Term	Products and Services	products, customer needs, and improve services	Professional team and integration ability to provide customers with quality and professional service satisfaction, expand customer base, respond to diversified needs, and increase revenue	<ol style="list-style-type: none"> 1. Integrate products, enhance personnel's professional capabilities, and conduct service satisfaction surveys and customer interviews. 2. Enhance product marketing and organize seminars to better align with customer needs.
3. Describe the financial impact of extreme climate events and transition actions.	The financial impact of extreme climate and transformation actions is described in Item 2 above.					
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	<p>The Environmental and Safety team and the inter-department execution team jointly develop relevant countermeasures for the risks identified in accordance with the "Risk Management Policies and Procedures". Relevant risk assessments are also submitted to the Risk Management Committee for review and approval. Progress and results of management execution are submitted to the Board of Directors at least once a year.</p> <p>With reference to the ISO31000 risk management guidance website, the PDCA operation model shall be implemented, continuously refined, paid attention to and integrated into the daily operation management of the organization.</p>					
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be described.	<p>Based on the TCFD framework guidelines, the Company analyzes the impact of transition risks and physical risks on the Company's operations that it may face under different global greenhouse gas emission scenarios in the future.</p> <p>I. Transformation risks: The "Climate Change Response Act" requires that the carbon fee will be levied in phases, which will put greenhouse gas emitting businesses under the pressure of increased operating costs. After considering the timing of the government's collection and the possibility of future integration of carbon tariff with international prices, the Company chose to refer to the Announced Pledges Scenario (APS) and The 1.5°C Net Zero Emissions by 2050 Scenario (NZE) to simulate and analyze the impact of the national carbon tax (fee) on the operating costs of Stark Technology Inc. under these 2 scenarios. The analysis results show that the levy of national carbon tax (and fee) will inevitably increase the Company's operating cost. If the Company is under a more stringent scenario (NZE scenario), the Company's carbon tax (and fee) expenditure will increase operating costs by about 0.39% by 2050.</p> <p>II. Physical risk: To assess and measure the impact of physical climate change risks on company operations, we reference the IPCC AR6 SSP scenarios, selecting the SSP1-2.6 low-emission scenario and the SSP5-8.5 very high emission scenario for physical risk analysis. Utilizing the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), we simulate the analysis for the mid-century period of 2041-2060, estimating the increase in average temperature and its impact on electricity usage, and consequently on the overall operations of the company. In the electricity usage analysis, since air conditioning represents the largest proportion of the organization's total electricity usage, the analysis focuses on the impact of increased air conditioning usage due to rising temperatures on the overall electricity costs of the company. Calculations of air conditioning electricity usage are based on the proportions of various types of equipment used in the service sector during different seasons, according to the Industrial Technology Research Institute's 2017 report 'Impact of Temperature on Electricity</p>					

Item	Implementation Status
	Consumption in Various Sectors in Taiwan'. The analysis results show that under the SSP1-2.6 low emission scenario, with an approximate 1°C increase in temperature across Taiwan, air conditioning electricity usage will increase by about 6%. Without considering the rise in energy prices due to other factors by 2050, the company's electricity costs will increase by approximately 2.4%. Under the SSP5-8.5 very high emission scenario, with a temperature increase of about 1.6°C, air conditioning electricity usage will increase by about 9.6%. Again, without considering the rise in energy prices due to other factors by 2050, the company's electricity costs will rise by approximately 3.8%.
6. If there is a transformation plan in response to the management of climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.	Carbon emissions and energy management goals: 1. Based on the 2015 electricity carbon emissions, reduce the carbon emissions by 5% each year 2. Continue to increase the utilization rate of high-efficiency LED lighting fixtures in the offices, and achieve the goal of 100% utilization by the Company by 2025. 3. Waste management is based on 2020 and has an annual reduction of 0.002%. 4. The Company's operation type is a general office building. Daily office water consumption is the main source of water consumption. Based on the average annual water consumption consumption, the target is not to exceed 10% every year.
7. If the internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	No internal carbon pricing mechanism has been implemented so far.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	The Company has set the greenhouse gas inventory target in accordance with Article 10, Paragraph 2 of the Guidelines. The descriptions are as follows: 1. Complete the parent company's greenhouse gas inventory in 2026 2. Complete the greenhouse gas inventory of the subsidiaries in the consolidated financial statements in 2027 Relevant planning is as follows: 1. Complete the greenhouse gas inventory of the Hsinchu headquarters and warehouse area in 2024 2. Complete the parent company's category 1 and category 2 greenhouse gas inventory in 2024 3. In 2025, expand the scope of the parent company's inventory to categories 3 to 6, and inventory data on subsidiaries at the same time 4. We will complete the third-party assurance of greenhouse gas emissions for the Company and its subsidiary, Stark Inforcom Inc., in 2025.
9. Greenhouse gas inventory and assurance status, reduction goals, strategies and specific action plans are described below.	Please refer to the following page for detailed information.

2. Greenhouse Gas (GHG) Inventory and Assurance Status in the Recent Two Years

(1)GHG Inventory Information: The emission volume (Metric Tons CO₂e), intensity (Metric Tons CO₂e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 years

Total Emissions/ Intensity	2024	2025
Direct Emissions (Scope 1)	192.7834	183.6302
Energy Indirect Emissions (Scope 2)	791.6326	1,004.6403
Total Emissions of Scope 1 & 2	984.4160	1,188.2705
Other Indirect Emissions (Scope 3)	860.7295	741.6489
Total Emissions	1,845.1455	1,929.9194
Intensity of Scope 1 & Scope 2 (Metric Ton CO ₂ e / NT\$ million)	0.1322	0.1416

Note: 1. The data boundary covers the parent company, Stark Technology, and its subsidiary, Stark Inforcom Inc.. The data for 2024 has received third-party assurance. For 2025, the data is currently undergoing the third-party assurance process. The complete assurance details will be disclosed in the Sustainability Report.

2. Emission intensity is calculated by dividing the total emissions of Scope 1 and Scope 2 by the net operating revenue (MetricTon CO₂e / NT\$ million).
3. Emissions generated from corporate activities under Scope 3 include activities such as employee commuting, business travel, upstream fuel- and energy-related emissions, and waste disposal.

(2)Greenhouse Gas Assurance Information: 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.

In 2025, the Company has completed the parent company, Stark Technology, and its subsidiary, Stark Inforcom Inc. greenhouse gas (GHG) inventory and assurance for the 2024 fiscal year. This achievement is in full compliance with the timeline set forth in the Financial Supervisory Commission's (FSC) "Sustainable Development Roadmap for TWSE- and TPEX-Listed Companies."

The Company plans to complete the 2025 GHG inventory by the end of April 2026. Deloitte & Touche has been commissioned as the third-party institution to perform the assurance process, with the formal assurance report expected to be obtained by the end of July 2026. Full details of the assurance will be disclosed in the Sustainability Report.

3. Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Greenhouse gas reduction base year and its data, reduction goals, strategies, specific action plans and achievement of reduction goals

Since 2023, the Company has gradually expanded the scope of GHG inventory based on the policy direction of the Financial Supervisory Commission's sustainable development roadmap, covering major operating locations and related emission sources, and continues to refine the inventory method and management mechanism. To ensure the reliability and consistency of inventory data, the Company uses the greenhouse gas inventory data for 2024, which has been assured by a third party, as the base year. Based on this, the Company comprehensively reviews its current energy use structure and emission profile, and resets reduction targets in line with its operational characteristics. The Company is committed to an average annual reduction of 1% in energy consumption as its management target, and will continue to enhance energy efficiency and reduce greenhouse gas emissions through measures such as equipment replacement, structured energy management, and the promotion of employee energy-saving practices. Going forward, the Company will also regularly review implementation effectiveness and make rolling adjustments to relevant practices to ensure the continuous improvement of energy management and carbon reduction initiatives, and to progressively align with international sustainable development trends.

2.3.13 Corporate Conduct and Ethics Implementation Status as Required by Taiwan Financial Supervisory Commission

Assessment Items	Implementation Status		Non-implementation and Its Reason(s)	
	Yes	No		Summary
I. Establishment of Ethical Corporate Management Policy and Proposal				
(I) Does the Company have a clear ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		(I) The Company has already established the “Ethical Corporate Management Best Practice Principles”, “Procedures for Ethical Corporate Management and Guidelines”, and the “Codes of Ethical Conduct” resolved by the Board of Directors. These regulations stipulated the policies and methods for ethical corporate management and the commitment of the Board and senior management to fulfill these policies.	None
(II) Does the Company implement a risk assessment system of misconduct, regularly identify and assess business activities that present high risks of misconduct, and adopt preventive measures for misconduct that cover the preventive measures for the misconduct specified in the paragraph 2 of Article 7 in the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		(II) The Company has established the “Ethical Corporate Management Policy” which strictly prohibits the Company’s directors, managerial officers and all employees from engaging in the business activities prescribed in paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and any other such activities associated with high risk of unethical conduct. The employee relation and social participation group of the Sustainable Development Committee has been instructed to act as the window for the collection and acceptance of complaint cases on unethical conducts. Implement regular education and advocacy according to laws and regulations, and instruct the human resource center to conduct the educational training on a regular basis.	None
(III) Does the company establish relevant policies that are duly enforced to prevent unethical conduct, provided implementation procedures, guidelines, consequences of violation and complaint procedures, and periodically review and revise such policies?	V		(III) In order to prevent any unethical conduct, the Company shall not only request suppliers, contractors or other collaborators pledge not to engage in any illegal commercial activities nor to offer improper benefits or bribes to employees of the Company, as stated in a written integrity commitment. If there is supplier with high level of unethical conduct, the collaboration contract with them would be terminated or rescinded at any time, and the case would be sent to the judiciary for serious offenders. The company has established the 'Corporate Integrity Management Guidelines', which clearly define operational procedures, guidelines for behavior, penalties for violations, and a grievance system, all of which are rigorously implemented. Furthermore, when there are regulatory updates, the Company reviews the	None

Assessment Items	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
			"Corporate Integrity Management Guidelines" during the board meeting where the annual report on the promotion of corporate integrity is presented, to determine whether any amendments are necessary.	
II. Implementation of ethical corporate management				
(I) Does the company assess the ethics records of whom it has business relationship with and include business conduct and ethics related clauses in the business contracts?	V		(I) Before establishing business relationships with others, our company conducts an assessment of their legality, integrity policies, and any records of dishonest behavior. We fully understand the counterpart's integrity status and include adherence to integrity management within the contractual terms, specifying prohibited illegal activities.	None
(II) Does the Company create a dedicated unit under the board of directors to promote corporate ethical management and regularly (at least once a year) report to the board of directors about the ethical management policy and implementation status of the prevention plan for misconduct?	V		(II) The Company's Human Resources Center serves as a full-time (part-time) unit in the Sustainable Development Committee's Employee Relations and Social Participation Group, assisting in promoting corporate integrity management. In principle, meetings are held twice a year. Separate meetings will be held where necessary so as to collect related topics. After the assessment and analysis by each unit, the important topics will be included in the execution plans and daily operations. The dedicated (or concurrent) unit will report to the Board of Directors once a year on the implementation status. The Company adopts an online self-assessment method to enable all employees to understand the company's ethical corporate management policies and regulations. The educational training unit is appointed to design customized online training and tests for the employees. The Employee Relation and Social Participation Group of the Sustainable Development Management Committee provides the regulations on "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Corporate Management and Guidelines" to the employees for understanding and adherence. Each of the departmental managers is asked to conduct departmental promotion and actual implementation to ensure the employees possess the correct concept.	None
(III) Does the company establish policies to prevent conflicts of interests, provide appropriate communication and complaint channels and implement such policies properly?	V		(III) The Company has established a code of conduct for all employees to follow accordingly. When personal interests interfere or may intervene in the interests of the Company as a whole, it will generate conflicts of interests, the Company shall do its best to prevent the occurrence of conflicts of	None

Assessment Items	Implementation Status		Non-implementation and Its Reason(s)	
	Yes	No		Summary
(IV) Does the company establish an effective accounting system and internal control system for practical implementation of ethical corporate management, and is the system regularly audited by the internal auditing unit, and does the unit propose relevant audit plans based on the assessment results of the risk of misconduct for auditing the implementation status of the prevention plan for misconduct, or entrusted to an accountant for auditing?	V		<p>interests considering in the best interest of the shareholders. Convening labor-management meetings on a regular basis to enable employees to gain a certain level of understanding of the Company's business management activities and strategies and to exert their rights to express opinions. Regular organization of educational training courses and promotion events. Based on related regulations, combine the contributions to the operations and correlate to the employee performance evaluation for actual implementation of the reward and punishment system.</p> <p>(IV) The Company has established an effective accounting system and internal control system to ensure the implementation of ethical corporate management. In response to the high risk of unethical behaviors in the operating procedure devised an internal control system, we have also prepared an annual audit plan to conduct various audits. The auditing unit regularly audits the compliance status. In addition, the effectiveness of the internal control system design and implementation is reviewed through the annual internal control self-assessment.</p>	None
(V) Does the company provide internal and external ethical conduct training programs on a regular basis?	V		<p>(V) The Company organizes educational training for new employees on a regular basis and in-service training from time to time, and includes ethical management as part of its employee code of conduct. The company organized the online course in 2024 (including test), "Ethical Corporate Management Rules - Knowledge Class," the number of participants was 848, for a total of 1,036 hours of training.</p>	None
<p>III. The operation of the Company's whistle-blowing system</p> <p>(I) Does the Company have a specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received?</p>	V		<p>(I) The Company has established the "Whistleblower Reporting Channel and Protection Regulations" and whistleblowing channels to enable the reporting of unethical or improper conducts in violation of ethical corporate management or ethical conduct. This can help the company in building a correct Organizational Public Administrative Ethics Culture, preventing corrupt practices in the daily operations in realizing corporate governance.</p>	None

Assessment Items	Implementation Status		Non-implementation and Its Reason(s)
	Yes	No	
(II) Does the Company have standard operation procedures for investigating the complaints received, follow-up measures after investigation are completed, and ensuring such complaints are handled in a confidential manner?	V	(II) The Company establishes the "Whistleblower Reporting Channels and Protection Management Regulations" for employees and external parties to report via the dedicated email or telephone. For the reported matters, the Company will follow the investigation standard operating procedures to understand and verify the veracity of the reported contents. Evidence is searched to verify the possibility of substantiation, and a risk assessment is conducted. If the assessed risk is low and the case is not true, it will be recorded directly. If the risk is assessed as medium or high, a special meeting will be convened and the investigation procedure will be decided. Pursuant to the Personal Data Protection Act, the designated personnel for processing data shall not exceed the scope necessary for the specific purpose and shall be reasonably related to the purpose of data collection. The personnel in charge of reception shall properly keep and keep on file the documents of the acceptance of the reported cases and the investigation process. The relevant information on the documents and records obtained during the investigation, investigation result report, subsequent disposal, and internal control improvement shall be retained for at least 5 years. The Company strictly controls no leakage of confidential information to the public. The Company has an obligation of confidentiality unless authorized	None

Assessment Items	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary	
(III) Does the company adopt proper measures to prevent a whistleblower from retaliation for his/her reporting?	V		<p>to disclose to the public or as required by law. Any inappropriate behavior will be punished by the Company.</p> <p>(III) The Company adopts appropriate security measures to protect the confidentiality and protection of the identity of the whistleblower and the content of the report, and to prevent personal information from being stolen, tampered with, destroyed, or leaked. The designated personnel in charge of receiving the case must not modify, conceal or fabricate factual reports and reveal the sources of reports or complaints without authorization to avoid unfair treatment, retaliation, or threats against whistleblowers.</p> <p>The designated personnel in charge of receiving the whistleblowing cases shall not record the whistle-blower's name or any identity-related facts in their statement of case.</p>	None
IV. Enhanced information disclosure (I) Does the Company disclose its guidelines on business conduct and ethics as well as information about implementation of such guidelines on its website and Market Observation Post System (MOPS)?	V		(I) The Company has set up the Ethical Corporate Management Best Practice Principles on the website and has uploaded it to the Market Observation Post System (MOPS) for regular training and advocacy of the code of conduct. The Human Resources and Education Center is instructed to implement the education and training periodically for continuous development to promote results.	None
<p>V. If the company has established ethical corporate governance policies based on Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation:</p> <p>The Company complies with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and has established the "Ethical Corporate Management Best Practice Principles" and also the "Ethical Corporate Management Procedures and Code of Conduct." There is no difference.</p>				
<p>VI. Other important information that can help interested parties to understand the Company's operations of ethical corporate governance is as follows: (Such as, the company has reviewed and revised its Ethical Corporate Management Best-Practice Principles and so on situations)</p> <ol style="list-style-type: none"> 1. The Company complies with the Company Act, the Securities and Exchange Act, the Business Accounting Act, applicable rules and regulations governing TWSE/TPEX listed companies, and other applicable laws and regulations governing other business activities, as the foundation for the implementation of ethical corporate management. 2. The Company's "Rules of Procedure for Board of Directors' Meetings" expressly provides for the recusal of conflict of interests for directors, under which directors shall exercise a high degree of self-discipline and state opinions that may be detrimental to the interests of the Company caused by a conflict of interest between themselves or the legal entities they represent, or with respect to any proposal made by the Board of Directors, and answering inquiries. They may not participate in the discussion or voting. The Director shall recuse himself from the discussion and voting, and may not exercise the voting right of other 				

Assessment Items	Implementation Status		Non-implementation and Its Reason(s)
	Yes	No	
Directors as a proxy.			
3. The company has established the "Procedures for Material Inside Information," which provided that the directors, managerial officers, and employees shall implement tasks as good managerial officers under the principle of good faith. The directors, managerial officers, and employees shall not disclose any material inside information to any third parties; and shall not seek or collect major undisclosed company information that is not related to his/her tasks. The same shall apply to material undisclosed company information that was not obtained due to the execution of job duties.			

2.3.14 Other Important Information Regarding Corporate Governance

The Company has established the "Intellectual Property Management Measures," which cover the management of patents, trademarks, copyrights, and trade secrets, with related operations promoted in alignment with our business objectives. Although the Company currently has no pending patent or trademark applications, we continue to execute intellectual property management processes in accordance with the Measures, including risk control, education and training, and internal awareness programs.

In 2025, the Company held two sessions of intellectual property training with a total of 85 participants, thereby enhancing employees' awareness of intellectual property protection and compliance. On October 29 of the same year, the execution status of the intellectual property management plan was reported to the Board of Directors, covering system promotion progress, training results, and risk control measures.

2.3.15 Internal Control System

1. Statement of Internal Control: Please refer to the TWSE MOPS (<https://mops.twse.com.tw/mops/#/web/t06sg20>) and click on "Single Company" under "Corporate Governance" and "Company Regulations/Internal Control" and click on the internal control statement announcement and enter the Stock Code "2480" and the Year for query.
2. Appointment of CPAs to conduct special audit on internal control system: None.

2.3.16 Major Resolutions made by the shareholders and board meetings in the previous year and as of the date of this annual report:

1. Major resolutions of the 2025 shareholders' meeting and the implementation

Date	Major Resolutions
May 29, 2025	<ol style="list-style-type: none">1. Acknowledged the Company's 2024 Business Report and Financial Statements2. Acknowledged the Company's 2024 Earnings Appropriation Plan (Cash Dividend of NT\$7.422 per share)3. The Amendments to the Company's Articles of Incorporation4. Overall re-election of Directors5. Lifting of the non-competition restrictions on the newly elected Directors
Status of implementation	<ol style="list-style-type: none">1. According to the voting results, the number of affirmative votes met the legal requirements, and the proposal was approved as proposed. Relevant documents have been submitted to the competent authority for recordation and public announcement in accordance with the Company Act and other relevant laws and regulations.2. According to the voting results, the number of affirmative votes met the legal requirements, and the proposal was approved as proposed. The Chairman was authorized to set June 24, 2025, as the ex-dividend record date, and the cash dividend was paid out on July 11 of the same year.3. According to the voting results, the number of affirmative votes met the legal

	<p>requirements, and the proposal was approved as proposed. Registration with the competent authority has been completed in accordance with the Company Act and other relevant laws and regulations.</p> <p>4. Following the election results, eleven members (including four independent directors) were elected as the 12th Board of Directors, with a term of office from May 29, 2025, to May 28, 2028. The registration of these changes was approved by the Administration of Commerce, Ministry of Economic Affairs (MOEA) on July 8, 2025.</p> <p>5. According to the voting results, the number of affirmative votes met the legal requirements, and the proposal was approved as proposed. The lifting of non-competition restrictions on newly elected directors was also approved by resolution.</p>
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2. Major resolutions made by board meetings in 2025 and as of the date this annual report

Date / Term	Major Resolutions
12th meeting of 11th Term February 27, 2025	<ol style="list-style-type: none"> 1. The 2025 Internal Control System Self-Assessment Results 2. The motion on the Company's accounts receivable meeting criteria and whether the funds other than the accounts receivable are of loans to others in nature 3. The Distribution of Remuneration to Employees and Directors in 2024 4. The Company's 2024 Business Report and Financial Statements 5. The Company's 2024 Earnings Appropriation Plan 6. The 2024 Remuneration Distribution to Managerial officers, Employees and Directors 7. Defined the Scope of Non-executive Employees in response to the Securities and Exchange Act and the revision of the Company's "Articles of Incorporation" 8. The Amendments to the Company's "Articles of Incorporation" 9. The Motion for the Election of New Directors and the Nomination and Review of Director Candidates 10. To Lift the Non-competition Restrictions on the newly elected Directors 11. The Proposal on Acceptance of Shareholder Proposals in the 2025 Annual Shareholders' Meeting 12. The Acceptance of Director (including Independent Director) Candidates from Shareholders for the 2025 Annual Shareholders' Meeting and Related Matters 13. Convening of the 2025 Annual Shareholders' Meeting 14. The Evaluation of the Competence and Independence of CPAs 15. Ernst & Young and its affiliates non-confirmation service 16. The Review of Audit Fees for CPAs 17. The Company's 2025 Business Plan 18. The provision of Employee Remuneration and Director Remuneration for 2025 19. The Replacement of CPAs by the Company
13th meeting of 11th Term April 30, 2025	<ol style="list-style-type: none"> 1. The motion on the Company's accounts receivable meeting criteria and whether the funds other than the accounts receivable are of loans to others in nature 2. The 2025 Q1 Financial Statements 3. Executing Loan Agreements with Financial Institutions 4. Resignation of the Managerial Officer, Vice President Chu, Jui-Hua 5. The Changes in Spokesperson and Acting Spokesperson of the Company
1st meeting of 12th Term	<ol style="list-style-type: none"> 1. The Election of the Chairman 2. Formulate the Organizational Charter of the Company's Nomination Committee

Date / Term	Major Resolutions
2025.05.29	<ul style="list-style-type: none"> and establish the Nomination Committee 3. Appointment of Members of the First term of the Nomination Committee 4. Appointment of Members of the Six term of the Remuneration Committee 5. Appointment of members of the Second term of the Risk Management Committee 6. Appointment of Members of the Fifth term of the Sustainable Development Committee
2nd meeting of 12th Term 2025.07.31	<ul style="list-style-type: none"> 1. The motion on the Company's accounts receivable meeting criteria and whether the funds other than the accounts receivable are of loans to others in nature 2. The 2025 Q2 Financial Statements 3. Authorization of the Independent Director to Sign and Approve Audit Reports 4. Executing Loan Agreements with Financial Institutions 5. The 2024 Sustainability Report 6. 2025 ESG Stakeholder Consultation and Major Issues of the Company
3rd meeting of 12th Term 2025.10.29	<ul style="list-style-type: none"> 1. The motion on the Company's accounts receivable meeting criteria and whether the funds other than the accounts receivable are of loans to others in nature 2. The 2025 Q2 Financial Statements 3. The Amendments to the Company's "Procedures for Engaging in Derivatives Trading" 4. The Amendments to the Company's "Corporate Governance Best Practice Principles" 5. Executing Loan Agreements with Financial Institutions 6. The Amendments to the Company's "Seal Management Regulations" 7. The Amendments to the Internal Control System and Implementation Rules for Internal Audit 8. Passed the Audit Plan for 2026
4th meeting of 12th Term 2026.02.26	<ul style="list-style-type: none"> 1. 2025 Performance Self-Assessment Results for the individual board members, the Board and Functional Committees 2. The 2025 Internal Control System Self-Assessment Results 3. The motion on the Company's accounts receivable meeting criteria and whether the funds other than the accounts receivable are of loans to others in nature 4. The Distribution of Remuneration to Employees and Directors in 2025 5. The Company's 2025 Business Report and Financial Statements 6. The Company's 2025 Earnings Appropriation Plan 7. Annual Reporting and Periodic Evaluation of the Scope of Non-executive Employees 8. To Lift Non-competition Restrictions on the Director 9. The Proposal on Acceptance of Shareholder Proposals in the 2026 Annual Shareholders' Meeting 10. The Convening of the 2026 Annual Shareholders' Meeting 11. The Evaluation of the Competence and Independence of CPAs 12. Ernst & Young and its Affiliates Non-confirmation Service 13. The Review of Audit Fees for CPAs 14. Proposal for the Appointment and Remuneration of the IFRS S1/S2 Sustainability Disclosure Standards Implementation Project 15. The Company's 2026 Business Plan 16. The provision of Employee Remuneration and Director Remuneration for 2026 17. Amendments to the "Charter of the Sustainability Development Management Committee" and the "Organizational Chart of the Sustainability Development

Date / Term	Major Resolutions
	Management Committee" 18. The Appointment of Managerial Officers 19. Executing Loan Agreements with Financial Institutions

2.3.17 Directors who have voiced different opinions to the important resolutions of the Board of Directors in the most recent year and as of the date of this annual report, with records or written declaration: None.

2.4 Disclosure of CPA Fees

Unit: NT\$ thousand

Name of CPA firm	Name of CPA	Audit period	Audit fees	Non-audit Fees (Note)	Total	Remarks
Ernst & Young	Hsu, Hsin-Min	2025.01.01 ~	1,880	270	2,150	—
	Huang, Min-Ru	2025.12.31				

Note: Refers to the payment of the 2025 tax compliance audit fee.

2.4.1 If the audit fee of the year is less than that of the most recent 1 year after changing CPA firm, then the audit fee before and after the change and the reason for change shall be disclosed: None.

2.4.2 If the professional audit fee has decreased by more than 10% compared with the previous year, the decreased amount, proportion and reason for the reduction of professional audit fee shall be disclosed: None.

2.5 Replacement of CPA

2.5.1 Regarding the previous CPA

Date of Change	March 31, 2025		
Reason for change and description	The Company's financial statements were originally audited and reviewed by CPAs Hsu, Hsin-Min and Chiu, Wan-Ju of Ernst & Young. Due to internal work rotations at Ernst & Young, the engagement CPAs will be changed to Hsu, Hsin-Min and Huang, Min-Ru, effective from the first quarter of 2025.		
Explanation pertains to the termination or non-acceptance of appointment by the appointer or accountant concerning	Parties	CPA	Appointee
	Circumstances		
	Terminated the engagement	—	—
	No longer accepted (discontinued) the engagement	—	—
Reasons for issuing opinions other than unqualified opinions in the last 2 years	No such matter		

Any disagreement with the issuer	Yes	—	Accounting principles or practices
		—	Disclosure of financial statements
		—	Audit Scope or Steps
		—	Others
	None	V	
Explanation			
Other disclosures (Matters to be disclosed in Item 1-4-1-7, Subparagraph 6, Article 10 of the Guidelines)	None		

2.5.2 Regarding the succeeding CPA

Name of Firm	Ernst & Young
Name of CPA	Hsu, Hsin-Min & Huang, Min-Ru
Date of appointment	March 31, 2025
Consultation matters and results regarding the accounting treatment methods or accounting principles for specific transactions and the opinions that may be issued on financial reports before appointment.	No such matter
Written opinions of the successor CPA on matters of disagreement with the predecessor CPA.	No such matter

2.5.3 Reply from the predecessor CPA on matters in Article 10, subparagraph 6, items 1 and 2-3 of this standard: Not applicable.

2.6 The Company's Chairman, President, or any Managerial Officers in charge of Finance or Accounting Matters has in the Most Recent Year Held a Position at the Accounting Firm of its CPA or at an Affiliated Enterprise: None.

2.7 Changes in Shareholding of Directors, Managerial Officers and Major Shareholders

- Equity and pledge changes of directors, managers, and shareholders holding more than 10% of shares:
 - For equity changes, please refer to the TWSE MOPS (https://mops.twse.com.tw/mops/#/web/query6_1) and click on "Equity Changes/Securities Issuance" under "Single Company", "Equity Transfer Information Inquiry", and click on "Post-Insider Shareholding Change Report Form" and enter the Stock Code "2480" and the Year for query.
 - For pledge changes, please refer to the TWSE MOPS (https://mopsov.twse.com.tw/mops/web/STAMAK03_1) and click on "Equity Changes/Securities Issuance" under "Single Company", "Creation or extinguishment of pledges of insiders", and click on "Announcement on creation or extinguishment of pledges of insiders" and enter the Stock Code "2480" and the Year for query.
- If the counterparties of the share transfer or pledged are related persons: None.

2.8 Relationship among the Top 10 shareholders

Book closure date: March 31, 2026

Name	Shares held		Shares held by spouse or minor children		Total shares held in the name of others		Information on relationship between any of the top 10 shareholders (related party, spouse, or kinship within the second degree)		Remarks
	shares	%	shares	%	shares	%	Name	Relationship	
Liang, Hsiu-Chung	3,811,358	3.58%	2,400,000	2.26%	—	—	Ting, Ching	Spouse	
Deutsche Bank AG Taipei Branch, Custodian for SPDR Portfolio Emerging Markets ETF	3,141,747	2.95%	—	—	—	—	—	—	
Ting, Ching	2,400,000	2.26%	3,811,358	3.58%	—	—	Liang, Hsiu-Chung	Spouse	
Standard Chartered Bank (Taiwan) Ltd. Custodian for Vanguard Emerging Markets Stock Index Fund	1,380,000	1.30%	—	—	—	—	—	—	
South China Insurance Co., Ltd.	1,308,000	1.23%	—	—	—	—	—	—	
Representative: Tu, Chih-Chi	—	—	—	—	—	—	—	—	
Standard Chartered Bank (Taiwan) Ltd. Custodian for Advanced Total International Stock Index Fund	1,282,000	1.21%	—	—	—	—	—	—	
Cheng Fa Investment Co., Ltd.	1,230,000	1.16%	—	—	—	—	—	—	
Representative: Tsai, Hua-Cheng	—	—	—	—	—	—	Tsai, Hua-Ying	Brothers	
Yu, Ming-Chang	1,222,974	1.15%	690,929	0.65%	—	—	—	—	
Xin Chuan Investment Co., Ltd.	1,178,000	1.11%	—	—	—	—	—	—	
Representative: Tsai, Hua-Ying	513	—	—	—	—	—	Tsai, Hua-Cheng	Brothers	
Chen, Hsing-Chou	1,121,247	1.05%	20,000	0.02%	—	—	—	—	

2.9 The Total Number of Shares and Total Equity Stake Held in any Single Enterprise by the Company, its Directors, Managerial Officers, and Any Companies Controlled Either Directly or Indirectly by the Company

December 31, 2025; Unit: Shares

Investee Enterprises	Investment by the Company		Investments by directors, managerial officers, and enterprises directly or indirectly controlled Entities of the Company		Total Investment	
	shares	%	shares	%	shares	%
Stark Technology Inc. (USA)	500,000	100%	—	—	500,000	100%
SRAIN Investment Co., Ltd.	—	—	—	—	—	100%
Pacific Ace Holding International Ltd.	3,000,000	100%	—	—	3,000,000	100%

Note: Long-term investment of the Company.

3. Capital Overview

3.1 Capital and Shares

3.1.1 Source and type of capital

1. Capitalization

March 31, 2026; Unit: Shares; NT\$

Year/ Month	Issue price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of share capital	Capital increase by assets other than cash	Effective Date (Approval No.)
1993.04	10	1,000,000	10,000,000	1,000,000	10,000,000	Created at inception	—	—
1994.03	10	2,375,000	23,750,000	2,375,000	23,750,000	Cash capital increase totaling NT\$13,750,000	—	—
1996.07	10	7,100,000	71,000,000	7,100,000	71,000,000	Cash capital increase totaling NT\$47,250,000	—	—
1997.07	10	15,500,000	155,000,000	15,500,000	155,000,000	Cash capital increase totaling NT\$84,000,000	—	September 4, 1997 Jing (1997)-Shang-Zi No. 117039
1998.03	10	19,500,000	195,000,000	19,500,000	195,000,000	Cash capital increase totaling NT\$40,000,000	—	May 12, 1998 Jing (1998)-Shang-Zi No. 110043
1998.07	10	60,000,000	600,000,000	29,725,000	297,250,000	Capitalization of retained earnings and capital surplus totaling NT\$102,250,000	—	June 25, 1998 (1998)Tai-Cai-Cheng (I) No. 53805
1999.10	10	60,000,000	600,000,000	50,800,000	508,000,000	Capitalization of retained earnings and capital surplus totaling NT\$210,750,000	—	October 2, 1999 (1999)Tai-Cai-Cheng (I) No. 86577
2000.07	10	180,000,000	1,800,000,000	83,631,900	836,319,000	Capitalization of retained earnings and capital surplus totaling NT\$328,319,000	—	June 2, 2000 (2000)Tai-Cai-Cheng (I) No. 47293
2001.09	10 122.0 & 119.4	190,000,000	1,900,000,000	131,747,829	1,317,478,290	Capitalization of retained earnings and capital surplus totaling NT\$480,535,880 Conversion of convertible bonds into common shares totaling NT\$623,410	—	July 11, 2001 (2001)Tai-Cai-Cheng (I) No. 144158 October 25, 2001 (2001)shang 09001392920
2001.12	119.4	190,000,000	1,900,000,000	131,816,505	1,318,165,050	Conversion of convertible bonds into common shares totaling NT\$686,760	—	July 11, 2002 Jing-Shou-Shang-Zi No. 09101013010

Year/ Month	Issue price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of share capital	Capital increase by assets other than cash	Effective Date (Approval No.)
2002.07	10 86.3	300,000,000	3,000,000,000	182,579,692	1,825,796,920	Capitalization of retained earnings and capital surplus totaling NT\$506,357,760 Conversion of convertible bonds into common shares totaling NT\$1,274,110	—	June 3, 2002 (2002) Tai-Cai-Cheng (I) No. 129894 August 14, 2002 Jing (2002) Shang No. 09101302430
2002.11	10	300,000,000	3,000,000,000	200,283,580	2,002,835,800	Issuance of new shares totaling NT\$177,038,880 for capital increase through merger with Tai-Hung Technology Co., Ltd	—	October 15, 2002 (2002) Tai-Cai-Cheng (I) No. 154367 December 17, 2002 Jing (2002) Shang No. 09101505370
2003.08	10	340,000,000	3,400,000,000	224,011,938	2,240,119,380	Capitalization of retained earnings amounting to NT\$237,283,580 237	—	June 27, 2003 (2003) Tai-Cai-Cheng (I) No. 128603
2004.11	—	340,000,000	3,400,000,000	221,583,938	2,215,839,380	Retirement of treasury stock amounting to NT\$24,280,000	—	November 10, 2004 Jing-Shou-Shan-Zhi-No. 09301209820
2008.08	—	340,000,000	3,400,000,000	132,950,363	1,329,503,630	Cash refund to shareholders from capital reduction totaling NT\$886,335,750	—	August 5, 2008 Jing-Jin-Guan-Cheng-Yi-Zi No. 0970038218 September 1, 2008 Jing-Shou-Shang-Zi No. 09701214030
2017.08	—	340,000,000	3,400,000,000	106,360,291	1,063,602,910	Cash refund to shareholders from capital reduction totaling NT\$265,900,720	—	June 27, 2017 Jin-Guan-Zheng-Fa No. 1060023037 July 17, 2017 Jing-Shou-Shang-Zi No. 10601095080

2. Capital and Shares

March 31, 2026

Share Type	Authorized capital			Remarks
	Outstanding shares	Unissued Shares	Total	
Common share	106,360,291 shares	233,639,709 shares	340,000,000 shares	Including shares reserved for issuance of employee stock options 20,000,000 shares

3.1.2 List of major shareholders

Book closure date: March 31, 2026

Name of major shareholder	Number of shares held	Percentage of shareholding
Liang, Hsiu-Chung	3,811,358	3.58%
Deutsche Bank AG Taipei Branch, Custodian for SPDR Portfolio Emerging Markets ETF	3,141,747	2.95%
Ting, Ching	2,400,000	2.26%
Standard Chartered Bank (Taiwan) Ltd. Custodian for Vanguard Emerging Markets Stock Index Fund	1,380,000	1.30%
South China Insurance Co., Ltd.	1,308,000	1.23%
Standard Chartered Bank (Taiwan) Ltd. Custodian for Advanced Total International Stock Index Fund	1,282,000	1.21%
Cheng Fa Investment Co., Ltd.	1,230,000	1.16%
Yu, Ming-Chang	1,222,974	1.15%
Xin Chuan Investment Co., Ltd.	1,178,000	1.11%
Chen, Hsing-Chou	1,121,247	1.05%

3.1.3 Dividend Policy and Implementation Status

1. Dividend Policy in the Company's Articles of Incorporation

The annual surpluses concluded by the Company are first subject to taxation and reimbursement of previous losses, followed by a 10% provision for legal reserve (unless such legal reserve amounts to the total paid-in capital, this provision shall not apply). Any surpluses remaining shall then be subject to provision or reversal of special reserve, as the laws may require. The residual balance can then be added to unappropriated earnings carried from previous years and retained or distributed to shareholders as a form of profit sharing, subject to resolution in a shareholder meeting.

Shareholders' profit sharing can be paid in cash or shares; however, the cash portion shall be no less than 10% of total dividends.

The Group operates in the high-tech industry and is susceptible to the industry's enterprise life cycle. Dividends shall be allocated after taking into consideration several factors including: current and future investment environment, capital requirement, domestic/foreign competition, capital budget, shareholders' expectations, balanced dividends, and the Group's long-term financial plan. Dividend distribution plans are to be proposed by the Board of Directors and presented for final resolution in shareholder meeting on a yearly basis.

With reference to historical data, the proposed amount of shareholder

dividends to be distributed shall be at least 50% of the distributable earnings of the current year's net income after tax (less the legal reserves, or special reserves appropriated or reversed as required by laws).

The Company authorizes the Board of Directors to resolve the distribution of cash dividends in whole or in part by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors. In addition, a report of such distribution shall be submitted to the shareholders' meeting. The Company authorizes the Board of Directors to resolve the distribution of legal reserve or capital surplus in whole or in part by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors. In addition, a report of such distribution shall be submitted to the shareholders' meeting.

2. Proposed Distribution of Dividend

On February 26, 2026, the Board of Directors resolved to propose a cash dividend of NT\$829,610 thousand (NT\$7.80 per share) from the 2025 distributable earnings. The Chairman has been authorized to determine the ex-dividend record date, payment date, and other related matters. The remaining items of the earnings distribution will be submitted for resolution at the Annual General Meeting on May 29, 2026, for approval.

3.1.4 Effect of the proposed stock dividends (to be adopted by the shareholders' meeting) on the business performance and earnings per share

There is no stock dividend distribution proposed in this shareholders' meeting. Not applicable.

3.1.5 Remuneration to Employees and Directors

1. The percentages or ranges with respect to Remuneration of Employees and Directors in the Articles of Incorporation:

The Company's profits concluded from a financial year are subject to employee remuneration of no less than 3% and director remuneration of no more than 5%. However, where the Company still has accumulated losses, amount shall be reserved for making up the accumulated loss first. The above-mentioned employee remuneration amount, no less than 4% shall be allocated for compensation distributions for non-executive employees.

The employee remuneration may to be distributed in the form of shares or in cash. The recipients of the employee remuneration distribution may include the employees of subsidiaries who meet certain criteria. The Board is authorized to formulate the certain criteria. Director remuneration is to be distributed in the form of cash.

The distribution of employee remuneration and director remuneration shall, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

2. The basis for estimating the amount of employee and director remuneration, for calculating the number of shares to be distributed as employee profit-sharing remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period

(1) The basis for estimating the employees' and directors' remuneration for the current year: Employee remuneration and director remuneration for the year ended December 31, 2025 were estimated based on the Company's profitability and the percentages stated in the Articles of Incorporation. The abovementioned amounts were presented under salary expense at the time of estimation.

(2) The basis for the calculation of the number of shares distributed as the employees' remuneration: The Company does not distribute the employees' remuneration in shares.

(3) Accounting treatment if the actual distribution amount differs from the estimated amount: If the actual amount resolved by the board of directors differs from the estimate, the difference will be recognized as gain or loss for the next year.

3. Remuneration distribution approved by the Board of Directors

(1) The amount of any employee remuneration distributed in cash or shares and remuneration for directors. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed:

The Board of Directors of the Company resolved on February 26, 2026, to distribute employee remuneration in cash of NT\$57,000 thousand (including NT\$4,000 thousand allocated to non-executive employees) and director remuneration of NT\$5,500 thousand.

If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed: None.

(2) The amount of any employee remuneration distributed in shares, and the size of that amount as a percentage of the sum of the after-tax net

income stated in the parent company only financial reports or individual financial reports for the current period and total employee remuneration: The Company has not had stock shares distributed as remuneration to employees, therefore, it is not applicable.

4. Actual distribution of employee and director remuneration in the previous year (including distribution of shares, amount, and stock price), and if there is a difference from the recognized employee and director remuneration, the difference, reasons, and treatment should be stated

(1) Actual distribution situation

Unit: NT\$ thousand; shares

Remuneration of Employees			Directors' remuneration
Distributed in Shares: Monetary Amount	Distributed in Shares: Number of Shares	Distributed in Cash	
—	—	67,000	5,500

- (2) If there is a difference between the actual distribution situation and the recognized amount, the difference, reasons, and treatment: There is no difference between the actual distribution and the recognized amount of the Company.

3.1.6 Status of stock buyback: Not applicable.

3.2 Issuance of Corporate Bonds: None.

3.3 Issuance of Preferred Shares: None.

3.4 Issuance of Global Depositary Receipts (GDR): None.

3.5 Employee Stock Options: None.

3.6 Restricted Stock Awards (RSA): None.

3.7 Status of New Shares in Connection with Merger and Acquisition: None.

3.8 Financing Plans and Implementation

3.8.1 Contents of the plan

As of the quarter before the date of annual report publication, issuance of securities beforehand, or private placement securities that have not yet been completed or have been achieved within the most recent 3 years, of which the benefits of the plan have not shown yet: Not applicable.

3.8.2 Status of implementation

1. State of execution: Not applicable.
2. Evaluation of the actual benefits: Not applicable.

4. Operation Overview

4.1 Business Activities

4.1.1 Business Scope

1. Main areas of business operations
 - (1) Planning, integration, and sales of computer systems (e.g. servers, network servers, work stations, PCs, notebook computers, and Thin Clients).
 - (2) Sale of computer peripheral systems (e.g. printing devices, and display devices).
 - (3) Planning, integration, and sales of network products (routers, switches, hubs, network interface cards, network management software, bandwidth management software and hardware, etc.).
 - (4) Planning, integration and sales of data storage system (magnetic disk array, tape drives, tape cabinets, data backup management software, storage area network related software and hardware, and remote backup software and hardware).
 - (5) Development and sales of computer software (e.g. Artificial intelligence software platform, operating system software, office automation software package, database management software, product life cycle management system, manufacturing execution system, enterprise resource planning system, machine maintenance system, enterprise resource management system, service-oriented architecture system, data, data center monitoring and management software cloud computing system, system and network security software, network management software, data backup management software, storage area network management software, publishing and electronic document editing software and e-commerce software, mobile software store website, telecommunication industry data processing software, network equipment monitoring and alerting, enterprise business opportunities trading platform, content management software, search engine software, and single account management).
 - (6) Development of applied software for industries (e.g. manufacturing, telecommunication, government agencies, and financial services).
 - (7) The planning, integration, sales and consultation services for information security products (e.g. firewall, web application firewall (WAF), hacker intrusion prevention, vulnerability scanner, authentication and encryption system, document security system, information security endpoint control, online behavior control system, application control firewall (new generation firewall), mail security and life cycle management security systems, enterprise security policy defense systems, EDR/CDR/NDR/SIEM/SOAR, micro segmentation, and wireless network

- security products).
- (8) Maintenance service and consultation.
- (9) Sale of consumables.
- (10) Communications engineering business.
- (11) Development of other special application programs to support the sale of computer systems, computer peripheral systems, network products, and computer software.
- (12) Managed Detection and Response (MDR), and managed security service provider (MSSP).
- (13) Planning of artificial intelligence system architecture and cloud-ground integration services.

2. Consolidated operating ratios of each business in 2025

Business Activities	Operating Ratio(%)
Workstations and server host	11.50
Personal computer	0.75
Computer peripheral products	3.64
Network products	17.72
Computer software	17.81
Consulting and maintenance service	29.55
Others	0.11
Storage device	18.92
Engineering	0.00
Total	100.00

3. The Company's current products and services

- (1) Server host: Database server host (IBM, HPE), file servers (IBM, HPE), network servers (IBM, HPE), and AI servers (NVIDIA).
- (2) Data storage equipment: Disk array (IBM, HDS, NetApp, HPE, Nimble, and DataCore), storage area network-related interface cards (Broadcom), hubs, switches, routers (Extreme, HPE Aruba), and management software (Coheisty), etc.
- (3) Personal computers and network servers: There are desktop, notebook, and industrial models.
- (4) Computer peripheral equipment: Various inkjet printers, laser printers, and high-speed laser printers.
- (5) Network products: Routers, switches, network management software, network printing devices.
- (6) Computer software: Artificial intelligence software platforms (IBM watsonx.ai, NVIDIA AI Enterprise, AWS Bedrock), operating system software (Linux, Windows), office automation software packages, cross-platform integration (VMware), product life cycle management system (PLM), manufacturing execution system (MES), enterprise resource

planning system (ERP), Planned Maintenance System (PMS), Enterprise Resource Management (ERP), Anti-money Laundering (AML), Service-Oriented Architecture (SOA), Cloud Computing, system and network security software, data backup management software (Coheisty), storage area network management software, publishing and electronic document editing software and e-commerce software, telecommunication user portals (App Store), telecommunication Call Detail Record (CDR), Network Management Station (NMS), Business Trade, Content management software (CMS), Search engine software, Single sign-on (SSO).

- (7) Planning, integration, sales and consulting services for information security products (firewalls, web application firewall (WAF), hacker intrusion prevention, authentication and encryption systems, document security systems, wireless/authentication systems, corporate security policy defense systems, spam, EDR/CDR/NDR/SIEM/SOAR, micro segmentation, and wireless network security products).
 - (8) Maintenance services: Free maintenance services, paid maintenance services, and contract maintenance services within the guarantee period.
 - (9) Education and training: Free and paid education and training are provided to customers.
 - (10) Consumables: Floppy discs, magnetic tapes, ink cartridges, toner cartridges, automatic document feeders.
 - (11) Engineering: Optical fiber network engineering and building telecommunication equipment room engineering.
 - (12) Managed Detection and Response (MDR), and managed security service provider (MSSP).
 - (13) Planning of artificial intelligence system architecture and cloud-ground integration services.
4. New products and services in development or under development
- (1) Blood management information platform@Docker/Microservice.
 - (2) An AML system maintenance, diagnostics, and comprehensive operational support platform based on RAG technology.
 - (3) AI cybersecurity steward.
 - (4) Development and practice of EAR ZT zero trust security interconnection technology platform—deepening AI technology applications and AI platform integration.
 - (5) To establish AI agent application framework
 - (6) A distributed AI agent collaboration architecture based on the Ripple Effect protocol: to build a highly resilient AaaS (Agent-as-a-Service) platform for manufacturing scheduling.
 - (7) Automate professional document comprehension and domain-specific decision-making by integrating AI Agent with OCR and LLM

4.1.2 Industry Overview

1. Current status and development of the industry

The current status and development of the IT industry have several key points:

- (1) Cloud service providers offer multi-cloud and hybrid cloud architectures, serverless computing, AI cloud services, data lake architectures, edge cloud, and cloud-native security.
- (2) Domestic telecommunications companies have invested heavily in corporate customer service.
- (3) Major manufacturers have invested in and supported the standardization of open source code.
- (4) The financial service industry actively adopts Fintech, Regtech, blockchain, anti-money laundering, and Securities Continuous Trading technologies.
- (5) Major software and hardware manufacturers continued to merge.
- (6) Information security threats are increasing day by day. Hacking tools provided to GenAI hackers through the dark web, APT attacks, file encryption, and DDoS extortion attacks have caused huge losses in many countries around the world. Endpoint protection (XDR), zero-trust architecture, and SOAR (combining AI automation tools to improve the speed of information security incident detection and response, and reduce manpower burden) have become the new mainstream of information security protection. In response to the widespread adoption of GenAI and the development of quantum computing, the industry is also proactively deploying AI-based cybersecurity defenses, quantum encryption, data sovereignty, and compliance with cybersecurity regulations such as GDPR and DORA.
- (7) Edge computing accelerates IoT device data processing, reduces latency, and improves real-time decision-making capabilities.
- (8) Big Data analysis has become one of the mainstream options for enterprises to upgrade their competitiveness and explore new business opportunities. The addition of generative AI makes data mining and model prediction more accurate.
- (9) Continual expansion of services for corporate customers and transmission bandwidth in the telecommunication industry; Enhancement of service quality through customer experience management; Replacing traditional local calls with IP phones; competing with cable TV providers for higher speeds; accelerating G-PON and ultra-low latency APN deployment. 5G has become widely adopted and continues to drive new applications such as smart cities, the Internet of Vehicles (IoV), and autonomous driving, while 6G technology is under development and being prepared for commercialization.
- (10) Industry 4.0 has been introduced by advanced industries, and the

manufacturing industry has actively embarked on the preliminary operation of factory automation.

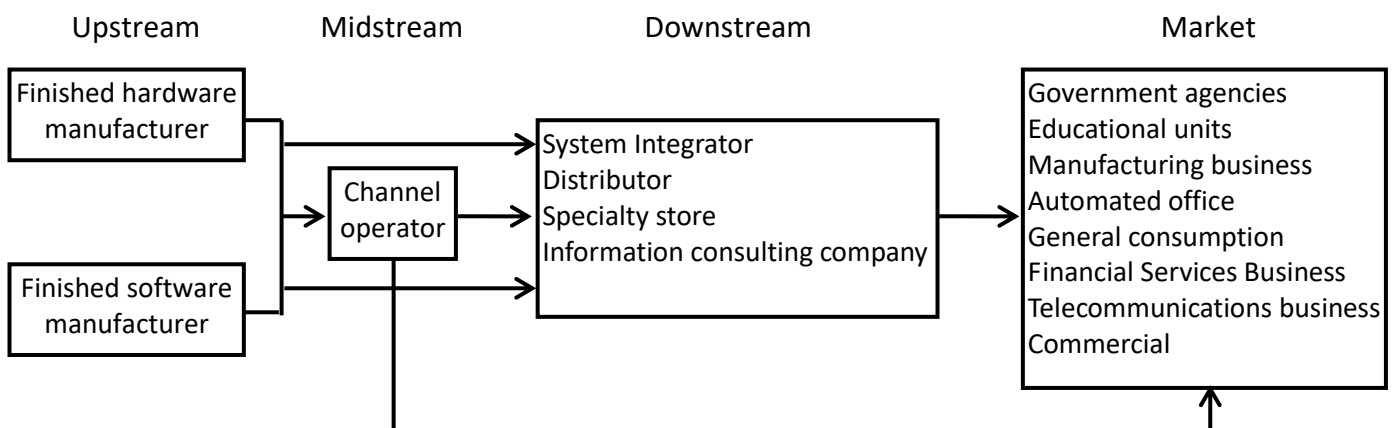
- (11) Industry 4.0 has been adopted by advanced industries in applications, such as smart manufacturing, the Industrial Internet of Things (IIoT), AI machine vision, and digital twins.
- (12) Across industries, organizations are increasingly leveraging GenAI for applications such as content creation, automated customer service, decision support, and code generation.

In the next few years, both system integrators and enterprise users will focus on the following nine major areas:

- (1) Cloud services (cloud and on-premises integration), multi-cloud and heterogeneous cloud management, cloud-native application development
- (2) Green and environmentally friendly information equipment (ESG carbon footprint issues), circular economy and sustainable development, energy-saving and carbon reduction technology
- (3) Next-generation data center migration, high-performance computing, and liquid cooling technologies
- (4) Storage consolidation, data redundancy and offsite backup, and data sovereignty protection
- (5) Hyper-converged systems and software-defined data centers (SDDC)
- (6) Mobile applications (SMAC-I), edge computing, 5G/6G mobile network applications, and smart terminal devices
- (7) Internet of Things - IoT (Internet of Things) infrastructure and service development, industrial Internet of Things (IIoT), smart manufacturing, and digital twins
- (8) Big data, artificial intelligence (machine learning, deep learning, and GenAI), data mining, and AI-automated decision support
- (9) Cybersecurity (zero trust architecture, XDR, SOAR, quantum encryption, and compliance frameworks such as GDPR and DORA), AI-driven cybersecurity protection, and endpoint security.

2. Association of upstream, mid-stream, and downstream industries

Diagram of the industrial linkage of the information industry



The Company's main products include servers, work stations, mainframes, peripheral products, network communication equipment, information security products, and professional information software. In terms of its industry characteristics, with its professional technical capabilities combined with a complete set of marketing channels, it has obtained the agent and marketing rights of upstream products, and integrates downstream customers' product needs for purchases from upstream manufacturers to gain a greater price advantage. We sell our products to downstream customers through flexible inventories management and marketing strategies. This industry refers to the professional channel operators in the overall information industry. The upstream are mainly well-known finished hardware/software manufacturers, and the downstream are system integrators, distributors, specialty stores, and information consulting companies engaged in the sale of information related products. In summary, currently, the upstream vendors of the information industry are mainly focused on the R&D and manufacturing of professional IT-related products, the mid-stream vendors aim to promote the market and establish marketing channels as their primary business purpose, and the downstream vendors provide end user delivery and maintenance services, technical support and other services, through which the professional division of labor among the upper, middle and lower can jointly create abundant profits. The Company currently focuses on the role of the downstream system integration distributor.

3. Product development trends and competitions

The Company's business scope covers the following main items: Server hosts and work stations, storage devices, personal computers, computer peripheral products, network products, information security products, computer software, consulting professional services, and maintenance services and projects. The Company is a major high-tech information services provider in total solutions. The description of the development trend and competition for the top six main business activities of the Company is as follows:

(1) Mainframe server

In addition to providing ongoing services for the equipment purchased by our users, we also sell mainframe servers from IBM, HPE, and NVIDIA.

These products include AMD CPU, Intel CPU, and IBM Power CPU (all of which can support the GPU of various brands for AI deep learning operations).

When an enterprise is planning an integration solution, it is important to improve performance and reduce costs.

However, if an enterprise recklessly pursues low-cost, and as a result

it is impossible for the target environment after integration to meet the requirements of the enterprise, no amount of cost saving will come of it. Therefore, enterprises must fully realize the fact that there are inevitable risks involved in server integration, but server integration can indeed reduce management costs and increase equipment utilization.

After the integration of the enterprise information framework, the benefits are not only easier management and higher utilization of resources, but also the efficiency of the overall IT operation will be better and less prone to errors. Integration does not mean giving up old systems, but eliminating superfluous ones based on the needs of the enterprise, leaving the most stable and important systems and allowing these systems to execute on the new platform at a better speed.

(2) Storage device

The maturity of cloud storage service has crowded the traditional enterprise storage market and will even become the main storage method for enterprises. Flash storage, which wins the competition with speed, bucked the trend and grew to become the protagonist to satisfy the demand for external storage of enterprises. No matter how the economy develops, the amount of data held by enterprises will continue to increase over time. Paradoxically, the percentage of enterprise storage sales has been declining over the recent 3 to 4 years. The reason for this phenomenon is that the emerging storage architectures such as Server SAN, Hyper-converged, and public cloud have crowded the original market. Among these emerging architectures, the public cloud storage service is the most threatening to traditional storage products. The advent and maturity of public cloud storage can be said to be the new architecture that has the greatest impact on enterprise storage applications in most recent years. Public cloud storage service providers such as AWS and Microsoft have also become the biggest competitors to traditional enterprise storage equipment suppliers. The continued growth in the market share of all-flash storage arrays reflects the increasing importance enterprises place on flash storage applications. In summary, these market changes can be broadly attributed to several factors. In addition to improvements in the capacity and reliability of NAND flash memory, as well as optimizations in data deduplication and compression technologies, enterprise customers are able to acquire high-performance flash storage arrays at more affordable prices, thereby accelerating production applications. Therefore, storage applications can get rid of the performance bottleneck of traditional hard drives and bring almost limitless growth in performance and capacity density for enterprise storage. As far as enterprise storage is concerned, compared to the declining traditional high-end storage arrays or the entry-level storage

devices with low technology threshold and low profit, the all-flash storage arrays based on flash memory have become the only external storage devices for enterprises. It is one of the fields where the development is most booming and the competition is the most fierce. In the most recent 2 years, when new or upgraded storage products are introduced, all storage manufacturers would have introduced the all-flash configuration at the same time. The all-flash structure has become the only way out for the future of storage products.

(3) Network products

The rise of new IT technologies has driven the evolution of the Internet. New technologies and models, such as: Micro-server application model, mobile devices, cloud computing, immersive experience and the Internet of Things, which will drive the major evolution of the network. As we can see, IBN has improved the automation capability of SDN, enabling it to convert intentions into rules, collect data, and provide visibility analysis. Combine network monitoring with AI and machine learning to correct problems, provide intelligent feedback of network environment data, and ensure that the principle is executed exactly as intended. The purpose of IBN is to continuously apply and protect the service performance requirements, security and compliance principles, and IT operation procedures in the entire network. The Application Programming Interface (API) on the open platform controller allows the controller to integrate and exchange intelligence with adjacent networks, IT services, other IT domains, business applications, and heterogeneous infrastructure.

IBN, NFV, Cloud, and SDN are also changing the operation and scope of the modern data center. We see that today's data center is no longer a single location. The emerging "distributed data center" is the result of the coexistence of applications and data in a hybrid, multi-cloud, and edge environment. However, the operation method of a distributed data center is different from that of a traditional data center. IT organizations need to adapt and change their technologies and operations in order to meet the demands for increased application programs and network connections with this new architecture. Work loads are not static, but constantly move between multiple clouds and physical data centers. Therefore, DevOps teams must use continuous integration and continuous deployment (CICD) to quickly launch new applications and services to keep up with the rapid pace of business. New technologies such as microservices, containers, and APIs are completely changing the design of applications.

With the development of new network models and applications, the traffic and data of the data center network grow rapidly, and information

security risks are increased and taken seriously. Therefore, the Secure Access Service Edge (SASE) network architecture model also appears. SASE can combine VPN and WAN functions with cloud-native security functions, such as secure network gateway, cloud access security agent, firewall, and zero trust network access. These functions are provided through the cloud as the service of the SASE vendor. SASE is the vision of the future secure network model that enterprises should strive to achieve, but cannot be realized by any vendor at present.

(4) Information Security Products

In recent years, generative artificial intelligence (GenAI) has become increasingly prevalent in both cloud and endpoint device applications, creating new opportunities for cybersecurity protection. GenAI can be applied to cloud-based security platforms, significantly enhancing enterprises' ability to defend against unknown attacks through automated threat analysis, anomaly detection, and real-time response. In addition, GenAI on endpoint devices can proactively identify malware, perform dynamic risk assessments based on individual user behavior, and subsequently block suspicious activities in real time. Cybersecurity protection integrated with GenAI can effectively address the limitations of traditional rule-based systems, rapidly adapt to emerging attack methods, and enable enterprises to establish more flexible and forward-looking cybersecurity strategies.

In recent years, Internet of Things (IoT) devices have been widely used. While connecting Internet of Things (IoT) devices to the corporate network brings obvious benefits, it can also expose you to new network threats. From IP cameras and smart elevators to medical devices and industrial controllers, IoT devices are inherently vulnerable and can be easily hacked. Many of these devices run on unpatched systems that are misconfigured or use insecure communication protocols, which can cause security concerns. Due to the limited visibility and control over existing IoT devices and related risks, it is necessary to strengthen the threat defense solution for IoT applications in the next generation firewalls. DDoS attacks using APIs have been reported since the beginning of 2018. This method is different from reflective and amplified attacks in that it is mainly executed through remote control. In this way, hackers can extract the payload of the packets from connection behaviors to obtain the API key. API plays the role of Request/Response, but almost no rigorous security measures have been implemented in this area. Therefore, they can be easily tampered with to execute commands with a false identity, and then initiate high-frequency connection access requests to produce the effect like a DDoS server or intrusions into the host computer. API Security has become an integral part of the security world.

GenAI technology can further strengthen API security by using deep learning models to automatically identify anomalous connection behaviors, packet characteristics, and API key changes, helping enterprises block malicious API access in real time and reduce the risks of DDoS attacks and cyber intrusions. Cloud-based security platforms can leverage GenAI for large-scale data analysis and rapidly adjust defense rules, while endpoint devices can use GenAI to dynamically monitor IoT device behavior, proactively detect and isolate at-risk devices, and enhance the overall security of the IoT environment.

The Internet, mass data, cloud computing, Internet of Things and other technologies have brought convenience to personal life and provide technical support for the development of enterprises. However, many major incidents have taken place on the global Internet in the past. Personal information leakage seems to have become a common occurrence, APT attacks emerged one after another, and DDoS hackers' frequency and techniques continued to increase and become more complex. There was even an attack with the largest traffic volume in history. Based on the industry survey and research, the main development trends of the information security industry have been forecasted:

In cloud cybersecurity protection, GenAI can assist in automating threat intelligence collection and providing early warnings for APT attacks. Through real-time big data analysis, it can identify early signs of security incidents in advance and proactively notify administrators, thereby enhancing the proactiveness and accuracy of cybersecurity defense. Endpoint devices can leverage GenAI to learn user behavior patterns, identify anomalous activities, and block malicious access in real time, effectively preventing personal data breaches and cyber intrusions.

Trend 1: Consumers are the Targets of Hackers

The targets of hackers are no longer limited to enterprises and governments. For example, there have been many recent incidents of encryption for blackmail or online bank account theft. Hackers have directly endangered consumers, and this phenomenon will also spread to the Internet of Things. More sophisticated new technologies will affect consumer and home technology. Personal devices such as Bluetooth and wireless network communication have become the portals for entering personal home systems and communications. For example, if the Global Positioning System (GPS) is hacked, it may lead to a tragic event. In addition, an IoT that lacks defenses, such as a "Smart Home," it will leak personal information and information of current residents to hackers.

GenAI can provide more refined home cybersecurity protection on endpoint devices by automatically learning household network traffic patterns, identifying anomalous device connections and data transmissions, and proactively alerting users or automatically isolating compromised devices, effectively preventing personal data leakage and malicious attacks from infiltrating the home environment.

Trend 2: Integration of multi-layered security architecture

The defense effect of a single-layer security architecture or point solutions provided by multiple suppliers is poor and is an outdated security principle. We will see that more and more suppliers are acquiring all the necessary security elements to be integrated through development, cooperation, and acquisition to provide integrated, multi-layer solutions.

GenAI can integrate multi-layered security architectures, enabling cloud and endpoint security systems to automatically unify various protection functions and adjust defense strategies based on real-time threat intelligence, thereby enhancing the coordination efficiency and overall strength of cybersecurity defense.

Trend 3: Ongoing big data

Suppliers and businesses alike are searching for the magic formula for big data. Vendors are trying to design and build a "turnkey" big data "solution" that can be repeated and adds value to the user base. Enterprises are looking for "turnkey" solutions that can be implemented to create a stronger defense, smoother data environment, and stronger security awareness within the enterprise.

GenAI excels at big data analytics and can automate threat monitoring and data flow analysis on cloud platforms, proactively identifying potential cybersecurity risks, providing real-time alerts, and supporting enterprise decision-making. Endpoint devices can also leverage GenAI to collect and analyze local behavioral data, helping enterprises establish a more comprehensive cybersecurity protection framework.

Trend 4: Silent attacks

It is expected that there will be more continuous and more sophisticated attacks to steal users' IP addresses and money without leaving any clues. This phenomenon will only continue to increase. Therefore, it is very important to make security an integral part of the overall IT infrastructure, and implement layered security protection to defend against threats and attack opportunities at the first instance.

GenAI can instantly analyze cloud and terminal traffic and behavior records, proactively identify stealthy attack activities, and help the IT

department proactively block threats in the early stages of an attack to reduce losses and risks.

Trend 5: Attacks on the supply chain

GenAI can be applied to cloud-based cybersecurity management systems to automatically monitor the security status across upstream and downstream supply chains, helping enterprises promptly detect anomalies in third-party connections and potential attack risks. It can also proactively protect data transmission at endpoint devices, ensuring the overall security of the supply chain.

The supply chain attack is the second aspect that enterprises should pay attention to, which will become a new gap in enterprise defense. This will give opportunities for opportunistic attackers, and such risks have become more obvious in the medical field. Medical equipment that is connected to third-party suppliers, such as MRI and X-ray machines, are connected to the intranet every day, which increases the attack surface and increases the vulnerabilities, which are beyond the control of the hospital.

GenAI on endpoint devices can help healthcare institutions monitor the behavior of connected medical devices in real time, identify anomalous connections and data flows, detect potential attacks at an early stage, and proactively isolate at-risk devices, thereby strengthening cybersecurity protection across the healthcare supply chain.

For the supply chain attack, the target of this kind of attack is not the enterprise itself, but the upstream and downstream suppliers of the enterprise to harm the enterprise next. There have been many cases in 2018. We will continue to see occurrences of such cyber attacks in the future.

In the cloud, GenAI can help enterprises establish dynamic supply chain cybersecurity monitoring models to rapidly detect anomalous behaviors among upstream and downstream business partners. At the endpoint level, it can automatically adjust security policies, reducing the attack surface and the occurrence of vulnerabilities.

As Taiwan's manufacturing industries play important roles in global supply chains, such issues are particularly relevant to Taiwan. For example, enterprises use ERP to manage supply chain, and now many upstream and downstream systems are integrated, and third-party partners also need to be included in the management. In view of this, we should adopt a brand-new information security policy management mindset (for application, information security threats, and virus protection), and take the initiative to master and control the use of various applications, and

regulate and protect online behaviors in order to achieve management over misconducts , encrypted connection (HTTPS) management, improve the flexibility of information security policies and management efficiency, control of application usage, and complete reporting in compliance with laws.

GenAI can assist enterprises in automating cybersecurity policy management by dynamically adjusting protection rules on cloud platforms, while endpoint devices can automatically enhance encrypted connections and anomaly monitoring based on local application behavior, thereby improving policy flexibility and management efficiency.

Therefore, in order to effectively deal with the hybrid attacks and application layer attacks, and at the same time take into account the factors of management and cost, the demand for "integration" has arisen. The so-called integration, on the one hand, is to integrate the functions of various types of protective equipment into one furnace, on the other hand, to integrate management interfaces for centralized control, and most importantly, it is to integrate both new and old software and hardware to form a multi-layered active defense network. In order to reflect the above voices and needs, whether it is information security software or hardware equipped, the products are gradually developed in the direction of integration and multi-function. For SMEs, the equipment-type product that integrates firewall, intrusion detection, bandwidth management, content filtering, and anti-virus functions not only saves a great deal of procurement and construction costs, but also saves time in deployment and management. It can also save a lot of expenses. It can be said to be a once and for all approach.

GenAI can help small and medium-sized enterprises integrate various cybersecurity protection functions, centrally manage security devices on cloud platforms, and automatically adjust protection strategies at the endpoint level, thereby improving protection efficiency and reducing operational costs.

A mobile work environment enables employees to access all of their application programs, data, and personalized desktops - providing the best performance and meeting everyone's security, performance, personalization, and mobility requirements. Provide all employees with access to the self-service application.

GenAI on cloud and endpoint cybersecurity platforms can help enterprises dynamically monitor employee behavior, identify anomalous access and data flows, and enhance the level of cybersecurity protection in mobile work environments.

The mobile work environment is a flexible solution that simplifies the deployment and life cycle management of applications and desktops to reduce IT costs. Through centralized management and delivery of standard images based on demands, IT departments can increase the success rate of updates for application programs and desktop images, and provide role-based management, configuration settings, security protection, and support for corporate devices and employees' personal devices.

GenAI can assist IT departments in automating security checks for desktop and application deployments, while endpoint devices can dynamically adjust configuration settings and access controls, thereby enhancing overall cybersecurity protection and management efficiency.

On the other hand, the rise of information security outsourcing services is certainly due to the result of market demand. The emerging information security attack incidents, combined with the diversified mixed attacks and various intrusion methods, they often cause great losses to individuals and companies. In this case, an enterprise must establish a group of talents with relevant professional skills and knowledge, and conduct regular training to familiarize them with new equipment, new functions or new threats. More importantly, enterprises must be able to assume the risk of window period and training go in vain due to the turnover of relevant personnel, and have the ability to substitute personnel and relevant training at any time. Large enterprises with abundant human and financial resources, can certainly maintain and bear the load but for small and medium-sized enterprises, it is an unbearable burden. The best solution to effectively save manpower, training, management, maintenance and related equipment costs is to entrust the information security protection to an information security vendor with a professional team and technical know-how.

GenAI can assist managed security service providers (mssps) in automating threat analysis, incident response, and training, while endpoint devices can leverage GenAI for continuous monitoring, reducing manpower requirements and improving service quality.

In addition, from the perspective of the R&D trend of the major information security manufacturers, the new generation of information security defense technology will use big data analysis, User Behavior Analytics, Deception, and Isolation technologies to develop products with machine learning and cognitive capabilities. In view of the increasingly rampant hackers, which also depend on AI intelligent analysis in the information security cloud, Endpoint Detection and Response (EDR) seems to have become the prominent technology of information security

defense in recent years. The main purpose of Endpoint Detection and Response (EDR) is to detect abnormal activities on the endpoint system, in order to detect hackers as soon as possible and reduce information security risks that may be caused in the future. In addition, on August 23, 2021, the government promulgated and amended the "Information Security Responsibility Hierarchy Regulations" to mandate that Class-A and Class-B public authorities must implement an endpoint detection and response mechanism within 2 years. In the traditional information security protection system, policies and rules are defined in advance, and all action plans are fixed in the rules. In practice, however, it is difficult for them to adopt fixed policies in response to the ever-changing needs of their business. The EDR rule allows for detection and decision-making before action and measures are taken into consideration with flexibility in work and protection against data leakage. EDR collects monitoring data from all aspects, and the endpoint detection and response system can identify and analyze potential attacks in advance. In this way, attacks can be interrupted at the initial stage before serious losses or intrusions occur. This will prevent losses. Real-time response also allows organizations to identify suspicious behaviors or unauthorized behaviors on the network, so as to find out the root cause of the threat before the threat affects the operation. The correlation analysis of the data from endpoint, network and SIEM can even achieve prevention, stopping, and isolation, to minimize the damage to the local machine, and to prevent the expansion of the disaster at the same time.

GenAI can assist EDR and SIEM systems in automating anomaly detection and threat analysis, while endpoint devices can leverage GenAI for real-time response and isolation, enhancing the proactiveness and efficiency of endpoint cybersecurity protection.

The interest in zero trust network access is proliferating recently, in part because of its attractive name and its widespread use in the entire network security industry. The other reason is that we really need it.

GenAI in the cloud can automatically establish zero trust access policies, while endpoint devices dynamically adjust access permissions to ensure that every connection undergoes strict verification, thereby enhancing the effectiveness of the zero trust security architecture.

(5) Computer software

In recent years, with the rapid development of GenAI (generative artificial intelligence), Taiwan's software industry has ushered in new opportunities. GenAI not only drives software innovation, but also helps enterprises rapidly develop intelligent applications, optimize workflows, and enhance product value.

Taiwan has an excellent hardware industry foundation. If the software and hardware industries can cooperate with each other to promote the development of software, the competitiveness of hardware manufacturers can be further improved and the output value increased. With the increasing mobilization and cloudification of applications, the containerization of development technologies, and the integration of distributed cloud architectures—particularly with the adoption of GenAI in enterprise applications and services—user experience and application delivery have become more intelligent and flexible, further expanding industry development prospects.

Taiwan's hardware suppliers have already invested in internationalization and globalization, and the scale is relatively growing. This niche does not narrow the software industry, on the contrary, it provides small software suppliers with a great survival niche. In addition, because Taiwan is relatively early in the process of informatization, the economy and commerce are relatively developed, and the system integration capabilities of the engineers are relatively outstanding, and they have higher creativity. These are the advantages for Taiwan's software industry to internationalize. Driven by GenAI technology, Taiwan's software companies have the opportunity to integrate local and international market demands to develop diverse and competitive intelligent solutions.

Taiwan's software industry not only has good "integration" ability, but also "quality" in it. If application software, tool software, infrastructure software, and even information services are included, the value chain of the software industry is actually very long. Only by fulfilling roles and nurturing capabilities at every step in the value chain can a lasting service be created so that customers can use the products with confidence and reap the benefits, followed by localization, regionalization, and internationalization. By integrating GenAI-driven automated testing and intelligent operations and maintenance, Taiwan's software industry can enhance product quality and services, thereby strengthening its international competitiveness.

(6) Professional consultancy and maintenance services

With the common wave of global corporate mergers or system integration, business operation models have become more and more complicated. The challenges facing enterprises have become more and more formidable. Under this premise, how can the IT department, with the rapid expansion of the scale of enterprises, makes a flexible adjustment to the information architecture under the keynote of security management? This has become the general trend. In particular, the

information architecture platform of the new generation data center has become the key to boosting the competitiveness of enterprises. GenAI can assist IT departments with automated system analysis, issue diagnosis, and risk forecasting to improve the speed and accuracy of enterprise information framework adjustments.

Traditionally, Taiwan started as a manufacturing industry and focused on production capacity. Today, the so-called competitiveness not only refers to production management and cost control, but also includes economic added value and new applications created by using competitiveness. In order to develop a new business model for Taiwan's IT industry, it is necessary to start from the software technology, content and hardware equipment manufacturing capacity.

Today, with the adoption of GenAI, Taiwan's IT industry can develop new business models through intelligent consulting services and automated maintenance platforms, creating greater economic value.

As far as the development of science and technology and the refinement of software writing methods are concerned, the probability of successful execution of the server integration system project will increase. Therefore, if a company desires to lower the IT costs, such as, manpower, equipment and management, the original distributed processing architecture must be consolidated, which is an inevitable trend. There are two possible solutions for consolidation. One is single system architecture integration. Existing application programs are completely or partially rewritten to be consolidated into one architecture. Although the front-end operation burden is higher, it can maximize long-term benefits. Second, the application system isolation method can be adopted, and application programs with different attributes can be effectively separated through one or a small number of high-performance and high-flexibility medium and large mainframes. The adoption of GenAI can help enterprises automatically analyze system consolidation requirements, accelerate architecture integration processes, and reduce human error.

Both of these two integration models can be achieved with the mainframe featuring mainframe stability, open architecture, and multiple computing frameworks, together with their rigorous implementation methodologies and consulting service. This is the system's opportunity of integrating vendor consulting professional services and maintenance services. At the same time, GenAI can support consultants in providing knowledge-based decision recommendations and assist maintenance services in troubleshooting issues in real time, thereby enhancing system operational stability.

4.1.3 Overview of Technology and R&D

1. Research and development expenses in the most recent year and as the date of this annual report:

Unit: NT\$ thousand

Year	Amount
2025	98,987
January 1 to March 31, 2026 (Note)	23,392

Note: The financial data as of the date of of this annual report are self-reported figures.

2. Successful development technical or product

R&D Projects	Explanation
<p>A distributed AI agent collaboration architecture based on the Ripple Effect protocol: to build a highly resilient AaaS (Agent-as-a-Service) platform for manufacturing scheduling</p>	<p>In the face of global supply chain uncertainties and the manufacturing challenge of “high-mix, low-volume” production, traditional centralized scheduling systems often experience delayed responses to sudden changes (such as equipment failures or urgent order insertions) due to excessive computational loads. This plan aims to develop a “distributed AI agent collaboration architecture based on the Ripple Effect protocol,” building an intelligent scheduling AaaS (Agent as a Service) platform with high self-healing capabilities and production resilience, thereby equipping the manufacturing industry with core capabilities for dynamic response.</p> <p>The core innovation of this plan lies in the development of the Ripple Effect Protocol (REP), a multi-agent collaboration technology that mimics the ripple transmission mechanism in nature. When a disruption occurs at a production node, the affected AI agent immediately activates a "localized autonomy" mechanism to seek resource restructuring within the smallest affected scope; if the variation cannot be digested locally, the "diminishing diffusion" model is triggered to negotiate with neighboring nodes. This kind of distributed optimization mechanism ensures that the system will not collapse due to a single point of failure, and realizes the technological leap from "efficiency-oriented" to "resilience-oriented".</p> <p>Through the AaaS model, this plan provisions highly compatible API services, allowing entities to achieve digital transformation without replacing their existing ERP or MES systems. By leveraging the REP protocol to rapidly recover from losses caused by unplanned downtime, this platform is expected to reduce rescheduling time for unexpected events to the minute level and significantly increase overall equipment effectiveness (OEE) by 10–15%. In the long term, this architecture will extend to cross-site supply chain scheduling, enabling the manufacturing industry to build a highly flexible and competitive intelligent production model.</p>

R&D Projects	Explanation
Establish AI agent application framework	<p>The technological development of AI agents has evolved from simple “conversation” to “autonomous action” and “deep computation,” with the core objective of enabling AI to plan and execute complex tasks in a human-like manner. This plan will focus on the following four core technologies as key R&D directions:</p> <ul style="list-style-type: none"> I. Reasoning and planning capabilities (Reasoning & Planning) II. Long-term memory and contextual awareness (Long-term Memory) III. Tool usage and standardized protocols (Tool Use & Interoperability) IV. Multi-agent collaboration (Multi-Agent Systems, MAS)
An AML system maintenance, diagnostics, and comprehensive operational support platform based on RAG technology	<p>As global financial regulatory mechanisms continue to strengthen, financial institutions are facing increasingly complex regulatory requirements and operational pressures in the field of anti-money laundering (AML). In addition to maintaining a highly stable monitoring system, it is also necessary to ensure that the relevant operating procedures complied with regulations and were highly traceable. This project adopts Retrieval-Augmented Generation (RAG) technology to build an AML support platform that integrates knowledge retrieval with intelligent assistance, enhancing financial institutions’ compliance efficiency and risk control capabilities from both system operations and maintenance and business operations perspectives.</p>

R&D Projects	Explanation
<p>Development and practice of EAR ZT zero trust security interconnection technology platform—deepening AI technology applications and AI platform integration</p>	<p>Follow the "Zero Trust Architecture" (SP.800-207) defined by the US National Institute of Standards and Technology (NIST), and cooperate with the requirements of the Information Security Institute of Taiwan to construct three core mechanisms for a zero trust network in three phases: Development and implementation of zero trust security interconnection technology platform for identity authentication, device authentication, and trust inference. In 2025, the key focus was on adopting AI technologies, deepening AI application and platform integration, and comprehensively enhancing and strengthening system platform security. The following have been completed:</p> <ul style="list-style-type: none"> I. Identity verification: <ul style="list-style-type: none"> 1. We have participated in the TWDNA Anti-Fraud Alliance and obtained authorization to deploy the TWDNA whitelist fraud detection network. This enables large enterprises and institutions in need to establish their own TWDNA nodes and connect to the TWDNA network (twdna.org), thereby fulfilling legal requirements and social responsibilities. 2. We completed a flagship MFA application—Gmail AOTP—which will soon be deployed on ZT. At that time, three multi-factor authentication methods (two of which are patented) will be integrated into the ZT sovereign network for flexible user invocation. 3. Behavioral biometrics AI has been introduced. For specific environments, it can perform carried-object detection and identification, normalized analysis of behaviors within designated areas, and detection of anomalous behaviors, issuing real-time alerts to enhance site security. II. Device authentication: <ul style="list-style-type: none"> 1. Generative AI cybersecurity incident analysis and automated response: We apply AI for log analysis, infers and predicts attack paths, increases detection and monitoring frequency, identifies anomalous behaviors, and automatically initiates incident response by terminating suspicious connections and preventing threat propagation. 2. Introduced AI-driven zero trust network traffic analysis: Using LLM and NetFlow analysis, we perform AI intrusion detection and lateral movement detection to enhance both external and internal security metrics. III. Trust inference: <ul style="list-style-type: none"> 1. Built an AI-driven zero trust dynamic access control core: based on user behavior analytics (UEBA), we perform real-time risk scoring, receives real-time feedback from the AI dynamic policy engine, and automatically adjust user access permissions and alerts. 2. AI Agent zero trust governance: while introducing AI Agents, ZTA controls over AI Agents are simultaneously strengthened, including agent identity management, agent behavior monitoring, and agent permission control.

R&D Projects	Explanation
AI cybersecurity steward	<p>Artificial intelligence (AI) is advancing at a rapid pace. In addition to helping resolve everyday questions, with extensive training it can also provide significant benefits across many professional fields.</p> <p>This plan leverages extensively trained artificial intelligence to assist organizations and enterprises in managing their cybersecurity configurations within the professional domain of information security. It is hoped that artificial intelligence can operate 24/7 to analyze and assess cybersecurity incidents at the earliest possible moment, then issue alerts and recommended solutions to relevant personnel based on risk levels, and leverage automation to drive security devices for defense—serving as a capable cybersecurity manager for organizations and enterprises.</p>

4.1.4 Long, Short-term Business Development Plan

1. Short-term plan development direction

- (1) Investment in mobile application software R&D, access to cloud services, mass data analysis, AI, and blockchain

We will actively strengthen our GenAI (generative artificial intelligence) technology deployment and further deepen the application of AI in cybersecurity defense, including AI-driven threat detection, behavior analysis, and automated response, to enhance the differentiation and added value of our cybersecurity services.

IDC believes that enterprises will shift from AI experiments to reshaping enterprises through AI, by using AI agents, data, infrastructure, and cloud innovation to provide scalable solutions. The five trend predictions for the Taiwan ICT market proposed by IDC, such as multimodal and multi-model applications, GenAI expanding the scale of edge IT infrastructure and promoting cloud market development, edge computing and AI devices accelerating MDaaS service expansion, AI BOM and password agility, AI-driven carbon emission management, are all areas that the Company has invested in or is actively developing. We will strengthen the application of GenAI in enterprise automation processes, intelligent decision-making, and cybersecurity incident early warning and response, and integrate it with solutions such as AI SIEM and endpoint detection and response (EDR/XDR) to achieve more intelligent, real-time cybersecurity management and risk control.

- (2) Provide the information system needed for the growth of corporate customers

The Company's customers are all large corporate customers, and their demand for information systems has grown from accounting processing in the past to the service that “anyone, anywhere, anytime, and any tool” can access information. In the future, the Company will further develop into

taking the information system as the core strategic requirement for the Company's growth. In response to the complex needs of customers, the Company will invest more in talents, introduce new tools and platforms, develop new products, contract more large-scale projects, and assist customers in cloud and land integration planning. First, we can meet customer needs, and then we can get rid of the low-margin market. The competition from many peers has allowed the Company to enter the niche market with higher added value. In response to GenAI and cybersecurity requirements, we will assist enterprises in implementing AI collaborative platforms and strengthen automated cybersecurity services such as adaptive access and dynamic permission adjustments, thereby enhancing operational resilience.

- (3) Assist enterprises to develop mobile application software into APP, micro-service (container), and mobile workspace

Enterprises are constantly seeking the best solutions in terms of corporate flexibility and employee efficiency. With the popularization of smart mobile devices and the continuous improvement of device performance, the mobilization of the enterprise's core system has become the mainstream consideration in the conversion. The Company has developed mobile APPs for more than 12 years, and with the total mobile workspace solution developed by foreign IT manufacturers, we are able to provide enterprises with next-generation mobile services and new-generation software and micro-service development technologies. We will integrate GenAI technologies such as semantic understanding, document generation, and intelligent customer service to enhance mobile applications with AI-driven capabilities, and leverage automated cybersecurity mechanisms to ensure data security and compliance on mobile endpoints.

- (4) Enhance the introduction of new products so that customers can purchase at one time

At present, we have represented more than 30 kinds of world-class software and hardware to meet the needs of corporate customers. This year, several software and hardware agents will be added so that customers can purchase at Stark Technology as a one stop shop and the service breadth and depth will be increased. We will add product agencies for GenAI, AI SIEM, endpoint security, and adaptive access to strengthen the supply capabilities in cybersecurity and intelligent solutions.

- (5) Continue to increase technical support manpower

At present, in addition to providing installation and maintenance of more than 40 kinds of products, we will continue to increase the distribution of products this year. At the same time, it is necessary to

establish sufficient technical personnel to provide complete and professional information service. The growth and improvement of fundamental learning ability of the technical personnel is also one of the important directions of the Company. We will also enhance talent development in areas such as GenAI project implementation, cybersecurity threat analysis, and AI-driven automated cybersecurity services, and establish cross-disciplinary technical teams to support emerging demands.

(6) Cultivate industry-specific consultants

In addition to providing complete IT tools and after-sales service, it is also important for system integrators to help create more business opportunities. By understanding the industry trends and needs of enterprises, we hope to get closer to the challenges and needs of corporate development, and give more comprehensive and complete professional suggestions, so as to coexist and prosper together. We will establish a GenAI and cybersecurity professional consulting team to provision one-stop consulting services for enterprise AI transformation, risk assessment, and cybersecurity defense system installation.

(7) Establishment of network information security exhibition center

In addition to the sale of IT equipment, in order to differentiate ourselves from other system integrators, Stark Technology has been actively nurturing IT security talents and building up IT security capabilities. We have quite some accomplishments in the banking, e-commerce, schools, manufacturing industries, and government departments. We have made it not only in the sale of equipment, but also in cooperation with professional information security services, so that the products can exert the maximum benefits.

In recent years, hackers' attack methods have become more and more diversified, and the targets of attack have shifted to the core information of enterprises, including customer information, confidential R&D, and personal information. A variety of attack methods have been used to achieve the purpose of intrusion, internal diffusion, and information theft. Therefore, a single information security device cannot provide effective protection. It is necessary to use multiple information security products for joint defense against various attack methods, and coordinate with professional equipment policy adjustment and information security services to effectively defend against omnipresent hacker attacks.

In order to more effectively demonstrate the product functions and the benefits of joint defense, the Company has established a network information security exhibition center to simulate the internal environment of an enterprise. It can also be combined with the deployment of

information security equipment to demonstrate the functions of the equipment, so that customers can clearly understand the information security equipment deployment method and the effect of joint defense. In addition, the simulation environment can also be adjusted according to the customer's environment, so that the products can be presented effectively in line with the needs of the customer. This enables customers to understand the benefits of information security products and Stark Technology's information security services. We will introduce new GenAI cybersecurity attack-and-defense simulation scenarios to demonstrate the real-world effectiveness of cutting-edge technologies such as AI-driven automated threat mitigation, behavioral anomaly detection, and AI SIEM, thereby boosting customer confidence.

(8) Develop integrated service businesses of Stark Technology on the big data topic

We will propose suitable solution plans for industries based on the company's experiences in high-tech manufacturing, telecommunications and financial services from the big data analysis, and so on applications. This includes consultation, platforms, and analytical tools. We will combine GenAI to enhance the automation and intelligent insights of big data analysis, and implement security monitoring to ensure the security and compliance of data flow and the analysis process.

(9) Establish MDR (Managed Detection and Response) and extend NDR and CDR managed services

We will use the Company's solid information security consulting and technical capabilities to provide customers with a more comprehensive range of MDR, NDR, and CDR professional services covering active and detection of possible or ongoing information security incidents, potential threats, and security risks in advance, blocking the attacks at the instance and responding to them. We will concurrently implement AI-driven MDR/NDR/CDR services, integrating GenAI into threat analysis, event correlation, and early warning and response processes to enhance the proactiveness and intelligence of cybersecurity services.

2. Long-term plan development direction

(1) Strong software development and integration capabilities

The Company has successfully developed ERP software, factory automation systems, anti-money laundering systems for finance, blood banking systems, and customer experience management systems for telecommunication companies. This fits the scale expansion of the domestic finance and capital market and the Internet development in recent years. There are unlimited opportunities in the future. The Company

is also actively developing software related to manufacturing, financial services, and telecommunications with the existing manpower and experience in order to expand the business scale. We will continuously strengthen GenAI platform integration capabilities over the long term, deepen the application of AI in key areas, such as automation, decision-making, and cybersecurity, and establish an AI-driven cybersecurity defense framework to help clients address future threats.

In addition, the Company demonstrates excellent integration capabilities by integrating business continuity and disaster recovery (BC/DR), professional networking services, telecommunications broadband networks (telecommunication), JAVA/J2EE professional services, information security, business intelligence, network management, professional database services (DB), massive data analysis, AI/GenAI, machine learning, professional storage management services, integrated enterprise information portal, performance management (balanced score card), and customer service center (call center) to create higher added value for the Company. Going forward, we will focus on AI-driven cybersecurity automation, intelligent analysis of cybersecurity incidents, and governance technologies, combining industry know-how to help enterprises build zero trust cybersecurity architectures.

(2) B. To lead the system integration business with professional services

The competition in the information service industry is getting increasingly fierce, and the profit of traditional software and hardware sales is reduced as a result of the competitors entering the market to share the pie. In addition to hardware products, the Company will also enhance customers' dependence and trust by providing professional services such as complete solutions and good after-sale service. In this way, Stark Technology Inc. will gain a competitive advantage amidst the new cloud integration opportunities for customers, and provide professional services to lead the system integration business, in order to achieve both the hardware sales and the value-added service business domain. In the future, we will focus on emerging professional services such as GenAI, AI cybersecurity, and AI automation, enhancing the overall competitiveness of enterprise information system integration and cybersecurity governance.

(3) Obtain strategic outsourcing opportunities by offering differentiated services

The information service industry has been developing in Taiwan for many years, and it also has its own special service orientation in the presence of the international information service manufacturers. The Company utilizes differentiation in the domestic information service and niche market feature to seize market opportunities arising from strategic

outsourcing. We will position GenAI platforms and outsourced AI cybersecurity services as the differentiation focus, integrating diverse cybersecurity products, cloud and on-premises joint defense, and AI automated operations and maintenance to capture high value-added outsourcing market opportunities.

While the international manufacturers are actively exploring the domestic strategic outsourcing market, the Company's existing long-term alliances and cooperative relations with the foreign manufacturers, plus the Company's project support capabilities, and its strong vertical industry knowledge and strengths different from other competitors, which increases the chances of the Company to obtain subcontracted services.

(4) Develop outsourced custody service

Small companies in more and more industries are adopting outsourced services to achieve the use of the latest information technology services. One of the Company's medium- and long-term goals is to provide outsourcing services. We own the equipment, software, solutions, capital, talents, and customers, which give us quite a competitive advantage. The Company has made use of its professional and solid information security consulting and technical capabilities to provide customers with a wide range of information security outsourced custody services (such as: MDR, API Security, Security Score Card, etc.) on the basis of the MSSP framework. Looking ahead, we will integrate GenAI automated cybersecurity monitoring, threat alerting, and response platforms to provide our clients with more efficient and intelligent cybersecurity outsourcing services.

(5) Expansion of The Great Research Center to become the Total Solution Center

Most of the for-profit enterprises aim to operate and make sustainable profits. Non-profit enterprises also aim to provide a certain service. However, there are many enterprises specializing in the related technologies. The question is how to establish a complete IT environment and use it to assist enterprises to create the best business value and improve service efficiency which is lacking in concept. Here we present that through the complete Total Solution Center, utilizing the construction experiences of Stark Technology in storage system, network information security and other IT software and hardware tools, accommodating the understanding of the Know-How of different sectors and the enterprise's policies, and set up various system software and hardware according to different needs. Only in this way can we help enterprises create the effectiveness of their IT investment and avoid waste of investment. Investment in IT construction helps enterprises achieve sustainable operation and to achieve the goal of continuous profitability. The research

center will implement the latest solutions in areas such as GenAI collaborative platforms, AI SIEM, and cybersecurity automation, serving as a key pillar of enterprise digital transformation and cybersecurity innovation.

(6) Develop integrated service opportunities for Stark Technology in the context of the Internet of Things

After the Internet has become an indispensable tool for daily life in information society, Forrester, a US-based consulting organization, has predicted that the Internet of Things (IoT) derived from the concepts of "smart earth" and "perceived life" includes smart grid, smart transportation, smart logistics, smart home, environmental security monitoring, industrial automation upgrading, smart medical care, smart agriculture, and mobile commerce. Taiwan is one of the major suppliers of ICT related products in the world. The government will play the role of facilitator and lead the infrastructure construction of the Internet of Things, and provide the hardware and software manufacturers in Taiwan's ICT industry to engage in the production and development of key hardware products and software services. As the market expected, the rapid development of the Internet-of-Things (IoT), business models based on IoT have been proposed and tested for market acceptance. The Company utilizes its experiences accrued over the years in core IT technology and related software and hardware construction for different industries. It aggressively develops business opportunities relating to IoT application in professional fields. We will focus on intelligent IoT cybersecurity and the application of GenAI in IoT data analytics and threat detection, providing industry-specific AI cybersecurity protection and intelligent management services in the future.

(7) Develop integrated service business opportunities for Stark Technology in the AI/GenAI context.

Following AlphaGo's astonishing performance in defeating the highest human level Go players and in Atari or various video games, Deep Learning has become the latest technology and word for every household in just a few months. In recent years, the introduction of GenAI to the general public has promoted AI technology no longer limited to professional applications. Major technology companies have invested in GenAI and deep learning research and applied the research results to various products. As a result, deep learning has become an indispensable part of human life before we know it.

From a simple perspective, deep learning projects can be classified into computing platform construction and deep learning algorithms. The computing platform includes a GPU-based server that provides the deep

learning computing framework (e.g., Google's kubernetes) to execute various types of neural network. While the deep learning algorithms can be classified into three stages: Data integration and cleaning (responsible by data scientists in various professional fields), training and model building (responsible by AI engineers), inference model deployment. We will also operationalize GenAI in areas such as cybersecurity threat monitoring, cybersecurity incident analysis and response, and automated cybersecurity governance, making it a core driver of innovation and advancement in cybersecurity services.

Observing major manufacturers in the IT field, such as NVIDIA and IBM, they have all proposed an AI foundry ecosystem. In short, it is to deploy the company's accumulated practical experience (inference, modeling) in various fields into an AI foundry ecosystem, allowing customers to directly adopt or greatly reduce the additional project customization time required for adoption.

With years of experience in IT core technology and the construction of related software and hardware in different industries, the Company has completed the construction of the AI/GenAI computing platform, and has extensive construction experience in the high-tech industry and academia and research institutes. Moreover, in the AI/GenAI field, in addition to acting as an agent and providing exclusive AI/GenAI applications, the Company works with academia and research institutes to provide customers with customized AI project services, and assists customers in directly or quickly introducing AI/GenAI projects using NVIDIA's AI Fundry or IBM wasonx.ai. The Company has actively achieved good results in AI, the great business opportunity of the century. We will strengthen AI joint cybersecurity defense and deepen the application of GenAI in areas such as cybersecurity incident prediction, response, and disaster recovery, becoming a key driver of industry digital transformation and cybersecurity advancement.

4.2 Market and Sales Overview

4.2.1 Market Analysis

1. Main products selling area

The Company's sales are highly concentrated in the domestic market, representing 97.21% of total revenue.

2. Market share

As Taiwan's leading system integrator, Stark Technology provides comprehensive IT solutions to a diverse client base exceeding 6,000 organizations. Our portfolio includes half of Taiwan's top 1,000 enterprises and over 600 publicly listed companies. Consistently ranked among the Top

500 Service Enterprises in Taiwan, we leverage partnerships with world-class brands, cutting-edge technology, and deep domain expertise to design holistic information system solutions for various industries. Our core services focus on organizing, planning, and deploying IT Infrastructure using premium products from global leaders. By offering professional consulting and strategic platform integration, we empower our clients to optimize, share, and utilize their information resources. Our ultimate mission is to maximize operational efficiency and foster sustainable business growth.

For over 30 years, we have maintained a strategic focus on key sectors that represent 80% of the market. We continuously deepen our industry knowledge to broaden our service capabilities across manufacturing, financial services, telecommunications, government, academia, healthcare, and general commerce.

3. The supply and demand situation and growth of the future market

In the early days, the Company entered the market with an open structure. In 1994, its business activities were mainly the distribution of Sun workstations and servers. The Company's management team are experienced talents who have developed the sales market of the workstations for more than 30 years. With the technologies and experiences accumulated over the years, the Company has become an important distributor of workstations and servers such as IBM, HPE, and NVIDIA, and provides services such as software, network planning, and peripheral products. So far, it has accumulated more than 6,000 customers. Our work has been affirmed by major domestic manufacturers. The following is a description of the supply, demand, and growth of the six major product categories accounting for the Company's operating revenue:

(1) Server and Workstation Market

The advantages of blade servers and rack servers consist of multiple benefits such as "space saving," "convenient for management," "easy to expand," and "suitable for special applications." In response to the different requirements of the information system applications and the decision on whether to use many virtual servers depending on the environmental differences in relation to the spaces of the engine room, and so on factors, customers may choose the appropriate server type according to the actual application of Internet-of-Things services. Meanwhile, in response to the diverse and practical application of AI/GenAI, major server manufacturers have also been releasing AI/GenAI super servers that are powered by GPUs, thereby giving professional customers more choices. At the same time, in response to the diversified and practical adoption of AI/GenAI, the server market has further integrated high-performance GPU computing capabilities, launching super

servers specifically designed for GenAI training and inference. These solutions help enterprises accelerate AI model development and deployment, meeting the demands of forward-looking applications such as smart manufacturing and cybersecurity monitoring.

(2) Storage equipment market

Judging from the current market, the storage architectures adopted by enterprises are in general divided into two categories: Traditional storage architectures and cloud storage. Due to the limited IT budget and application environment, most enterprises will consider traditional storage devices, whether it is full flash or hybrid storage array, and connect them to the internal IT system of the enterprise by DAS, NAS or SAN. When an enterprise system diversifies and needs to integrate with different platforms, the integration of servers and storage devices becomes very important. On the other hand, as enterprise storage systems become increasingly complex, more flexibility is required for the network architecture in terms of management, future equipment expansion, and even disaster response or the possibility of moving to the cloud in the future. It also urges enterprises to consider the use of SAN architectures in procurement.

In response to the Software defined datacenter (SDDC) storage market, virtualization vendor VMware introduced the Vertical SAN architecture in 2014. This has changed the current storage operation method. Virtual SAN not only simplifies storage configuration and management, but also creates more flexible operation from the basics to reduce the overall cost of ownership (TCO). Virtual SAN provides the reliability and stability of an enterprise storage system and can flexibly and effectively prevent data loss when a hardware failure occurs. Virtual SAN is very suitable for a variety of virtual environments, including virtual desktop basic infrastructure, test and development, and disaster recovery.

As GenAI applications drive a significant increase in demand for data storage and high-speed access, enterprises are actively adopting next-generation storage solutions equipped with capabilities, such as AI/GenAI training data management, data lake integration, and real-time analytics. These solutions help organizations effectively support AI model training, inference, and cross-platform data flows, while enhancing overall computing performance and cybersecurity resilience.

(3) Network product market

Under the global influence of COVID-19, the increase in the demand for hybrid office and low-contact enterprises, and the strong demand in the Wi-Fi 6 5G environment, ABI Research forecasts that by 2025, there will be more than 15.5 billion Wi-Fi related devices in the world.

Businesses will need to prepare for the growing amount of data being generated and captured by networked devices. Many of these IoT technologies will be applied to the internal enterprise or the public network. Therefore, it is absolutely necessary to invest in the network infrastructure to support these developments. Most of the added data is unstructured, and enterprises will soon need more flexible and dynamic control to manage the Internet of Things.

With the expansion of the deployment scale of wireless network, it has become an indispensable element in the current IT infrastructure, but it also brings about the trouble of integrated management and security policy configuration. Therefore, in recent years, network solution providers have begun to emphasize the integrated management solution for wired and wireless environments, thereby solving the problem of excessive management complexity.

To develop mobile applications in an enterprise's IT environment, the first priority is to simplify the unified management of wired and wireless network settings and security policy configuration. If wired, wireless, and information security are provided by different vendors, most of them have to rely on the Simple Network Management Protocol (SNMP) to achieve this. Therefore, in recent years, network solution providers have begun to emphasize the integrated management solution for wired and wireless environments and cloud management platform development. This solution solves the problem of excessive management complexity through multi-cloud integrated management and automated deployment. In the future, these platforms will also open up APIs to allow enterprises or OEMs to develop customized management programs, data presentations, and network equipment. This enables higher and in-depth visibility into data center services and improves operational efficiency. The networking products market is also adopting GenAI technologies, leveraging intelligent network traffic analysis, cybersecurity threat prediction, and automated fault response to enhance enterprise network management efficiency and security protection capabilities.

(4) Information security product market

With the development of the Internet and the popularity of broadband, the Internet has become an important platform for individuals, enterprises, and even countries to communicate with each other. However, at present, the Internet is full of threats, such as viruses, worms, spam emails, denial-of-service attacks, hacking, phishing, and spyware, information and network cyber security has become a global concern.

To ensure information security, many solutions have emerged on the market, ranging from personal anti-virus software, and corporate network

security devices, to e-commerce transaction security mechanisms. Overall, the information security protection measures introduced in the industry can be roughly divided into passive ones, such as firewalls, VPNs, and intrusion detection devices, and active ones, such as data encryption, identification verification, access permission and so on control methods. Most importantly for information security, it is to meet the five security standards and goals: Authentication, Confidentiality, Integrity, Non-repudiation and Access Control. The constant introduction of new cryptography and algorithms on the market is designed to meet the application of these five security standards.

GenAI has become a new trend in the cybersecurity products market. Through automated threat identification, cybersecurity incident analysis and response, anomalous behavior monitoring and prediction, it enhances the intelligence and real-time capabilities of enterprise cybersecurity protection, helping enterprises proactively defend against emerging cyberattacks and accelerate incident handling processes.

Public Key Infrastructure (PKI) provides a digital certificate mechanism to confirm the identity of the counterparty. In order to achieve the security goal of data integrity, the digital signature function is used to check whether the data is tampered with during the transmission through a set of paired public and private keys to perform data encryption and decryption. The digital signature function is used to solve the problem of non-repudiation, and the identity and attribute are verified through the issuance of digital certificates, which can be used as the basic basis for authorization. Therefore, PKI can be said to be the only solution that meets and achieves the five security principles mentioned above at the same time.

For a long time, although e-commerce collapsed due to the dot-com bubble in 2000, it is becoming more and more popular now due to the popularity of broadband and online shopping, and it is also because of this that the PKI with high security is much favored by the industries. On the prospect of the PKI development, it has gradually expanded from electronic correspondence to internet tax filing, secure mail/Website, VPN, and e-commerce expanding to the upstream and downstream supply chain. It is good to see the active development of PKI.

According to the survey, information security is the top priority for enterprises when adopting virtualization and cloud computing. Whether the enterprise builds its own private cloud or uses a public cloud service, the data storage method of the cloud-oriented enterprise is significantly different from the past. The concern is that after storing information from in-house computers to the cloud, it is equivalent to exposing confidential

information to the Internet. How to safely enjoy the convenience of the cloud has become the most important issue for enterprises. Based on this, many well-known domestic and overseas information security vendors are already providing virtual and cloud-based information security products and services, ranging from virtual application firewalls, cloud-based anti-virus, and cloud-based webpage and mail security services, to cloud-based identity authentication, access control, and data protection. The construction requirements are adopted into virtualization and cloud construction, freeing enterprises from concerns about security.

While the information security solutions continue to evolve, the underground economic criminal groups that the black hat hackers belong to are also developing more advanced intrusion techniques and technologies. The anti-hacking devices at many gates are also incapable of blocking them out. Hence, it has driven many security protection for terminal devices, such as: Emerging technologies such as User Behavior Analysis (UBA), network behavior analysis and XDR, which have become new business opportunities for information security protection.

(5) Computer software market

There are not many software product brands in Taiwan, and only a few of them can rely on the software products to secure a software market position. Trend Micro, CyberLink, and Digiwin are the very few cases that the outside world is familiar with. Many people with software development skills hold their own technical ability and have beautiful visions of starting a software company, but very few are able to stand firm in the market in the end. As the saying goes, "There is no barrier to entry, only growth." Possession of technology is not the key to a company's success. For growth, it is necessary to look externally and understand customers' needs and trends. Only in this way can technology be accepted by the market and create a source of profit.

If a customized software product is to be successful, the first priority is to understand and get close to the needs of the customer. The product concept will then be accepted by the customer. Secondly, provide local and diversified services. In Taiwan, small and medium enterprises are the main business. Each enterprise has its own unique operating know-how and industry characteristics. They are not receptive to software products that cannot be modified at all. We must also be able to customize products based on the specific needs of different customers and conduct secondary development. These adjustments are made at the tactical level.

The development environment for Taiwan's software industry is much more challenging than before, and the overall environment is not as good as before. India has secured a key position in the software industry, while

China has its ambition and abundant human resources. They are both respectable competitors. Taiwan's software industry is facing strong internal and external competitive pressure. Taiwan must completely change the vertically integrated development model that covers it all. Enterprises should find a foothold in the industrial value chain based on their own advantages and position, develop toward specialization, and aim to be a global leader. The resources irrelevant to this goal shall be released to allow enterprises to focus on development, and the vertical division of labor and horizontal integration of the industry can also be gradually realized.

As far as Taiwan's software market is concerned, telecommunications, banking, government bidding, and high-tech manufacturing provide the greatest business opportunities every year. In these related fields, enterprises can target the fields relevant to their own competitive advantages and develop new niches in the market. One can certainly find the space to show and flourish.

As the ERP market among medium and large enterprises tends to be saturated, SMEs have recently become the focus of competition among manufacturers. However, the SMEs are distributed widely which makes it difficult to keep focus in the market. Even though it is tedious in its management but it is still worth the go. With the rise of GenAI technologies, the software market is increasingly integrating AI-driven applications to help enterprises automate data processing, optimize decision-making processes, and develop new types of software products, such as AI-assisted customer service, smart manufacturing, and cybersecurity protection, thereby unlocking future growth momentum.

(6) Consulting and maintenance service

Owing to the global e-commerce trend, system integration has become one of the most popular tools for enterprises to upgrade their overall competitiveness, and the system integration service has become a hot business. The current system integration services generally include enterprise resource management, digitalization of administrative procedures, system hosting, application programs, network architecture, backup mechanisms, and information security integration planning and creation services. Consulting service is also a hot item in the outsourcing service market. With the mandatory requirements of government laws and regulations, the trend of the introduction of Basel+II, the problem to the time sequence of the old large type mainframe in 2011, and the impact of the new labor pension system on operating costs and so on factors, the growing demand for outsourcing of safety services not only arise from government institutions and the financial industry, but also

general enterprises who began to realize the potential benefits of outsourcing.

Security management service is a hot topic in the IT outsourcing of enterprises. It used to be a part of the outsourcing of information technology system. As the information security problems worsened over time, and the global security awareness surged, these have driven this service to become one of the most popular IT outsourcing projects separately.

At present, there are different types of security management services in the market with different definitions, and they can be roughly divided into security protection equipment, anti-virus, mail, storage, and remote backup security services. Among the security management outsourcing services in the current market, all of them offer many different services for customers to choose from. With the most basic being the monitoring or hosting of security protection equipment. Common equipment includes firewalls, intrusion detection/intrusion prevention, or anti-virus.

E-mail security escrow service is one of the most popular outsourced security services. It not only provides email security, but also includes the escrow service of the entire email system and security. Therefore, enterprises do not need to purchase solutions and manage them. They just need to monitor the service provider on achieving the goal.

With the refinement of digital criminal methods, general information security protection equipment still has some risks and vulnerabilities. In other words, highly automated information security equipment still has information security vulnerabilities that are continuously discovered by hackers. At such time, regular penetration testing exercises must be used by "white hat hackers" who are also capable of hacking to help fill these vulnerabilities and reduce risks. The consulting and maintenance services market is also gradually adopting GenAI applications. Through intelligent diagnostics, predictive maintenance, and automated cybersecurity consulting, it helps enterprises manage IT assets and information security more effectively, while enhancing service efficiency and customer satisfaction.

4. Positive and negative factors for future development, and countermeasures

(1) Positive factors

A. Complete product line

The Company is the agent of more than 40 information products from world-renowned manufacturers such as IBM, Lenovo, Palo Alto, HPE, Aruba, NVIDIA, HDS, Check Point, CISCO, Coheisty, NetApp, VMware, Citrix, F5, FORINET, CrowdStrike, Cellopoint, TeamT5, UGuard, and so on to provide a complete product line to meet the needs of

customers, so that customers can purchase all at once.

B. Deploy a complete customer service network

For the Company to provide complete customer services, demonstrate the functions of the products distributed and the benefits of application, and let customers understand the Company's system integration and professional value-added service capabilities, we allow customers to obtain evidence before signing a project. We also let customers obtain nearby and immediate service and problem solving, a thorough understanding of product functions and actual benefits, in order to plan the best solution. Thus, a complete customer service network has been established in Taipei, Taoyuan, Hsinchu, Chiayi, Tainan, Kaohsiung, Hualien and all the way in West Coast of USA, China and Vietnam. Through actual verification, the Company's customers can obtain a reliable proposal framework, problem-solving ability, and feasibility prototype verification, and further ensure the project construction time schedule, quality and funding. This is to achieve the goal of strengthening the cooperative relationship and promoting the complete success of the project.

C. Experienced management team with emphasis on R&D technology

The Company currently has about 66 software development technicians who have completed dozens of large-scale software construction projects for major corporate customers, and are committed to the development of a variety of software products that have won the trust and likes of customers. The R&D of software systems and professional services include:

- (a) Stark Technology ERP, including trading ERP, manufacturing ERP, chemical materials ERP, automobile ERP, incorporated ERP, and international trading ERP.
- (b) Stark Technology portal website, including the supplier's portal, employee's portal, customer's portal, B2B portal and corporate information integration portal.
- (c) Stark Technology knowledge management system (K-Pro).
- (d) Software development projects, including RISE, MOM, PLM and BPM, and so on.
- (e) Stark Technology's telecom application software, including CEM, AppStore, and CDR.
- (f) Suitable for anti-money laundering (AML) and high-frequency trading systems in financial service industries.
- (g) Information security professional services, including network vulnerability audit service, penetration testing service, information

security record analysis service, security management center establishment service, information security product customization service, and information security consulting service.

D. Employees with strong coherence and good qualities

The Company currently has more than 656 employees, including professionals in software development, sales and marketing, information security, system engineering, network engineering, cloud computing, AI, and administrative management. Over 98% of employees hold university or postgraduate degrees. The workforce is relatively young, dynamic, and creative, and our professionals also possess certifications from internationally renowned companies, including Cisco Systems certifications, such as CCIE and CCNP; NetApp's NCSE, NCIE, NAHSE and NCTSP; HPE Aruba's ACP; Fortinet's FCSS, FCP, FCA, FCF; Citrix's CCPV, CCEN; Palo Alto's PCNSE, PCDRA, PCNSC, PSE-Strata, PSE-CP, PSE-SASE; Nutanix's NCSE, NCP, NCA; F5's 101 certification; VMware's VCP certification; Microsoft's Azure, 365, AI Administrator, EC-Council's CEH, CHFI; Red Hat RHCE, RHCSA, as well as certifications from IBM, N-Partner, CrowdStrike, NVIDIA, VEEAM, Google, AWS, and ISO, etc.

E. Stable profitability and sound financial structure

The Company is selling products with high gross profit and high contribution. The Company has stable profits and a sound financial structure.

(2) Negative factors and countermeasures

A. Businesses reduce IT spending: In an attempt to improve competitiveness, enterprises may reduce their IT support, including hardware, software, and services.

Countermeasures: The Company will strive to expand the target customer group and increase business in the service industry, medical care, military and other customers. In addition, we will actively invest in and develop opportunities in SMAC-I, IoT, AI, Fintech, Regtech, blockchain, and AML platforms according to market trends.

B. Intense market competition: The competition in the system integration business is extremely fierce, and it is difficult for some business opportunities to maintain the expected gross profit margin.

Countermeasures: The Company will commit to the R&D of new software, enter the niche market, and make use of the actual industrial experience to enter the professional field.

C. Longer duration of R&D results: It is the right move for system integrators to focus on software R&D. However, it takes 1 to 3 years to establish a large-scale project that is worth tens of millions of NTD, making it difficult for system integrators to develop the software and see the results in a short time.

Countermeasures: Although it takes a long time to demonstrate R&D results, the R&D capability represents the bargaining chips and niches of the Company's future competition. Thus, we shall constantly invest in the R&D plans and at the same time while R&D on large-scale project, extend the technologies and skills of other small and medium projects.

(3) Development prospects

For traditional products, the gross profit of the products has shrunk due to the result of price cutting by competitors. The Company developed strategic products in view of this, and invested in information security equipment, information security software, network services, network integration applications and big data, GenAI deep learning/machine learning and other high value-added markets, and elaborate their future development prospects as follows:

A. Information security equipment market

With the increasing popularity of the mobile devices applications which has expanded the deployment scale of the wireless network, it has become an indispensable element in the current IT infrastructure. But it also brings about the trouble of integrated management and security policy configuration. Therefore, in recent years, network solution providers have begun to emphasize the integrated management solution for wired and wireless environments, thereby solving the problem of excessive management complexity. The wired and wireless solutions need to include various management and function interfaces, including network control, network management, policy management, cloud network, geographic location analysis, and micro positioning service. On assisting enterprises in creating the IT basic architecture, and even in the cross-environmental management and deployment of the headquarters and each branch, it has even become an indispensable part.

Furthermore, with the rapid development of the mobile trend, the development of the digital workplace by enterprises is not only to meet the demand for device networking, but also to make the network become smart. It can use automated adjustment to reflect the needs of enterprises and further satisfy the demand for a large

number of IoT device applications. In addition, the new generation of mobile network security detection mechanisms must be equipped with smarter security detection and data analysis capabilities. Analyzing the data packets, data flows, logs and other data transmitted by the user device through the network to help companies understand who is connecting to the internet, which device is used to connect, whether the device is secure, what types of applications are being used on the Internet, and the location of suspicious internet users for automated isolation. Even before a network attacks an enterprise, isolate user devices from the internet one step earlier to reduce the risk of hacking. The above are all key projects for the future development of the information security equipment markets.

B. Information security software market

Enterprise users' concern about information security issues has extended from external defense to internal control. After having gained the outcomes step by step from the tremendous spending on building firewalls, intrusion detection, anti-virus system and so on mechanisms in the past, today, there has been a shift in the focus to internal identity recognition and access management and endpoint protection.

Information security solutions have entered the scene of contention. In addition to accelerating the transmission speed of enterprise WAN applications, solutions for accelerating SSL traffic are also a hot topic in the market. Due to cost and security concerns, companies often do not host servers in remote branch offices. However, the problems that arise are increased application traffic and occupied bandwidth, resulting in poor application performance. In addition, the increasing demand for enterprises to transmit SLL and video conferencing, and the need for application acceleration equipment have also created business opportunities in the information security software market.

In response to the implementation of the Personal Information Protection Act, various industries have a high demand for solutions such as information equipment access recording, database auditing, webpage security, insider online behavior control, penetration testing, and vulnerability scanning. While the information security solutions continue to evolve, the underground economic criminal groups that the black hat hackers belong to are also developing more advanced intrusion techniques and technologies. The anti-hacking devices at many gates are also incapable of blocking them out. Hence, it has

driven many security protection for terminal devices, such as: Emerging technologies such as User Behavior Analysis (UBA), network behavior analysis and XDR, which have become new business opportunities for information security protection.

C. Online service market

Although e-mail is still one of the main channels of network security threats, with the prevalence of various web applications such as browsers, Web Mail, IM, P2P sharing software, and RSS readers, the hackers, spammers, and virus writers, are shifting their targets to web applications. Therefore, web attacks have become the fastest growing threat on the Internet. Enterprises need to take proper measures to deal with them.

For corporate users, web server and various web applications and services have inevitably become one of the main channels for external contact. Therefore, web security protection has become the primary goal of corporate operations. Regular vulnerability security updates for web server system and web applications are without a doubt a top priority. In addition to updating vulnerabilities, the internal network administrator of an enterprise not only needs to ensure that the website will not crash or suffer performance problems, but also needs to enhance security design and protection capabilities. Furthermore, it is best that enterprises can protect the security of the website by building a high level security facility for firewall or intrusion prevention and so on, and prevent improper access by hackers or suspicious actions outside the connection system. The internet service market will remain a hot topic in the future, bringing ample opportunities.

D. Internet integration application market

Telephone bills are a necessary expense for enterprises every month. Due to the cost-saving advantages of internet phone (VoIP), many business owners are willing to invest in it. This has enabled the booming development of the enterprise internet phone market. According to the report put forward by Gartner Group, 80% of enterprises worldwide will introduce internet phones, and this number continues to rise.

In the future, the internet telephone will become a must-have communication application for enterprises. Due to the continuous innovation of related technologies and product diversification, the trend of VoIP construction has shifted from large enterprises to small and medium enterprises. In the future, the demand in Europe and Asia will be higher. The booming VoIP market in Taiwan is largely due

to the SME e-service launched by the Ministry of Economic Affairs, which has listed VoIP as one of the basic e-services. In fact, it is the most important opportunity to shift the application of VoIP from large enterprises to medium and small enterprises integrating through the internet to enhance the enterprise communications capacity.

E. Cloud service

Clients are placing their applications in the cloud, leveraging AI computing power provided by cloud service providers to perform tasks such as LLM inference and fine-tuning, as well as utilizing application development platforms. These will create new business opportunities for us, as hardware, system platforms, application software, and related services will all be transformed by the cloud. For example, because the ERP system originally used in the company has been converted to the cloud and is shared by 100 or more companies, the software needs to be modified to a certain extent, which is a business opportunity for the Company.

In terms of Apps replacing many human-oriented applications, using handheld mobile devices and SmartTV devices as the operating platform, it can be expected that more diversified cloud services will accompany the in-depth development of the information industry in different industries, linking industrial and academic R&D units and developed another commercial supply chain centered on software (cloud) services.

F. Big data

With the explosive growth of smart mobile devices, the explosive growth of various mobile APPs, including data processing, multimedia applications, and APPs related to food, clothing, housing, transportation, education, and entertainment can also be expected. The combination of personal devices, smart mobile devices, and mobile APPs can be expected to generate big data. Meanwhile, with the continuous development of IoT, it is also foreseeable that big data will be generated through M2M and wearable applications. How to use ICT to store such big data and generate new business opportunities with high-speed analysis platforms, analysis tools, GenAI, and creative analysis models will be the field that all walks of life are exploring. The Company will introduce and develop related solutions based on this, and strive for business opportunities.

G. IoT

As the market expected, the rapid development of the Internet-of-Things (IoT), business models based on IoT have been proposed and tested for market acceptance. The Company utilizes its

experiences accrued over the years in core IT technology and related software and hardware construction for different industries. It aggressively develops business opportunities relating to IoT application in professional fields.

H. Industry 4.0

The smart manufacturing emphasized by Industry 4.0 enables the manufacturing industry to flexibly allocate a small number of diverse customer orders in the production line. The Industry 4.0 integration capabilities of the Company already possessed: PLM (R&D and design), MES/CIM (Manufacturing Automation), and ERP have enabled the Company to become more competitive in helping the manufacturing industry to introduce Industry 4.0 business opportunities.

I. GenAI, deep learning/machine learning

In the past, due to the performance of data and computing resources, it was impossible to effectively complete extremely complex deep learning or machine learning operations. However, with the development of semiconductors and chips, the GPU with powerful computing resources has replaced the CPU, which makes GenAI deep learning/machine learning a practical application that can be used and introduced into numerous and various industries to help improve and strengthen various fields.

4.2.2 Important Uses and Production Processes of Major Products

1. Important uses of major products

Product line	Main products	Main purpose and function
Mainframe server	Departmental mainframe server Corporate level mainframe server Hyper-converged enterprise server AI artificial intelligence server	Factory automation machine controller computer AI automation machine, AI-enabled computer Internet host Departmental computing, file, and database mainframe server Corporate level computing, file, and database mainframe server
Storage device	Disk drive, Disk Array System, Storage Area Network (SAN), Network Attached Storage (NAS), Tape Drive, Tape Cabinet	Integrated storage systems of various platforms Improving the efficiency of enterprise internal file access Overall solution for corporate data backup Overall solutions for corporate off-site backup, disaster recovery, and sustainable operations
Personal computer	Desktop PC Notebook PC Thin PC	Provide computer equipment and office automation (OA) environment for the processing of personal information, connection to the Internet, information browsing, and personal computers used in the local area network The new office trend that the terminal screen is provided by thin computer, centralized control by

Product line	Main products	Main purpose and function
		the mainframe, and sharing mainframe resources between personal terminals
Computer peripheral products	Printer Surveillance cameras Uninterruptible Power System	Peripheral products required by computer users for expansion or renewal of peripheral equipment
Network products	Router Switch Application Delivery Controller Network management software Wireless local area network equipment Virtual desktop infrastructure	Computer network design and planning Computer network connection equipment Computer network management
Information security products	Next-generation firewalls Network access authentication system Web Application Firewall Endpoint detection and response system Safety Information and Event Management Email security and life cycle management system Wireless network security products	Enterprise IT/OT/AI environment architecture and content security integration planning and defense protection
Computer software	Operating system software System and network security software Office automation software package GenAI Applications and Development Frameworks Internet software E-commerce software Production line automation software Wireless Solution Software Database management software Mechanical design automation software Data backup software File and volume management software Clustering and replicating software	Provide software for computer hardware equipment Provide software for various application fields Provide software for AI application development and deployment Provide software for the construction of portal EAI and B2B. Provide production line automation related software, including MES, machine maintenance, machine connection, and so on. Provide software for PDA and mobile phone connection
Consulting and maintenance service	Consulting service Maintenance service	Provide different levels of service according to customer needs Provision of after-sales maintenance services for related products
Engineering	Optical fiber network engineering Engineering of telecommunication equipment room in the building	Plan and build fiber optic network based on customers' needs Plan and construct the telecommunication equipment room of the building

2. Manufacturing process: The Company does not have production manufacturing process, and is mainly engaged in the sales and development of information products and providing added value products to customers and distributors.

4.2.3 Supply of Major Raw Materials

The Company serves as a System Integration (SI) distributor within the information technology services industry. Our primary procurement includes workstations, servers, storage devices, personal computers, peripherals, networking products, and software. We maintain close and stable strategic partnerships with major original manufacturers and channel distributors.

4.2.4 Names of Suppliers and Customers Accounting for 10% of the Total Procurement (sales) Amount in Either of the Most Recent 2 years

1. Information of major suppliers in the most recent 2 years

Unit: NT\$ thousand; %

2024				2025			
Name	Amount	Percentage	Relation to STARK	Name	Amount	Percentage	Relation to STARK
Supplier A	1,257,891	20.25	None	Supplier A	1,817,145	27.57	None
Others	4,952,557	79.75	None	Others	4,773,072	72.43	None
Net purchase	6,210,448	100.00	—	Net purchase	6,590,217	100.00	—

2. Information of major customers in the most recent 2 years

Unit: NT\$ thousand; %

2024				2025			
Name	Amount	Percentage	Relation to STARK	Name	Amount	Percentage	Relation to STARK
Others	7,536,746	100.00	None	Others	8,394,371	100.00	None
Net sales	7,536,746	100.00	—	Net sales	8,394,371	100.00	—

3. Reasons for Changes

- (1) Explanation of changes in purchases: Mainly due to market fluctuations and strategic procurement considerations, the purchase amount from Company A has accounted for more than 10% of total purchases in each of the most recent 2 years.
- (2) Explanation of changes in sales: To meet diverse customer needs, the Company offers a highly diversified range of agency products. Our customer base spans a wide spectrum of industries, including general enterprises, non-profit foundations, government agencies, schools, and medical institutions. In each of the most recent 2 years, no single customer accounted for more than 10% of total sales.
- (3) Disclosure of the most recent audited or reviewed financial information as of the publication date of the annual report: None.

4.3 Human Resources

Year		2024	2025	March 31, 2026
Number of employees	Sales & Marketing	176	168	172
	Technical Support	374	386	386
	Administrative & General Affairs	107	108	107
	Research & Development (R&D)	71	74	73
	Total	728	736	738
Average Age (Unit: years)		49.91	44.23	44.45
Average Years of Service (Unit: years)		14.78	11.42	11.51
Education Distribution Percentage (%)	Ph. D.	0.4%	0.4%	0.4%
	Masters	19.8%	20.1%	20.1%
	Bachelor's Degree	77.6%	77.5%	77.3%
	Senior High School	2.2%	2.0%	2.2%
	Total	100%	100%	100%

Note: Employee figures represent the Group total, encompassing Stark Inforcom Inc., STARK (NINGBO) Technology Inc., Shanghai Stark Technology Inc., and Stark Technology Inc.(USA).

4.4 Environmental Protection Expenditures

Any losses suffered by the Company in the most recent year and as of the date of this annual report due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken:

None. The Company is engaged in the marketing of information products and system integration services. Due to the nature of its business, it does not generate environmental pollution nor pose a risk of damaging the ecological environment; therefore, there are no issues or expenses related to pollution prevention.

4.5 Labor Relations

4.5.1 List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests:

1. Employee benefit plans

[**Salary and Benefits**]

- Employee pension contribution
- Fixed salary (including meal allowance) for 12 months
- Three festivals bonuses (Mid-Autumn Festival and Dragon Boat Festival 0.5 month each, and Year-end 1 month) issued based on business performance
- Performance bonuses issued based on individual performance
- Long-term service bonus
- Employee remuneration
- Birthday and holiday gift certificates
- Labor Insurance, National Health Insurance, Group Insurance, and Occupational Accident Insurance

[**Welfare and subsidies**]

- Subsidies for weddings, funerals and childbirth
- Subsidies for education, training and certification exams
- Funding for various sports and leisure club activities
- Domestic and foreign group tours and subsidies

[**Other benefits**]

- Commendation and rewards for outstanding and long-tenured employees
- Year-end banquet, Family Day and Sports Day
- Regular free health checkups
- Functional and professional skills training for new and existing employees
- Employee lounge with a reading room (books, newspapers, and magazines) and unlimited complimentary coffee and tea
- Multiple authorized stores nationwide

2. Continuing education and training of employees

- (1) The Company has established the "Education and Training Regulations" to provide annual subsidies for education, organizing internal and external training courses. Concurrently, training programs are planned based on the Company's strategic objectives, professional competencies, laws and regulations, and general knowledge requirements to strengthen employees' knowledge and skills and enhance their overall quality. In 2025, the total expenditure for relevant education and training was NT\$3,209 thousand; the total number of participants in internal and external training was approximately 1,192 in attendance, with a total of 6,562 training hours. In the same year, employees obtained a total of 151 professional certifications, including 120 product and professional technical certifications and 31 occupational safety certifications.
- (2) Professional certifications obtained by employees in areas such as Information Security and IT Governance, Financial Information Transparency, and Sustainable Development
 - A. Information Security and IT Governance: The Audit Department obtained ISO/IEC 27001 Information Security Management System and ISO/IEC 27701 Privacy Information Management System Lead Auditor certificates, totaling 1 person.
 - B. Financial Information Transparency: The Finance and Accounting Department obtained 3 certificates for passing the professional subject test for stock affairs personnel and 2 professional licenses for certified Public Bookkeepers.
 - C. Sustainable Development: The Human Resources Department obtained 2 Certified Professional in Corporate Sustainability Management (CPCS) certificates; the Audit Department obtained 1 ISO 14064-1 Greenhouse Gas Inventory Lead Verifier certificate.

3. Retirement system

The Company has applied the Labor Standards Act since March 1998 and has established retirement regulations. The payment of employee pensions is calculated based on the years of service and the average salary at the time of retirement. The Company contributes 2% of the total salary to the pension fund. This pension reserve is managed by the Labor Pension Reserve Supervisory Committee and deposited in the Bank of Taiwan in the name of the committee. Currently, the reserve amount is approximately NT\$108 million. An actuarial report is conducted annually, and the reserve is sufficient to meet employee retirement needs for the current year.

The Labor Pension Act came into effect on July 1, 2005, and adopts a defined contribution system. Upon implementation, employees may choose

to apply the pension provisions of the "Labor Standards Act" or the pension system of the Labor Pension Act while retaining their years of service prior to the application of the Act. For employees applicable to the Labor Pension Act, the contribution rate shall not be less than 6% of the employee's monthly salary. The Company's monthly contribution rate for employee pensions is 6% of the employee's monthly salary.

4. Status of labor agreements

The Company has harmonious labor-management relations, a company that engages in the technology and information industry, and with highly qualified personnel. The Company's philosophy is clear and the operation and management systems are sound and can be implemented. The Company values employees' opinions and, in addition to its normal organizational system, holds regular labor-management meetings as a means of communication to enhance two-way communication. It is hoped that through the efforts of the Company, both parties of the labor and management can reach a common understanding so that the interests of employees and the Company can be aligned.

5. Employee behaviors or ethical principles

The Company has established the Employee Work Rules and the employee code of conduct, which serve as the basis for employees to comply with in their daily work and behaviors.

The Company establishes the code of conduct for the purpose of seeking a high standard of ethical conduct for the Company's directors, supervisors, managers at all levels, and employees to abide by, to prevent the occurrence of inappropriate behaviors, and to ensure that their behaviors meet the following standards:

- (1) Prevention of conflicts of interest.
- (2) Avoid opportunities for personal gain.
- (3) Protection of business secrets.
- (4) Treat customers, vendors, suppliers and competitors in a fair manner.
- (5) Protect and properly use Company assets.
- (6) Comply with laws and regulations, and charters.

For the content of the Code of Ethical Conduct, please visit to the Corporate Governance section/ Principles of Corporate Governance/ Code of Ethical Conduct on the official website (<https://www.sti.com.tw>).

6. Working environment and individual safety protection

(1) Occupational safety and work environment protection

No	Goal/Target	Plan	Explanation of current status	Status of implementation
1	Prevent objects from storing charge into a charged body and prevent objects near the charged body from generating electrostatic induction.	Improvement and reduction of electrostatic effect	Currently, the work desks are made of wood and stainless steel. As they cannot conduct the static electricity to the earth or the conduction speed is too fast to damage the electronic components of the equipment, an anti-static desk mat must be installed with the surface resistance value between $10(6) \sim 10(8) \Omega$ (upper layer) and bottom layer shall be $10(4) \sim 10(6) \Omega$ and shall be earthed separately.	<ol style="list-style-type: none"> 1. Add the electrostatic grounding wire 2. Anti-static table mats are installed 3. Personnel should wear anti-static wristbands
2	Fire safety equipment is installed in accordance with the Fire Protection Act	Preventive measures against fire	Each floor above the second floor has been provided with slow descending equipment for every 100 people and below, and one machine for every 100 people. Each level is clearly labelled with the fire escape exits and the extinguisher installations. For the 10th level and above, the automated water spray head shall be installed.	Annual fire safety inspection
3	Waste sorting and recycling	General, Styrofoam, Pallet	Waste is properly sorted. Styrofoam and large pallets are recycled by environmental protection companies.	Environmental protection company is approved by the Environmental Protection Bureau
4	Insurance for the working	Fire insurance, commercial	The leased and self-owned workplaces of Stark Technology.	Apply for insurance annually

No	Goal/Target	Plan	Explanation of current status	Status of implementation
	environment	insurance, public accident liability insurance		
5	Handling equipment for warehousing and logistics	Hazardous factor reduction to prevent accidents	Regular maintenance of the stacker, and the use of the stacker can only be driven by someone with a professional driver's license.	1. Regular maintenance and testing of equipment 2. Obtain professional driver's license

(2) Occupational and personal safety measures

- A. For the safety of all employees, the Company has purchased the term life insurance and accident insurance to protect employees from illness or occupational disasters.
- B. The Company provides employee health checkups on a yearly basis to protect and care for the health of employees.
- C. Professional healthcare personnel is also contracted by the Company realizing labor health protection and health management to achieve a healthy and friendly workplace environment.

7. Fulfillment of social responsibilities: Please refer to “2.3.11 Sustainable Development Implementation Status as Required by Taiwan Financial Supervisory Commission” on pages 62-81 of this annual report.

4.5.2 List any losses due to labor disputes in the most recent year and as of the date of this annual report: None.

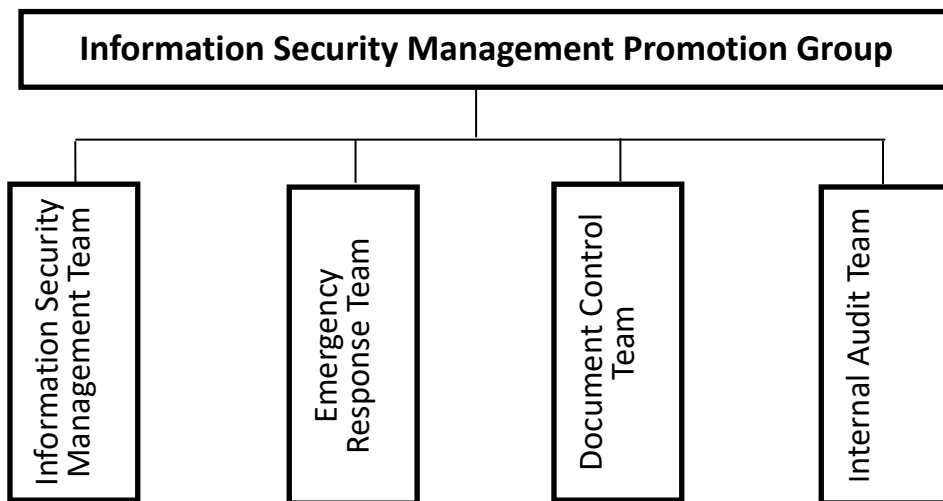
4.6 Cyber Security Management

4.6.1 The cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management

1. Cyber Security Risk Management Framework

To ensure the promotion of internal information security management, the Company is responsible for reviewing cyber security policies, assigning security responsibilities, and coordinating the implementation of various information security measures. The "Information Security Management Promotion Team" has been established under the "Sustainable Development Committee" as the responsible unit. Vice President, Huang, Hsin-Chi serves as the Chief Information Security Officer (CISO). Based on the Company's internal security considerations and needs, the CISO coordinates personnel from various departments (including information security professional services, IT management, administration, legal affairs, and auditing) to form working groups, including: (1) Information Security Management Team, (2) Emergency Response Team, (3) Document Control Team, and (4) Internal Audit Team. These teams are responsible for formulating and promoting internal information security specifications, managing security risks, conducting regular education and training, handling incident emergency response and recovery, maintaining the management system and documentation, and performing regular internal audits and follow-up improvements.

The "Information Security Management Promotion Team" convenes information security management meetings regularly each year to discuss various security issues, review policies, and track the progress of audit improvements. The CISO regularly reports the Company's information security management status and future plans to the "Sustainable Development Committee" to ensure the continuous applicability, suitability, and effectiveness of the management system. In August 2024, the Company passed the ISO 27001 version update certification and ISO 27701 privacy information management certification. The annual renewal was completed in June 2025, and the certifications remain valid until June 28, 2026. The implementation status was reported to the Board of Directors on October 29, 2025.



2. Cyber security management policy

To maintain the overall cyber security of the Company and protect information assets, the security management of each information asset is strengthened to ensure the confidentiality, integrity and availability of the information assets to meet the needs of various business operations and in compliance with relevant laws and regulations. It is also to protect it from internal and external threats, either intentional or accidental, and an "Information Security Management Policy" has been established that covers the Company's various internal information assets and their users. The information users include full-time employees, hired personnel, outsourced suppliers and other authorized personnel. The specific objectives of the cyber security management policies are:

- (1) Maintain the confidentiality, integrity and availability of the Company's information assets and protect the data privacy of users.
- (2) Protect the Company's business activity information from unauthorized access and modification to ensure its accuracy and completeness.
- (3) There must be complete reporting and contingency measures for cyber security incidents to ensure the continuous operation of information systems and services.
- (4) Relevant personnel shall receive cyber security training and advocacy as required to enhance cyber security awareness.
- (5) Implementing an information security risk assessment mechanism to enhance the effectiveness and timeliness of cyber security management.
- (6) It conducts cyber security audits regularly to review access rights and the implementation of cyber security management systems.
- (7) Compliance with applicable laws and regulations and achievement of the goal of business continuity.

In addition to formulating the "Information Security Management Policy," the Company has implemented and established a complete information security management system and stipulated and implemented various information security management regulations that cover (1)

Information asset management and (2) Risk assessment, (3) Human resource management, (4) Physical security management, (5) Access control management, (6) Communication and operations management, (7) System development and maintenance, (8) Supplier management, (9) Information security incident management, (10) Business continuity management and (11) Information security audit and corrective actions.

3. Specific management regulations

In order to achieve the Company's cyber security policies and goals, the specific management plans are as follows:

- (1) Construction of comprehensive security protection: Based on the expert advice of the Company's Information Security Service Department and experience in the sale of various cyber security protection systems, multi-layer cyber security protection equipment is deployed.
- (2) Regular risk and security testing: The Company's cyber security consultant conducts vulnerability scanning and penetration testing on the Company's internal components on a regular basis to examine potential security risks. Personnel in charge of each system execute vulnerability repairs and system security adjustment based on the testing results to improve overall security.
- (3) Introduction of international cyber security certification: The Company has introduced and passed ISO 27001 and ISO 27701 certification as the standard and basis for the Company's overall information security management method.
- (4) Information security education and training: The Company regularly conducts information security education and training to all employees to raise employees' cyber security awareness. In addition, employees are encouraged to participate in specific cyber security courses and acquire cyber security licenses (such as CISSP, CEH, ISO 27001 Lead Auditor, etc.). Many employees have already obtained licenses.
- (5) Regular internal cybersecurity audits: the Company's employees in charge of audit conduct regular internal cybersecurity audits to identify deficiencies and rectify them.
- (6) Information security incident reporting: The Company has established a comprehensive cybersecurity incident reporting system. In addition, there are many professional cybersecurity consultants who can immediately deal with the incident, analyze the incident and perform risk control and implement subsequent improvements to improve the overall security.

4. Resources invested in information security management

- (1) Information security: In order to ensure the promotion of the Company's information security management matters, an "Information Security Management Promotion Team" was established to coordinate the

Company's internal resources for the promotion of cyber security policies and management measures, and cyber security management meetings were held regularly.

- (2) Information security certification: In 2020, the Company engaged a third-party organization (NII) for consultancy and obtained the ISO 27001 certification following an on-site audit by SGS. In August 2024, the Company completed the transition to the updated ISO 27001 version and obtained the ISO 27701 certification. Both certifications remain valid until June 28, 2026.
- (3) Information security protection: Based on sales experience and recommendations from the Company's security consultants, the Company has deployed multi-layered cyber security defense systems. These include Next-Generation Firewalls (NGFW), Web Application Firewalls (WAF), Email Protection systems, Network Access Control (NAC), Endpoint Detection and Response (EDR), and 24/7 monitoring through Managed Detection and Response (MDR) services. Additionally, the Company utilizes endpoint asset management systems and Security Information and Event Management (SIEM) systems. To support Work From Home (WFH) requirements, Virtual Desktop Infrastructure (VDI) has been implemented, requiring Two-Factor Authentication (2FA) for accessing corporate systems and applications.
- (4) Information security professional manpower: In addition to offering cybersecurity solutions from leading global vendors, the Company maintains a team of 33 professional consultants dedicated to providing specialized security services. Our team holds numerous globally recognized certifications and professional credentials, including CISSP, CSSLP, CISM, CEH, CHFI, ISO 27001 Lead Auditor, and vendor-specific certifications from CrowdStrike, F5, and Palo Alto Networks. The Company actively encourages employees to participate in cybersecurity seminars and training programs to continuously enhance their technical capabilities and obtain advanced professional certifications.
- (5) Information security technology exchange: As a provider of cybersecurity solutions from leading global vendors, the Company maintains real-time access to the latest technical information, including emerging vulnerabilities, attack methodologies, and threat intelligence. Through these technical exchanges, the Company continuously enhances the professional expertise of its employees in the field of information security.
- (6) Information security education and training: The Company conducts "Internal Information Security Education and Training and Awareness" regularly each year. In 2025, the number of participants reached 222 in attendance, with a total of 666 training hours.

4.6.2 List any Losses Suffered by the Company in the Most Recent Year and as of the Date of this Annual Report Due to Significant Cyber Security Incidents, the Possible Impacts therefrom, and Measures being or to be taken: None.

4.7 Material contracts: None.

5. Review and analysis of financial position, performance and risk events

5.1 Financial Position

Unit: NT\$ thousand; %

Fiscal Year	2025	2024	Difference Amount	Change ratio
Current assets	6,891,371	6,113,691	777,680	12.72
Property, plant and equipment	743,746	654,605	89,141	13.62
Intangible asset	8,461	2,350	6,111	260.04
Other assets	419,995	369,368	50,627	13.71
Total assets	8,063,573	7,140,014	923,559	12.93
Current liabilities	4,476,730	3,624,819	851,911	23.50
Non-current liabilities	66,540	74,038	(7,498)	(10.13)
Total liabilities	4,543,270	3,698,857	844,413	22.83
Equity attributable to owners of the parent company	3,520,303	3,441,157	79,146	2.30
Share capital	1,063,603	1,063,603	—	—
Capital surplus	166,514	166,514	—	—
Retained earnings	2,288,424	2,200,603	87,821	3.99
Other equity interests	1,762	10,437	(8,675)	(83.12)
Treasury stock	—	—	—	—
Non-controlling interest	—	—	—	—
Total equity	3,520,303	3,441,157	79,146	2.30
<p>The main reasons for the changes by more than 20% and the amount of change by NT\$10 million or more and the impacts are explained as follows:</p> <p>1. Increase in current liabilities and total liabilities: Mainly due to the increase in short-term loans and contract liabilities in 2025.</p>				

5.2 Financial Performance

Unit: NT\$ thousand; %

Items	Fiscal Year		Difference Amount	Change ratio
	2025	2024		
Net operating revenue	8,394,371	7,536,746	857,625	11.38
Operating cost	6,354,554	5,651,473	703,081	12.44
Operating margin	2,039,817	1,885,273	154,544	8.20
Operating expenses	1,043,032	967,124	75,908	7.85
Operating income	996,785	918,149	78,636	8.56
Non-operating income and expenses	62,952	85,617	(22,665)	(26.47)
Income before income tax	1,059,737	1,003,766	55,971	5.58
Income tax expenses	208,445	205,707	2,738	1.33
Net income	851,292	798,059	53,233	6.67
Other comprehensive income (net of tax)	17,260	79,379	(62,119)	(78.26)
Total comprehensive income	868,552	877,438	(8,886)	(1.01)
Net income attributable to owners of the parent company	851,292	798,059	53,233	6.67
Net income attributable to non-controlling interest	—	—	—	—
Total comprehensive income attributable to owners of the parent company	868,552	877,438	(8,886)	(1.01)
Comprehensive income attributable to non-controlling equity	—	—	—	—

The main reasons for changes of more than 20% and the amount of changes of NT\$10 million or more in the period before and after and the impact analysis are as follows:

1. Decrease in non-operating income and expenses for the current period: Mainly due to the net losses on currency exchange in 2025.
2. Decrease in other comprehensive income (net of tax) for the current period: Mainly due to the decrease in both unrealized gains on FVOCI equity investments, and exchange differences on foreign operations translation.

5.3 Cash Flow

5.3.1 Cash flow changes for the most recent fiscal year

Unit: NT\$ thousand

Cash, Beginning of Year	Net Cash Flow from Operating Activities	Net Cash Flow from Investing Activities	Net Cash Flow from Financing Activities	Effect of exchange rate variation on cash & cash equivalents	Cash Surplus (Deficit)	Leverage of Cash Surplus (Deficit)	
						Investment Plan	Financial Planning
1,174,515	549,732	(212,744)	(399,463)	1,146	1,113,186	—	—
<p>1. Analysis of cash flow changes:</p> <p>(1) Operating activities: Net inflow of 549,732 thousand, primarily due to a decrease in contract assets, an increase in contract liabilities, and a decrease in income taxes paid, resulting in an increase in net cash inflow compared to the previous period.</p> <p>(2) Investing activities: Net outflow of 212,744 thousand, primarily due to the decrease in proceeds from the disposal of financial assets at FVOCI and an increase in refundable deposits, leading to an increase in net cash outflow compared to the previous period.</p> <p>(3) Financing activities: Net outflow of 399,463 thousand, primarily due to an increase in short-term borrowings during the current period, which resulted in a decrease in net cash outflow compared to the previous period.</p> <p>2. Remedial measures for cash deficit and liquidity analysis: Not applicable.</p>							

5.3.2 Cash Flow Analysis for the Coming Year

Unit: NT\$ thousand

Cash, Beginning of Year ①	Estimated Net Cash Flow from Operating Activities ②	Estimated Cash Outflow (Inflow) from Investing and Financing Activities③	Estimated Cash Surplus (Deficit) ①+②-③	Estimated Leverage of Cash Surplus (Deficit)	
				Investment Plan	Financial Planning
1,113,186	610,365	349,531	1,374,020	—	—
<p>1. Analysis of cash flow changes:</p> <p>(1) Operating activities: Net cash inflow from operating activities is generated due to the expected stable profit.</p> <p>(2) Investing activities: Net cash outflow from investing activities will arise due to the expected purchase of fixed assets.</p> <p>(3) Financing activities: The net cash outflow from financing activities arises due to the estimated distribution of cash dividends, director remuneration and so on.</p> <p>In conclusion, the Company expects to have 1,374,020 thousand in cash remaining.</p> <p>2. Remedial measures for projected cash deficit and liquidity analysis: Not applicable.</p>					

5.4 Impact of Major Capital Expenditures on Financial and Business Affairs in the Most Recent Year: None.

5.5 Reinvestment Policies, Main Causes of Profit or Loss, Improvement Plans in the Most Recent Year, and Investment Plans in the Coming Year

The Company's reinvestment policy is mainly to expand market and strategic alliance. For information on its profit and loss, please refer to the TWSE MOPS (<https://emops.twse.com.tw/server-java/t58query>) and click on "Financial Statements" under "Electronic Books" and enter the Stock Code "2480" and the Year for query. There are no investment plans for the next year.

5.6 Analysis of Risk Management During the Most Recent Year and as of the Date of this Annual Report

5.6.1 The effect upon the Company's profit or loss of interest and exchange rate fluctuations and changes in the inflation rate, and countermeasures to be taken in the future

1. Foreign exchange gains (losses) and interest revenue (expenses)

Unit: NT\$ thousand

Item (Note)	2024	2025	Mar. 31, 2026
Exchange gains (losses) (A)	4,545	(26,128)	1,589
Interest revenue (expenses) (B)	12,413	11,351	2,782
Operating revenue (C)	7,536,746	8,394,371	2,420,984
Operating income (D)	918,149	996,785	300,400
(A) / (C)	0.0006	(0.0031)	0.0007
(A) / (D)	0.0050	(0.0262)	0.0053
(B) / (C)	0.0016	0.0014	0.0011
(B) / (D)	0.0135	0.0114	0.0093

Note: The financial data for the most recent two years were audited by CPA and the financial data as of the date of of this annual report are self-reported figures.

- (1) The exchange gains in 2025 decreased compared to 2024, mainly due to the appreciation of the New Taiwan Dollar (NTD) in 2025, resulting in the decrease in exchange gains from the Company's net foreign currency assets.
- (2) The net interest income in 2025 decreased compared to 2024, mainly due to the increase in interest expense in 2025.
- (3) As of the date of this annual report, the exchange gain for the full year increased compared to 2025, mainly due to the depreciation of the NTD during the first quarter of 2026, resulting in higher exchange gains due to the Company's high net foreign currency assets.

2.3.3 Audit Committee

- (4) As of the date of this annual report the net interest income for the full year decreased compared to 2025, mainly due to higher interest payments on bank loans during the first quarter of 2026.
2. Inflation in the most recent year and as of the date of this annual report did not materially affect the Company's profit or loss.
3. Specific measures taken by the Company in response to effect of exchange rate changes, interest rates, and inflation:
 - (1) Because some products are priced in USD for both purchases and sales, in order to reduce the impact of exchange rate fluctuations on profits, in addition to reaching an agreement with major suppliers to pay for purchases in USD, the Company may engage in hedging derivative trading after appropriate evaluation and approval authorization in accordance with the Company's "Financial Derivatives Transaction Procedure" to avoid exchange rate risks.
 - (2) Responsible personnel regularly collect market exchange and interest rate information, as well as absorb professional information on hedging instruments in the market, so as to execute hedging operations in a timely manner.

5.6.2 Policies on engaging in high-risk investments, highly leveraged investments, loans to others, endorsements and guarantees, and derivatives transactions; main reasons for profit or loss, and countermeasures to be taken in the future:

1. Engagement in high-risk investments, highly leveraged investments, loans to others, endorsements/guarantees in the most recent year, up till the publication date of this annual report: None.
2. As of the date of this annual report, the Company only engages in hedging transactions in derivatives and has not engaged in forward foreign exchange contracts.
3. Main reasons for profit or loss and countermeasures in the future: As of the date of this annual report, the Company has not engaged in derivative investment.

5.6.3 Future R&D Projects and Budgeted Costs

R&D Projects	The current progress	R&D expenses to be invested	Estimated time of completion	The main factors affecting the success of R&D in the future
To establish AI agent application framework	50%	NT\$ 23,000 thousand	December 2026	<p>1. Accuracy of intent recognition and intent-to-action mapping</p> <p>The primary skill of an Agent is to translate ambiguous human language into precise API calls or script execution.</p> <p>Influencing factors: The model's ability to extract parameters (arguments). If the model cannot accurately determine when to call <code>search_web()</code> versus <code>query_database()</code>, or passes incorrectly formatted JSON, the capability will fail.</p> <p>Key technologies: The stability and fine-tuning of function calling.</p> <p>2. Tool definition and documentation quality</p> <p>The upper skill limit of an agent often depends on the "tool manual" used.</p> <p>Influencing factors: If the API description (prompt description) is overly brief or ambiguous, the agent may fail to execute tasks due to an inability to understand boundary conditions (e.g., input constraints, unit requirements). High-quality tool interfaces with semantic descriptions are key to capability triggering.</p> <p>Key technologies: Structured tool definitions (e.g., OpenAPI spec) and example demonstrations (few-shot examples).</p> <p>3. The ability to handle environmental feedback loops.</p> <p>True capability lies not only in execution, but also in the ability to "recover and correct after failures."</p> <p>Influencing factors: Whether the agent can interpret error</p>

R&D Projects	The current progress	R&D expenses to be invested	Estimated time of completion	The main factors affecting the success of R&D in the future
				<p>messages returned by tools (error messages). If the environment only returns error 500 rather than specific logical errors, the agent cannot perform self-correction, causing the skill chain to break midway.</p> <p>Key technologies: The ReAct (Reasoning and Acting) framework and closed-loop feedback mechanisms.</p>

5.6.4 Impacts of changes in important policies and legal arrangements at home and abroad, and countermeasures: None.

5.6.5 Impacts of technological changes (including cyber security risks) and industry changes on the Company's financial operations, and countermeasures:

As the technologies changes in recent years, the Company actively recruits and trains related technical personnel and initiate to research the emerging technologies to meet the needs of customers and the market. In addition to enhancing product functionality and integration, the Company is also committed to the goal of providing customers with high value-added services to increase customer satisfaction and dependence. For the details of the Company's cyber security management structure and policies, please refer to "4.6 Cyber Security Management" on pages 154-158 of this annual report.

5.6.6 Impacts of changes in the Company's corporate image on the Company's crisis management, and countermeasures:

Integrity is the primary principle of the Company in corporate governance and it is the most important corporate spirit in the Articles of Incorporation and corporate culture.

5.6.7 Expected benefits and possible risks of mergers and acquisitions, and countermeasures: Not applicable.

5.6.8 Expected benefits and possible risks of factory expansion, and countermeasures: Not applicable.

5.6.9 Risks and mitigations associated with concentration in purchasing and sales:

Our company engages with over 656 suppliers and has maintained longstanding, seamless collaborations and strong relationships with OEMs and channel partners. In addition, we serve more than 6,000 customers across a wide range of industries. Accordingly, there is no risk arising from concentration in either purchasing or sales.

5.6.10 Impact, risks, and countermeasures of significant equity transfers or changes by directors, supervisors, or major shareholders holding more than 10% of shares: Not applicable.

5.6.11 Impacts and risks associated with any change in the management right of the company, and countermeasures:

The Company has its professional team to lead the overall development and there have been no occurrence of situation in change of management right.

5.6.12 Litigation and non-contentious cases:

1. The Company received a complaint of criminal incidental civil lawsuit filed by the Taiwan Taipei District Court on May 10, 2022, for the Company's employee violating the Securities and Exchange Act. FUJIFILM Business Innovation Taiwan Co., Ltd. (hereinafter referred to as Fujifilm) filed a criminal incidental civil lawsuit against other companies, individuals, the Company and the Company's vice president surnamed Gao, a total of 15 defendants, requesting if one of the 15 defendants pays all or part of the damages, the other defendants are exempted from the obligation to pay within the scope of the payment.

On October 1, 2024, the Company received a notice from the Criminal Division of the Taiwan Taipei District Court, notifying the Company to participate in the confiscation proceedings in a criminal case involving the defendant, the vice president surnamed Gao, and others for alleged violations of the Securities and Exchange Act. On May 19, 2025, the Company received the criminal judgment of the Taiwan Taipei District Court. Both the Company and the vice president surnamed Kao disagreed with the first-instance criminal judgment and each engaged legal counsel to file an appeal on June 4, 2025. The case is currently under trial at the Taiwan High Court. In addition, on May 12, 2025, the Company received a ruling from the Criminal Division of the Taiwan Taipei District Court stating that the incidental civil action attached to the criminal case would be transferred to the Civil Division for trial. On October 20, 2025 the Company received a notice from the Civil Division of the Taiwan Taipei District Court that the court would conduct mediation proceedings for the case on December 2, 2025. The Company has engaged legal counsel to handle the matter, and the case is under trial at the Civil Division of the Taiwan Taipei District Court.

2. The Company received a complaint of civil lawsuit filed by the Taiwan Taipei District Court on August 31, 2022. Fujifilm filed a civil lawsuit against the Company, the Company's vice president surnamed Gao, other companies and individuals, a total of 18 defendants, requesting if one of the 18 defendants pays all or part of the damages, the other defendants are exempted from the obligation to pay within the scope of the payment. The Company has engaged legal counsel to handle the matter, and the case is under trial at the

Civil Division of the Taiwan Taipei District Court.

3. As of the date of this Annual Report, the Company had assessed that the aforementioned incidents had no significant impact on the Company's current operations.

5.6.13 Other important risks and countermeasures: None.

5.7 Other Important Matters: None.

6. Special Disclosure

6.1 Summary of Affiliated Companies

Please refer to the TWSE MOPS for the Company's 2025 Consolidated Business Reports of Affiliated Enterprises (<https://emops.twse.com.tw/server-java/t58query>) and click on "Shareholders' meetings" under "Electronic Books" and enter the Stock Code "2480" and the Year for query.

6.2 Private Placement Securities during the Recent Year and as of the date of this Annual Report: None.

6.3 Other Matters Required Additional Description: None.

7. Any Events During the Most Recent Year and as of the Date of this Annual Report that Had Material Impacts on Shareholders' Interests or Securities Prices as Stated in subparagraph 2, paragraph 3, Article 36 of Securities and Exchange Act: None.

Company culture

Maintain the spirit of entrepreneurship

Pursuit of customer satisfaction

Company philosophy

Talents

Speed

Discipline

Sharing

Stark Technology Inc.

Chairman: Liang, Hsiu-Chung