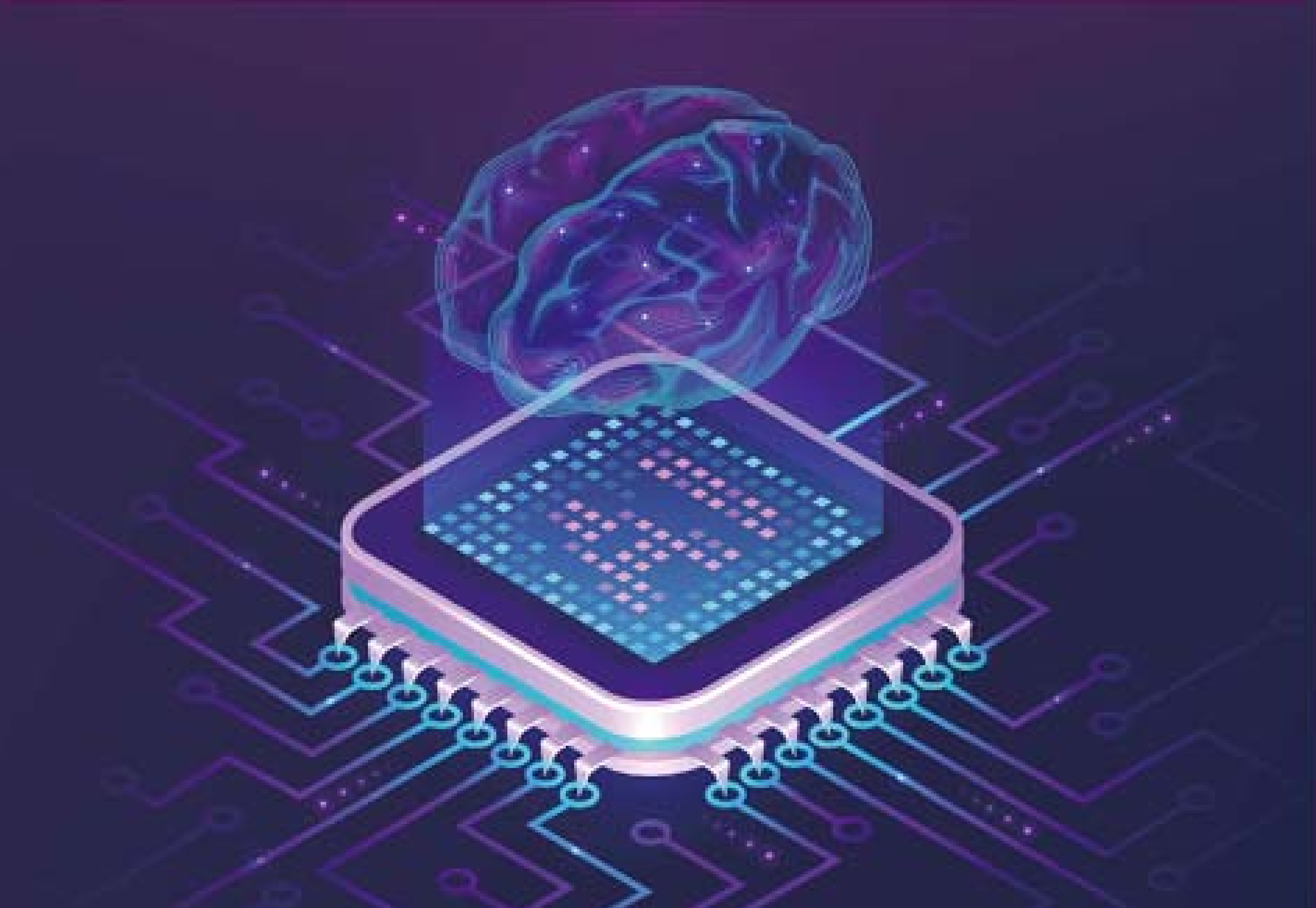
股票代號
4973

廣穎電通

廣穎電通股份有限公司
Silicon Power Computer & Communications Inc.

# 2025 Annual Report



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Websit: https://mops.twse.com.tw

1. The Company's spokesperson and acting spokesperson

Spokesperson

Name: Hsieh, Chao-Min

Job title: General Manager of the Business Group

Tel: (02) 8797-8833

Email: hr_adm@silicon-power.com

Acting Spokesperson

Name: Tang, Wan-Pei

Job Title: Manager

Tel: (02) 8797-8833

Email: hr_adm@silicon-power.com

2. Address and telephone number of Headquarters office, branch office, and factory

Headquarters Office: 7th Floor, No. 106, Zhouzi Street, Neihu District, Taipei City

Tel: (02) 8797-8833

Factory: 6th and 7th floor, No. 308-6, 8, 10, Section 1, Datong Road, Xizhi District, New Taipei City

Tel: (02) 7708-1188

3. Stock transfer institutions

Name: Capital Securities Corporation

Address: Underground second floor, No. 97, Sec. 2, Dunhua S. Rd., Taipei City

Address: https://www.capital.com.tw

Tel: (02) 2702-3999

4. Certified public accountant for the latest annual financial report

CPA: Lin, Guan-Hong；Lai, Zong-Xi

Name of firm: Price Waterhouse Coopers Taiwan (PwC Taiwan)

Address: 27th Floor, No. 333, Section 1, Keelung Road, Taipei City

Website：https://www.pwc.tw

Tel: (02) 2729-6666

5. The name of the trading venue for listing and trading overseas securities and the method of inquiring about the information of the overseas securities: None

6. Company website: https://www.silicon-power.com

# Directory

# I. REPORT TO SHAREHOLDERS

Dear Shareholders,

In 2025, the global memory market saw a strong surge in demand driven by artificial intelligence (AI), with industry momentum shifting from traditional cycles to real-world application needs, thereby leading to a tighter supply and demand structure and higher product prices. In addition to seizing the opportunity for transformation and deploying high-capacity DRAM, enterprise-grade SSDs and PCIe Gen 5 high-speed transmission solutions, Silicon Power has also successfully upgraded from a supplier relationship to a strategic technology partner of its customers by leveraging its deep firmware optimization technology and flexible supply chain advantages. Thanks to the efforts of all colleagues, the Company has been able to effectively respond to AI-driven specification upgrades and consolidate global partnerships, especially ensuring that it has a bargaining advantage in the face of structural changes in the industry. This not only maintains the steady growth of gross profit margin and profitability but also lays a positive foundation for the Company's sustainable development.

**2025 Business Plan Results**

1. Analysis of Business Plan Results, Financial Revenue and Expenditure, and Profitability

   Silicon Power's total revenue reached NT$4.258 billion in 2025, a decrease of 3.19% compared to the same period in 2024. Gross profit margin reached 23.69%, an increase of 14.44% compared to the same period in 2024. Net profit for the period was NT$134 million, an increase of 18.63% compared to the same period in 2024, with earnings per share (EPS) reaching NT$2.11. Profitability analysis for 2025 is as follows:

| Analysis Items | 2025 | 2024 |
|---|---|---|
| Return on assets | 4.42 % | 3.82 % |
| Return on equity | 6.39 % | 5.09 % |
| Ratio of pre-tax net profit to paid-in capital | 25.09 % | 20.24 % |
| Net profit margin | 3.16 % | 2.57 % |
| Earnings per share (NT$) | NT$2.11 | NT$1.79 |

2. Budget Execution Status

   The Company does not disclose financial forecasts and is not required to disclose budget execution status.

3. Research and Development Status

   As a global memory brand, Silicon Power is committed to investing in R&D and design resources, and continuously innovating competitive new products to meet market demands.

   A. NAND Flash Memory Related Products: We have developed memory products equipped with various high-speed mainstream interfaces (PCIe Gen 5x4, PCIe Gen 4x4, SATA3, USB3.2 Gen2x2, SD6.X, SD express, CFexpress 4.0) and will continue to develop storage solutions with higher capacity and higher reliability.

   B. DRAM Memory Modules：DRAM Memory Modules: These products utilize high-quality materials such as BGA-packaged memory chips and multilayer printed circuit boards (HDI PCBs), and incorporate the latest generation of DDR5 memory as specified by the Joint Electron Device Engineering Council (JEDEC). For consumer storage applications, memory module products suitable for desktops, laptops, and gaming overclocking have been launched, offering DDR5 specifications ranging from 4800MHz to up to 8000MHz. Furthermore, for RDIMM memory modules used in server computers, capacities of 16GB/32GB/64GB have been successively launched, with speeds up to 6400MT/s.

C. External HDD/SSD Storage Devices: 2.5-inch HDDs have fully adopted USB 3.2 Gen1, with drive sizes covering 7mm, 9.5mm, and 15mm. This product design prioritizes thinness, lightness, and military-grade durability. For external SSDs, USB Type-C products equipped with a high-performance flash controller are available, supporting USB 3.2 Gen2x2 high-speed transmission mode with data transfer rates up to 20Gbps.

D. Industrial Storage Solutions: Our product development emphasizes stability and lifespan, and we provide customized storage solutions to meet the diverse application needs of enterprise customers. As an effort to meet the demands of cloud computing and databases for higher performance, we have recently introduced DDR5-6400MHz and 7200MHz RDIMMs, while increasing capacity to 64GB to satisfy the computing needs of Edge AI applications.

Regarding SSDs, the development of the M.2 2280 PCIe Gen5x4 SSD is completed, offering double the speed, reaching up to 14000MB/s. It is also backward compatible with PCIe 4.0 and 3.0 platforms to meet customers' demands for ultimate performance. In terms of product continuity, both the 350S series with DRAM and the 3K0E and 3M0E series without DRAM have successively adopted 218-layer BiCS8 3D TLC flash memory and also feature power-loss protection and industry-recognized TCG OPAL information encryption security functions, providing modern security defense systems and devices.

It is worth mentioning that the microSD card adopts the latest 218-layer BiCS8 technology, supports capacities from 128GB to 1TB, and features high capacity, high durability and high stability, making it especially suitable for various harsh industrial application environments.

PFS (Power Failure Signal) is our latest technology launched this year, compatible with PCIe SSDs. Its main feature is that when the system detects a power failure warning, the SSD immediately writes cached data to the NAND Flash, completes any write operations, updates critical data, and then automatically and safely shuts down, ensuring data integrity and reducing the risk of power failure.

In terms of value-added software for industrial control products, a new Smart Tools system is planned. This system integrates the existing SSD ToolBox functionality, enabling real-time monitoring of SSD health and usage status. It also analyzes usage behavior through read/write data to help assess the feasibility of implementing customized firmware. Simultaneously, it supports DRAM module monitoring and anomaly alarm notifications, effectively improving system management efficiency and reliability.

**2026 Business Plan Summary**

To plan for 2026, SP shall continue to expand the global market, promote the balanced development of various product lines, adhere to extraordinary product quality and give full play to the profound strength of product design, and continue to market its own brands around the world. In addition, SP Silicon Power Computer & Communications Inc. will continue to strengthen team building and sound internal organization, while at the same time strengthening the brand's participation and practice in sustainable development, creating long-term brand value, so that the company may continue to operate healthily and sustainably.

1. Target outlook for the Year of 2026 as follows:
   (1) Continue to cultivate the brand intensively to improve the SP brand efficiency year by year.
   (2) Establish a competitive sales model and provide a full range of services.
   (3) Promote target customers' revenue growth rate and improve the company's healthy profit.
   (4) Strengthen the competitiveness of global localization and deepen the operation in various markets.
   (5) Increase the number of qualified markets worldwide and maintain long-term stable profits.
   (6) Diversify the proportion of product sales to increase revenue and maintain profitability.

(7) Enhance the competitiveness in the selection and retention of key talents to achieve the optimization of per capital output value.
(8) Continuously improve inventory management and procurement capabilities and control the risks and benefits of inventory.
(9) Actively invest in research and development to strengthen the new application technology of various products.
(10) Continuously optimize the efficiency of production lines, drive the cost-effectiveness of production economies of scale, and improve profitability.
(11) Continue to carry out the goal of sustainable development and promote the competition advantages with the basis of sustainable development.

2. Sales Volume Forecast and its basis:
The company predicts the possible sales volume of various products based on the industry bloom, market demand and future order quantity in 2026.

| Items | 2026 Sales Volume Forecast / Thousands unit |
|---|---|
| DRAM/Nand Flash Product | 3,720 |
| Others | 3,332 |

3. Significant Production and Marketing Policy:

Since the fourth quarter of 2025, the memory industry has entered its most severe supply-constrained "super cycle" in history, driven by explosive demand from AI infrastructure. From 2026 to the present, the market structure has begun to show the following significant divergence: demand for AI infrastructure continues to lead high growth; conversely, the consumer electronics market is mired in the dual challenges of supply shortages and rising costs.

In light of the dramatic changes in the business environment, Silicon Power will focus its product strategy on enterprise and industrial applications, including in-depth development of medical devices, automotive systems, automation control, and diverse application scenarios from cloud to edge computing. In terms of market strategy, it will adhere to a long-term strategic layout, establishing a stable and symbiotic strategic system with core partners, aiming to strengthen the Company's operational resilience and consolidate its leading market position.

Last but not least, I would like to express my appreciation to all our shareholders for your love and care for the company, and look forward to continuously receiving your support, encouragement and advice for the company. In addition, I would also like to thank all customers, suppliers, and all colleagues in position for their efforts. We will work harder to make nonstop innovations and breakthroughs and create better operational results.

To all of you

Good health and wish you all the best.

Chairman

Chen, Hui-Min

# II. Corporate Governance Report

## 1. Information of directors, supervisors, general managers, deputy general managers, assistants, heads of departments, and branches

(1) Directors and supervisors

1. Information of directors and supervisors

2026/04/20 (Book closure date).

| Job Title | Nationality or Place to register | Name | Gender & age | Date of Appointment | tenure | The first date of the Appointment | Holding shares at the time of the date of appointment | | current holding shares | | Spouse, minor The children now hold shares | | Holding shares in the name of another person | | The main education & background | currently serving as other Companies and Positions in other companies | directors, or supervisors who are related to the spouse or within | | | remark |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Number of shares | Holdings ratio | Number of shares | Holdings ratio | Number of shares | Holdings ratio | Number of shares | Holdings ratio | | | Job title | name | relationship | |
| Chair-man | R.O.C. | Chen, Hui-Min | Male 51-60 years old | 2023.6.16 | 3 years | 2003.7.15 | 732,566 | 1.12 | 732,566 | 1.12 | 223,417 | 0.34 | 0 | 0 | Oklahoma, USA MBA from Central State University Transcend Information, Inc Associate Officer, Operations Branch | Chief Executive Officer of the Company<br>Silicon Power Computer & Com-medications, Chairman of the Netherlands B.V<br>Netinfo Investment (shares) company, Sitronix Technology Corp., Silicon Power Investment Co., Ltd Director<br>Supervisor of Silicon Power Japan Co., Ltd | No | No | No | (Note) |
| Vice Chairman | R.O.C. | Lee, Sheng-Su | Male 61-70 years old | 2023.6.16 | 3 years | 2003.7.15 | 415,278 | 0.64 | 415,278 | 0.64 | 0 | 0 | 0 | 0 | National Taiwan University Institute of Electrical Engineering Sitronix Technology Corp. managing director | Deputy Chief Executive Officer of the Company<br>Chairman and CEO of Sitronix Technology Corp.<br>Silicon Power Investment Co., Ltd Director | No | No | No | None |

| job title | Nationality or place of registration | name | gender age | Date of Appointment | tenure | The First Date of the Appointment | Holding shares at the time of the election | | Currently holding the shares | | Spouse, minor The children now hold shares | | Holding shares in the name of another person | | The main scriptures (learning) calendars | He is currently serving as the Company and Positions in other companies | Other officers, directors, or supervisors with a relationship within the relationship of a spouse or second parent | | | Re-mark |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Number of shares | Holdings ratio | Number of shares | Holdings ratio | Number of shares | Holdings ratio | Number of shares | Holdings ratio | | | job title | name | relationship in | |
| Director | R.O.C. | Sitronix Technology Corp. | -- | 2023.6.16 | 3 years | 2014.6.18 | 4,198,701 | 6.43 | 4,198,701 | 6.43 | 0 | 0 | 0 | 0 | NA | NA | No | No | No | None |
| | R.O.C. | Representative person Mao, Ying-Wen | Male 61-70 years old | -- | -- | -- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | National Taiwan University EMBA Cheng Kung University Institute of Electrical Engineering Sichuang Electronics (shares) Company managing director | Chairman of Sitronix Technology Corporation, Sitronix Investment Corporation and Sitronix Holding International Limited. Chairman and CEO of Forcelead Technology Corp. and Seer Microelectronics Inc.; Director of MCORE TECHNOLOGY CORP., Sensortek Technology Corporation, INFSITRONIX TECHNOLOGY CORP., Sync-Tech System Corp., EZGLOBAL NETWORK SERVICE INC., Pheonix Innovation Investment Company, Pheonix Innovation Investment II Company, Pheonix Innovation Investment III Company, Pheonix Innovation Investment IV Company; Independent director of Compal Broadband Networks. | No | No | No | None |
| Independent Director | R.O.C. | Huang, Ching-Mao | Male 61-70 years old | 2023.6.16 | 3 years | 2011.6.28 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | EMBA, NCCU Serior President of CLEVO CO. | Special Assistant of TaiDoc Technology Corporation. | No | No | No | None |
| Independent Director | R.O.C. | Hong, Jing-Heng | Male 51-60 years old | 2023.6.16 | 3 years | 2020.6.19 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Oklahoma, USA MBA from Central State University | Representative of Taimani Enterprises Co., Ltd | No | No | No | None |
| Independent Director | R.O.C. | Liu, Fu-Hua | Male 61-70 years old | 2023.6.16 | 3 years | 2020.6.19 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Radio and Television Section, World Press College | Representative of Dingdian Limited | No | No | No | None |

| job title | Nationality or place of registration | name | gender age | Date of Appointment | tenure | The First Date of the Appointment | Holding shares at the time of the election | | Currently holding the shares | | Spouse, minor The children now hold shares | | Holding shares in the name of another person | | The main scriptures (learning) calendars | He is currently serving as the Company and Positions in other companies | Other officers, directors, or supervisors with a relationship within the relationship of a spouse or second parent | | | Re-mark |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Number of shares | Holdings ratio | Number of shares | Holdings ratio | Number of shares | Holdings ratio | Number of shares | Holdings ratio | | | job title | name | relationship | |
| Independent Director | R.O.C. | Cheng, Tsuei-Yu | Female 61-70 years old | 2023.6.16 | 3 years | 2011.2.25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | MPAcc of Jinan University | Chairman at GuangZhan CPA Firm | No | No | No | None |

Note: At present, the chairman of the Board of Directors is also the chief executive officer, which is reasonable and necessary to improve the decision-making efficiency of operations, thereby improving business performance and creating higher value for the company.

In addition, to strengthen corporate governance, the Company has increased the chairs of independent directors as a response.

Major shareholders of institutional shareholders

April 20, 2026 (Book closure date)

| Name of the institutional shareholder | Major shareholders of institutional shareholders | Holding share (%) |
|---|---|---|
| Sitronix Technology Corp. | Ku-Ming Investment Co., Ltd. | 2.80% |
| | Silicon Power Computer & Communications Inc. | 2.62% |
| | Sensortek Technology Corp. | 2.03% |
| | Taipei Fubon Commercial Bank Co., Ltd. is the entrusted with the safekeeping of the Fuh Hwa Taiwan Technology Dividend Highlight ETF securities investment trust fund account. | 1.89% |
| | Lin Wenbin | 1.83% |
| | Hua Nan Commercial Bank is entrusted with the safekeeping of the Yuanta Taiwan Value High-Yield ETF securities investment trust fund account. | 1.76% |
| | Mao Yingwen | 1.47% |
| | HSBC (Taiwan) Commercial Bank Co., Ltd. is entrusted with the safekeeping of the investment account of Arcady Emerging Markets Small Cap Equity Fund Limited. | 1.37% |
| | Zheng Yixi | 1.34% |
| | Lin Wenlong | 1.12% |

The principal shareholder of a corporate shareholder is the principal shareholder of a legal person.

April 20, 2026 (transfer of ownership suspended).

| Name of the institutional shareholders | Major shareholders of institutional shareholders | Holding share (%) |
|---|---|---|
| Ku-Ming Investment Co., Ltd. | Icon Peak Sdn Bhd., a Malaysian company. | 100% |
| Sensortek Technology Corp. | Sitronix Technology Corp. | 46.31% |
| | Xu Yuanqing | 1.21% |
| | Nanshan Life Insurance Co., Ltd. | 1.16% |
| | Zheng Shuhui | 0.89% |
| | Mao Yingwen | 0.67% |
| | Lin Wenbin | 0.61% |
| | Taishin International Commercial Bank is entrusted with the second trust property account of Li Shengshu. | 0.61% |
| | Huang Zongyuan | 0.51% |
| | Standard Chartered International Commercial Bank's business department is entrusted with the safekeeping of JP Morgan Securities Limited's investment account. | 0.51% |
| | QSAN Technology Inc. | 0.43% |

2. Disclosure of professional qualifications of directors and independent director independence

| Condition / Name | Professional qualifications and experience | Independence situation | Serving as other public offering companies |
|---|---|---|---|
| Chen, Hui-Min | Experience in management, business, and corporate industry.<br>Served as Chairman and Chief Executive Officer of the Company | There is no family relationship between directors such as a spouse or second degree | 0 |
| Lee, Sheng-Su | Experience in management, business, and corporate industry.<br>Served as Vice Chairman and Deputy Chief Executive Officer of the Company. | There is no family relationship between directors such as a spouse or second degree. | 0 |
| Mao, Ying-Wen | Have the required working experience in business and company.<br>There are no circumstances under Article 30 of the Companies Act. | There is no family relationship between directors such as a spouse or second degree. | 1 |
| Huang, Ching-Mao (Independent Director) | Have the required working experience in business and company.<br>There are no circumstances under Article 30 of the Companies Act. | There is no family relationship between directors such as a spouse or second degree.<br>Comply with the provisions of the Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed | 0 |
| Hong, Jing-Heng (Independent Director) | Have the required working experience in business and company.<br>There are no circumstances under Article 30 of the Companies Act. | There is no family relationship between directors such as a spouse or second degree.<br>Comply with the provisions of the Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed | 0 |
| Liu, Fu-Hua (Independent Director) | Have the required working experience in business and company.<br>There are no circumstances under Article 30 of the Companies Act. | There is no family relationship between directors such as spouses or second-degree.<br>Comply with the provisions of the Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed | 0 |
| Cheng, Tsuei-Yu (Independent Director) | Have the required working experience in finance and accounting.<br>There are no circumstances under Article 30 of the Companies Act. | There is no family relationship between directors such as spouses or second-degree.<br>Comply with the provisions of the Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed | 0 |

3. Board Diversity and Independence

(1) Board Diversity:

According to Article 20 of the Company's Code of Practice on Corporate Governance, the structure of the Board of Directors shall be taken into consideration the need for the practical operation of the company and determine the appropriate number of directors. The composition of the company's board of directors has considered diversification, and has set diversified specific management goals based on its own operations, operating types and development needs, which shall include but be not limited to standards covering the following two aspects:

A. Basic conditions and values: gender (one female at least or more), age, nationality, culture, etc.

B. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills and industry experience, etc.

The Board of Directors of the Company currently has 7 members (including 4 independent directors), one of whom is female and all from the R. O. C, aged between 51 and 70 years old. The board of directors as a whole has the ability and experience in diversified fields such as operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market outlook, leadership and decision-making, and also has a certain understanding of the company and the industry, with the ability to provide the company with the effective management advice and live up to the expectations of shareholders. The status of achievement is as follows:

| Director | Assessment of operational capabilities. | Accounting and financial analysis capabilities | Business management capabilities. | Crisis management capabilities. | Industry knowledge. | International market outlook. | leadership | Decision-making capacity |
|---|---|---|---|---|---|---|---|---|
| Chen, Hui-Min (male) | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Lee, Sheng-Su (male) | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mao, Ying-Wen (male) | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Huan, Ching-Mao (male) | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Hong Jing-Heng (male) | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Liu, Fu-Hua (male) | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Cheng, Tsuei-Yu (Female) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

(2)Board independence:

None of the members of the Company's Board of Directors has the circumstances specified in Paragraph 3 and Paragraph 4 of Article 26-3 of the Securities and Exchange Act (no spouse or relative relationship within the second-degree kinship). Furthermore, to maintain the independence of the independent directors, the seats of independent directors account for one-half (4 seats) of all directors this term. None of the four independent directors have served more than three terms, and two of them are newly elected in this term and can guarantee the independence within the scope of their business execution and use their own professional experience in finance, accounting and business to effectively supervise the company's operations and jointly create better board performance.

(2) Information on the general manager, deputy general manager, associate manager, and heads of various departments and branches

2026/04/20 (Book closure date).

| Tittle | Nationality | Name | Gender | Date of appointed | Holding shares | | Spouse and minor children hold shares | | Holding shares in the name of another person | | The main scriptures (learning) calendars | Currently concurrently serves as it Position in his company | A manager with a relationship with the spouse or second parent | | | Remark |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Number of shares | Holdings Ratio | Number of shares | Holding ratio | Number of shares | Share holding ratio | | | Job title | Name | Relationship | |
| Chairman | R.O.C. | Chen, Hui-Min | Male | 2010/03 | 732,566 | 1.12 | 223,417 | 0.34 | 0 | 0 | Oklahoma, USA<br>MBA from Central State University<br>Transcend Information, Inc<br>Associate Officer, Operations Branch | Silicon Power Computer & Com-medications, Chairman of the Netherlands B.V<br>Netinfo Investment (shares) company, Sitronix Technology Corp, Silicon Power Investment Co.,<br>Ltd. Director<br>Silicon Power Japan Co., Ltd<br>Ombudsman | None | None | None | (Note) |
| Vice Chairman | R.O.C. | Lee, Sheng-Su | Male | 2010/03 | 415,278 | 0.64 | 0 | 0 | 0 | 0 | National Taiwan University<br>Institute of Electrical Engineering<br>Sitronix Technology Corp.<br>managing director | Chairman and CEO of Sensortek Technology Corp.<br>Silicon Power Investment Co., Ltd Director | None | None | None | None |
| General Manager of the Business Group | R.O.C. | Hsieh, Chao-Min | man | 2010/12 | 674,016 | 1.03 | 129,689 | 0.20 | 0 | 0 | Jiaotong University<br>Institute of Business Management<br>Jianda Industrial (Shares) Company<br>Business Manager | None | None | None | None | None |
| General Manager of the Business Group | R.O.C. | Lin, Jin-You | Male | 2019/03 | 105,000 | 0.16 | 0 | 0 | 0 | 0 | Tsinghua University<br>Power Machinery Plant<br>Transcend Information, Inc<br>Deputy General Manager of Marketing | None | None | None | None | None |
| execute Deputy General Manager | R.O.C. | Lee, Qi-Han | man | 2015/08 | 205,000 | 0.31 | 0 | 0 | 0 | 0 | National Taiwan University<br>EMBA<br>Wufeng Technology (shares) Company<br>managing director | None | None | None | None | None |

| Tittle | Nationality | Name | Gender | Date of appointed | Holding shares | | Spouse and minor children hold shares | | Holding shares in the name of another person | | The main scriptures (learning) calendars | Currently concurrently serves as it Position in his company | A manager with a relationship with the spouse or second parent | | | Remark |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Number of shares | Holdings Ratio | Number of shares | Holding ratio | Number of shares | Share holding ratio | | | Job title | Name | Relationship | |
| Deputy General Manager | R.O.C. | Yuan, Liang-Ren | Male | 2012/01 | 223,574 | 0.34 | 0 | 0 | 0 | 0 | Jiaotong University Department of Telecommunications Engineering<br>Shin Hing Electronics (shares) Company Senior Project Manager<br>Special assistant of the general manager's office of the company | None | None | None | None | None |
| Deputy General Manager | R.O.C. | Hu, Chia-Ming | Male | 2024/03 | 50,000 | 0.08 | 0 | 0 | 0 | 0 | Institute of Communications Engineering, NYCU<br>Deputy General Manager of Product Marketing, StorArt Corporation.<br>Deputy General Manager of R&D, Transcend Information, Inc. | None | None | None | None | None |
| Deputy General Manager | R.O.C. | Zheng Zong-yang | Male | 2026/03 | 42,000 | 0.06 | 0 | 0 | 0 | 0 | University of Findlay，MBA<br>Benchmark Electronics Co., Ltd (U.S. branch) Business Manager | None | None | None | None | None |
| Deputy General Manager | R.O.C. | Wu Chih-liang | Male | 2026/05 | 0 | 0 | 0 | 0 | 0 | 0 | National Cheng Kung University Environmental Engineering Research Institute Weilui Technology Co., Ltd Deputy General Manager of Business | None | None | None | None | None |
| Director of Accounting | R.O.C. | Wu, Wang-Ping | Male | 2010/03 | 273,697 | 0.42 | 0 | 0 | 0 | 0 | Department of Accounting, Tunghai University<br>Accounting Manager of QNAP Technology (Shares) Company | None | None | None | None | None |

Note: The company currently has the chairman of the board of directors concurrently as the chief executive officer, which is reasonable and necessary for the purpose of improving the decision-making efficiency of operations, thereby improving business performance and creating higher value for the company.
In addition, to strengthen corporate governance, the company has added independent director seats as a response.

## 2. Remuneration paid to directors, supervisors, general managers, and deputy general managers in the latest year

(1) Remuneration for directors and independent directors

December 31, 2025; Unit: NT$ thousands

<table>
<tr><th colspan="2" rowspan="4">Title</th><th rowspan="4">Name</th><th colspan="8">Directors' Remuneration</th><th colspan="2" rowspan="2">Ratio of Total Remuneration (A+B+C+D) to Net Income (%)</th><th colspan="8">Relevant Remuneration Received by Directors Who are Also Employees</th><th colspan="2" rowspan="2">Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)</th><th rowspan="4">Receiving remuneration from investee companies other than subsidiaries or the parent company.</th></tr>
<tr><th colspan="2">Base Compensation (A)</th><th colspan="2">Severance Pay (B)</th><th colspan="2">Directors Compensation (C) (Note)</th><th colspan="2">Business Execution Fee (D)</th><th colspan="2">Salary, bonuses special expenses, etc. (E)</th><th colspan="2">Severance Pay (F)</th><th colspan="4">Employee remuneration (G) (Note)</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th><th colspan="2">The Company</th><th colspan="2">All companies in the financial report</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th></tr>
<tr><th>Cash</th><th>Stock</th><th>Cash</th><th>Stock</th></tr>
<tr><td rowspan="4">Director</td><td>Chairman</td><td>Chen, Hui-Min</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">2,222</td><td rowspan="4">2,222</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">1.65%</td><td rowspan="4">1.65%</td><td rowspan="4">10,759</td><td rowspan="4">10,759</td><td rowspan="4">108</td><td rowspan="4">108</td><td rowspan="4">917</td><td rowspan="4">0</td><td rowspan="4">917</td><td rowspan="4">0</td><td rowspan="4">14,005<br>10.42%</td><td rowspan="4">14,005<br>10.42%</td><td rowspan="4">No</td></tr>
<tr><td>Vice Chairman</td><td>Lee, Sheng-Su</td></tr>
<tr><td>director</td><td>Yuan, Pei-Rong (Note)</td></tr>
<tr><td>director</td><td>Sitronix Technology Corp.</td></tr>
<tr><td colspan="2">Independent Director</td><td>Huang, Ching-Mao<br>Hong, Jing-Heng<br>Liu, Fu-Hua<br>Cheng, Tsuei-Yu</td><td>1,600</td><td>1,600</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>1.19%</td><td>1.19%</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>1,600<br>1.19%</td><td>1,600<br>1.19%</td><td>No</td></tr>
<tr><td colspan="24">1. Please describe the policies, systems, standards, and structure of independent directors' remuneration payments, and describe the correlation with the amount of remuneration according to factors such as responsibilities, risks, and investment time<br>The remuneration of independent directors is determined by the Board of Directors by the provisions of the articles of association, the degree of participation and value of their contribution to the operation of the company, and taking into account the domestic and foreign industry standards. The remuneration of the independent director is a fixed remuneration and does not participate in the company’s surplus distribution.<br>2. In addition to the disclosure in the above table, the remuneration received by the directors of the company for services rendered in the most recent year (such as acting as consultants to all companies in the parent company/financial reporting companies that are not employees, etc.): None.</td></tr>
</table>

Note: According to the resolution of the Board of Directors of the company dated March 06, 2026, the amount of employee remuneration for 2025 will be distributed; The proposed distribution amount for this year is calculated in proportion to the actual distribution amount last year.

Note: Yuan, Pei-Rong resigned on 2026.03.31.

Range of Remuneration

| Remuneration range for each director of the Company | Name of Director | | | |
|---|---|---|---|---|
| | The total amount of the first four honoraria (A+B+C+D). | | The total amount of the first seven honoraria (A+B+C+D+E+F+G). | |
| | The Company | All companies in the financial report | The Company | All companies in the financial report |
| Less than $1,000,000 | Chen, Hui-Min<br>Lee, Sheng-Su<br>Yuan, Pei-Rong<br>Huang, Ching-Mao<br>Hong, Jing-Heng<br>Liu, Fu-Hua<br>Cheng, Tsuei-Yu<br>Sitronix Technology Corp. | Same as left | Huang, Ching-Mao<br>Hong, Jing-Heng<br>Liu, Fu-Hua<br>Cheng, Tsuei-Yu<br>Sitronix Technology Corp. | Same as left |
| NT$1,000,000 ~ NT$1,999,999 | -- | -- | -- | -- |
| NT$2,000,000 ~ NT$3,499,999 | -- | -- | Lee, Sheng-Su | Same as left |
| NT$3,500,000 ~ NT$4,999,999 | -- | -- | Yuan, Pei-Rong | Same as left |
| NT$5,000,000 ~ NT$9,999,999 | -- | -- | Chen, Hui-Min | Same as left |
| NT$10,000,000 ~ NT$14,999,999 | -- | -- | -- | -- |
| NT$15,000,000 ~ NT$29,999,999 | -- | -- | -- | -- |
| NT$30,000,000 ~ NT$49,999,999 | -- | -- | -- | -- |
| NT$50,000,000 ~ NT$99,999,999 | -- | -- | -- | -- |
| Greater than or equal to NT$100,000,000 | -- | -- | -- | -- |
| total | 8 people | 8 people | 8 people | 8 people |

(2) Supervisor's remuneration: The company has set up an audit committee, so it is not applicable.

(3) Remuneration of the general manager and deputy general manager

December 31, 2025; Unit: NT$ thousands

<table>
<tr><th rowspan="3">Title</th><th rowspan="3">Name</th><th colspan="2">Salary<br>(A)</th><th colspan="2">Retirement pension<br>(B)</th><th colspan="2">Bonuses and special expenses etc. (C).</th><th colspan="4">Amount of employee remuneration<br>(D) (Note 1)</th><th colspan="2">The total amount of the four items A, B, C, and D and their proportion to net profit after tax (%)</th><th rowspan="3">Receive remuneration from a subsidiary for a re-investment business or parent company</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th><th colspan="2">The Company</th><th colspan="2">Financial Reporting All companies within</th><th rowspan="2">The Company</th><th rowspan="2">Financial reporting Sue Neosho There are companies</th></tr>
<tr><th>Cash bonus amount</th><th>Stock dividend amount</th><th>Cash bonus amount</th><th>Stock dividend amount</th></tr>
<tr><td>CEO</td><td>Chen, Hui-Min</td><td rowspan="11">36,664</td><td rowspan="11">36,664</td><td rowspan="11">947</td><td rowspan="11">947</td><td rowspan="11">5,520</td><td rowspan="11">5,520</td><td rowspan="11">5,055</td><td rowspan="11">0</td><td rowspan="11">5,055</td><td rowspan="11">0</td><td rowspan="11">48,186<br>35.86%</td><td rowspan="11">48,186<br>35.86%</td><td rowspan="11">none</td></tr>
<tr><td>Deputy Chief Executive Officer</td><td>Lee, Sheng-Su</td></tr>
<tr><td>General Manager</td><td>Yuan, Pei-Rong (Note2)</td></tr>
<tr><td>General Manager of the Business Group</td><td>Hsieh, Chao-Min</td></tr>
<tr><td>General Manager of the Business Group</td><td>Lin, Jin-You</td></tr>
<tr><td>Executive Deputy General Manager</td><td>Lee, Qi-Han</td></tr>
<tr><td>Deputy General Manager</td><td>Yuan, Liang-Ren</td></tr>
<tr><td>Deputy General Manager</td><td>Hu, Jia-Ming</td></tr>
<tr><td>Deputy General Manager</td><td>Zheng Zong-yang (Note 2)</td></tr>
<tr><td>Deputy General Manager</td><td>Wu Chih-liang (Note 2)</td></tr>
<tr><td>Deputy General Manager</td><td>Wu, Meng-Shuan (Note 2)</td></tr>
</table>

Note 1: According to the resolution of the Board of Directors of the company on March 14, 2025, the amount of employee remuneration for 2024 will be distributed; The proposed distribution amount for this year is calculated in proportion to the actual distribution amount last year.

Note 2: Yuan Pei-rong retired on March 31, 2026; Wu,Meng-Shuan resigned on December 05, 2025; Cheng Tsung-yang and Wu Chih-liang were newly appointed on March 06, 2026 and May 08, 2026.

Range of Remuneration

| Pay the remuneration level of each general manager and deputy general manager of the Company | Names of General Manager and Deputy General Manager | |
|---|---|---|
| | The Company | All companies in the financial report |
| Less than $1,000,000 | -- | -- |
| NT$1,000,000 ~ NT$1,999,999 | Lee, Sheng-Su；Yuan, Liang-Ren | Same as left |
| NT$2,000,000 ~ NT$3,499,999 | Hu, Jia-Ming；Wu Chih-liang | Same as left |
| NT$3,500,000 ~ NT$4,999,999 | Yuan, Pei-Rong；Wu, Meng-Shuan；Zheng Zong-yang | Same as left |
| NT$5,000,000 ~ NT$9,999,999 | Chen, Hui-Min；Hsieh, Chao-Min；Lin, Jin-You；Lee, Qi-Han | Same as left |
| NT$10,000,000 ~ NT$14,999,999 | -- | -- |
| NT$15,000,000 ~ NT$29,999,999 | -- | -- |
| NT$30,000,000 ~ NT$49,999,999 | -- | -- |
| NT$50,000,000 ~ NT$99,999,999 | -- | -- |
| Greater than or equal to NT$100,000,000 | -- | -- |
| Total | 11 people | 11 people |

(4) Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers:

December 31, 2025; Unit: NT$ thousands

| Title | | Name | Stock dividends Amount | Cash bonuses Amount (Note 1). | Total | Ratio of Total Amount to Net Income (%) |
|---|---|---|---|---|---|---|
| Managers | CEO | Chen, Hui-Min | 0 | 5,267 | 5,267 | 3.92% |
| | Deputy Chief Executive Officer | Lee, Sheng-Su | | | | |
| | General Manager | Yuan, Pei-Rong (Note 2.) | | | | |
| | General Manager of the Business Group | Hsieh, Chao-Min | | | | |
| | General Manager of the Business Group | Lin, Jin-You | | | | |
| | Executive Deputy General Manager | Lee, Qi-Han | | | | |
| | Deputy General Manager | Yuan, Liang-Ren | | | | |
| | Deputy General Manager | Hu, Jia-Ming | | | | |
| | Deputy General Manager | Zheng Zong-yang (Note 2) | | | | |
| | Deputy General Manager | Wu Chih-liang (Note 2) | | | | |
| | Deputy General Manager | Wu, Meng-Shuan (Note 2.) | | | | |
| | Director of Accounting | Wu, Wang-Ping | | | | |

Note 1: According to the resolution of the Board of Directors of the company on March 06, 2026, the amount of employee remuneration for 2025 will be distributed; The proposed distribution amount for this year is calculated in proportion to the actual distribution amount last year.

Note 2: Yuan Pei-rong retired on March 31, 2026; Wu,Meng-Shuan resigned on December 05, 2025; Cheng Tsung-yang and Wu Chih-liang were newly appointed on March 06, 2026 and May 08, 2026.

(5) The Company and all companies in the consolidated statements paid directors, supervisors, general managers, and deputy of the Company for the last two years General Scripture Analysis of the proportion of total remuneration to net profit after tax, an explanation of the policy, standard, and combination of remuneration, and procedures for setting remuneration and their relevance to business performance and future risks.

| Project Title | The proportion of remuneration to net profit after tax | | | |
|---|---|---|---|---|
| | 2025 | | 2024 | |
| | The Company | Companies in the consolidated financial statements | The Company | Companies in the consolidated financial statements |
| Director | 11.61% | 11.61% | 14.88% | 14.88% |
| Supervisor | The Company has established an audit committee and therefore does not apply. | | | |
| General Manager and Deputy General Manager | 35.86% | 35.86% | 34.79% | 34.79% |

Note: The Board of Directors of the company 2026.03.06 resolved to distribute NT$16,854,000 for the year 2025 annual employee remuneration, NT$2,222,000 for Directors remuneration, and reported to the regular shareholders' meeting to be held on June 18, 2026.

According to Article 26-1 of the Company's Articles of Incorporation, no more than 3% of the company's annual profit shall be allocated as compensation for directors of the company; in addition to the accordance with the "Director Compensation Management Measures," as well as factors including the performance evaluation of directors and board attendance. circumstances and directors' training status, and thus further to their contribution to the company's performance, reasonable remuneration will be given. The remuneration of independent directors was determined by the resolution of the board of directors with reference to domestic and foreign industry standards and in accordance with the "Directors' Remuneration Management Measures". The independent directors receive fixed remuneration and do not participate in the company's profit distribution. In addition, according to Article 26-1 of the Company's Articles of Incorporation, 10%~20% of the company's annual profit shall be allocated as the employees' remuneration, which shall be resolved by the Board of Directors and submitted to the regular shareholders' meeting. Managers' compensation shall be decided in a reasonable manner on the basis of the results of evaluation according to the company's "Performance Appraisal Implementation Rules", where performance bonus and employee's compensation related to operational performance. The company takes into account the company's overall profitability for the year and conducts annual performance appraisals for managers, with the evaluation indicators mainly including the annual target achievement rate, department management effectiveness and other conditions to calculate the remuneration amount and submits it to the salary and remuneration committee for review and implement after the approval by the board of directors.

In summary, the policies, standards and combinations of remuneration for directors, general manager, and deputy general managers of the Company, as well as the procedures for setting their remuneration are reasonable, which shall be positively correlative to their gradually improving operation performance.

## 3. Corporate governance operations

(1) The Operation of the Board of Directors

A total of 4 (A) meetings of the Board of Directors were held in 2025 and the attendance of the Directors is as follows:

| Title | Name | Attendance in Person (B). | Attendance by proxy | Actual attendance rate (%) B/A | Remarks |
|---|---|---|---|---|---|
| Chairman | Chen, Hui-Min | 4 | 0 | 100 | None |
| Vice Chairman | Lee, Sheng-Su | 3 | 1 | 75 | None |
| Director | Yuan, Pei-Rong | 4 | 0 | 100 | None |
| Director | Sitronix Technology Corp. Representative person Mao, Ying-Wen | 3 | 1 | 75 | None |
| Independent Director | Huang, Ching-Mao | 4 | 0 | 100 | None |
| Independent Director | Hong, Jing-Heng | 4 | 0 | 100 | None |
| Independent Director | Liu, Fu-Hua | 3 | 1 | 75 | None |
| Independent Director | Cheng, Tsuei-Yu | 4 | 0 | 100 | None |

Other matters that should be recorded:

1. In any of the following circumstances, the operation of the Board of Directors shall specify the date, period, content of the proposal, the opinions of all independent directors, and the company's handling of the opinions of independent directors:
   (1) Matters listed in Article 14-3 of the Securities and Exchange Act: For relevant matters, please refer to the Company's annual report "II. Corporate Governance Report > III. Corporate Governance Operation > (2) Operation of the Audit Committee".
   (2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing require a resolution by the board of directors: None.
2. If there is a request of directors for conflict of interests, please specify the names of the directors, the content of the proposal, the reasons for the recusal of interests, and the circumstances of participation in the voting:
   August 8, 2025, Board of Directors: Chen, Hui-Min, Lee, Sheng-Su, Yuan, Pei-Rong did not participate in the discussion and voting due to the conflict of interest in the proposal " Payment of Remuneration for Managers and Employees in 2024".
3. Evaluation and implementation of the Board of Directors:

The Company has formulated the "Board Performance Evaluation Measures" and completed, by January 31, 2026, the 2025 Annual Self-Assessment of Directors and the performance evaluation of functional committee (alary and remuneration committee and audit committee) and board of directors) by the submission to the board of directors of audit unit on March 06, 2026.

| Evaluation period | Scope of evaluation | Evaluation method | Evaluation content |
|---|---|---|---|
| January 1st of 2025 to December 31, 2025.<br><br>(Evaluation cycle is per fiscal year) | Individual Board members | Self-assessment by directors | 1. Mastery of company goals and tasks.<br>2. Acknowledgement of directors' responsibilities.<br>3. Degree of participation in company's operation.<br>4. Management and communication of internal relationships.<br>5. Professional and continuing education of directors.<br>6. Internal controls. |
| | Functional committee/alary and remuneration committee | Self-assessment by functional committee members | 1. Degree of participation in company's operation.<br>2. Acknowledgement of committee's responsibilities.<br>3. Improving resolution quality of functional committee.<br>4. Composition of functional committee and election of members.<br>5. Internal control. |
| | Functional committee/ audit committee | Self-assessment by functional committee members | 1. Degree of participation in company's operation.<br>2. Acknowledgement of committee's responsibilities.<br>3. Improving resolution quality of functional committee.<br>4. Composition of functional committee and election of members.<br>5. Internal control. |
| | Board of Directors | Assessment by deliberative units | 1. Degree of participation in company's operation.<br>2. Improving resolution quality of board of directors.<br>3. Composition of board of directors and election of members.<br>4. Professional and continuing education of directors.<br>5. Internal control. |

4. Assessment of the objectives and implementation of the strengthening of the functions of the Board of Directors in the current and most recent years

| Strengthening the functional objectives of the Board of Directors | Perform a situation assessment |
|---|---|
| Improve the quality of the Board of Directors | Strengthen the functions of the Board of Directors, adopt the candidate's nomination system, and have a diversified membership and professional ability.<br>Arrange board with continuous education programs every year, and regularly disseminate policies and laws to enhance the board's operational and decision-making capabilities. |
| Improve the structure of the Board of Directors | The Company has established an Audit Committee, which is composed of all independent directors in a professional capacity to review various important proposals. In addition, a Remuneration Committee has been set up to evaluate and review the remuneration system of directors and managers of the company on an annual basis and make recommendations to the Board for the Board's decision-making reference. Furthermore, the Board of Directors of the company has resulted on November 3, 2023 to establish Sustainable Development Committee to assist the board of directors to promote sustainable development work and devote to environmental sustainability(E), social responsibility (S), and corporate governance (G), so that the company may move towards sustainable management. |
| Compliance with directors' interest's recusal | If there is a need for directors to recuse themselves in a board motion, the directors will recuse themselves. |
| Assess the independence of a certified accountant | "PwC Taiwan Accounting Firm" currently entrusted by the Company is one of the four major firms in Taiwan, and the Board of Directors regularly assesses the independence of certified accountants from the following aspect every year to enhance the credit of the Company's financial reports<br>1. Statement of independence issued by the accountant.<br>2. Ensure that the accountant does not have any material financial interests or potential employment relationships with the Company and its subsidiaries, which in turn may affect their independence.<br>3. The same accountant has not performed audit services for more than seven consecutive years. |
| Operated by laws and policies | The Board of Directors has indeed complied with the "Rules of Board Meeting" and adhered to the spirit of information transparency, and major resolutions of the Board of Directors were announced on the Public Information Observatory and the company's website by regulations, and the implementation was good. |
| Internal control | The audit unit supervises the company's internal control and risk management, and the audit supervisor attends the Board of Directors to report its implementation. |

(2) The operation of the Audit Committee

A total of 4 (A) audit committee meetings were held in 2025 and the attendance of directors is as follows:

| Title | Name | Attendance in person (B). | Attendance by proxy | Actual attendance (%) B / A | Remarks |
|---|---|---|---|---|---|
| Independent Director | Huang, Ching-Mao | 4 | 0 | 100 | None |
| Independent Director | Hong, Jing-Heng | 4 | 0 | 100 | None |
| Independent Director | Liu, Fu-Hua | 3 | 1 | 75 | None |
| Independent Director | Cheng, Tsuei-Yu | 4 | 0 | 100 | None |

Other matters that should be recorded:

1. The Audit Committee of the Company is composed of all independent directors to assist the Board of Directors in improving the performance of corporate governance and supervising the effective implementation of the company's internal controls, as well as the proper expression and integrity of financial reporting.
   The focus of the review includes the policy and implementation of the internal control system, the financial statements and accounting policy and implementation, policy and implementation of the acquisition or disposal of major assets and corporate risk management.
2. In any of the following circumstances, please state the date and session of the meeting of the Audit Committee, content of proposal, independent directors' objections, qualified opinions or major recommendation items, audit committee’s resolution results, and the Company’s handling of the opinions of the Audit Committee:
   (1) The matters listed in Article 14-5 of the Securities Exchange Act and the operational situation

<table>
<tr><th>Meeting date</th><th>Important resolutions</th><th>Matters listed in Article 14-5 of the Securities and Exchange Act</th><th>Independent Directors' Opinions and Audit Committee Resolutions</th><th>How the Company (Board of Directors) handles the opinions of the Audit Committee.</th></tr>
<tr><td rowspan="8">2025.03.14<br>The 3rd Board of Directors, 7th Meeting</td><td>Proposal for the 2024 Statement of Internal Control System</td><td>✓</td><td rowspan="8">All Independent Directors expressed their approval, and the proposal was passed as originally agreed by all members of the Audit Committee..</td><td rowspan="8">Based on the recommendations of the Audit Committee, the Company (Board of Directors) approved all resolutions and carried out subsequent related procedures.</td></tr>
<tr><td>Proposal to revise internal control system</td><td>✓</td></tr>
<tr><td>Proposal to amend the "Rules of Procedure for Shareholders' Meetings"</td><td>✓</td></tr>
<tr><td>Proposal to amend the "Articles of Association"</td><td>✓</td></tr>
<tr><td>Proposal to replace visa accountant</td><td>✓</td></tr>
<tr><td>Proposal for Appointment of Visa Accountant's Remuneration and Independence Assessment</td><td>✓</td></tr>
<tr><td>Proposal regarding the allocation of restricted employee rights new shares to non-management employees in 2023.</td><td>✓</td></tr>
<tr><td>Proposal to set benchmark date for restricted employee rights new share capital increase in 2023</td><td></td></tr>
</table>

| Meeting date | Important resolutions | Matters listed in Article 14-5 of the Securities and Exchange Act | Independent Directors' Opinions and Audit Committee Resolutions | How the Company (Board of Directors) handles the opinions of the Audit Committee. |
|---|---|---|---|---|
| | Proposal for the 2024 Annual Business Report and Consolidated Financial Report (including Individual Financial Reports) | ✓ | | |
| | 2024 Profit Distribution Proposal | | | |
| | 2024 Cash Dividend Distribution Proposal | | | |
| 2025.05.02 The 3rd Board of Directors, 8th Meeting | Consolidated financial statements for the first quarter of 2025 | ✓ | | |
| 2025.08.08 The 3rd Board of Directors, 9th Meeting | Consolidated financial statements for the second quarter of 2025 | ✓ | | |
| 2025.11.07 The 3rd Board of Directors, 10th Meeting | 2026 Internal Audit Plan | ✓ | | |
| | Amendments to the "Code of Corporate Governance Practices" and the "Code of Sustainability Practices" | ✓ | | |
| | Proposal to revise internal control system | ✓ | | |
| | Consolidated financial statements for the third quarter of 2025 | ✓ | | |

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

3. Implementation of the independent director's recusal for conflict of interests: None.

4. Communication between independent directors and internal audit supervisors and accountants:

In addition to reporting the audit every month, the head of the audit hall explains the internal audit planning and implementation to the independent directors before the quarterly audit committee meeting and consult opinions from independent directors to enhance the operation efficiency of the Board and operating departments.

Up to now, the independent directors of the Company and the audit supervisor have maintained good communication.

| Date of discussion | Discussion topics | Results |
|---|---|---|
| 2025.08.08 | The review focus and results of the audit plan for Q2 | After the report, the independent directors had no objections toward the report |
| 2025.11.04 | The review focus and results of the audit plan for Q3 | After the report, the independent directors had no objections toward the report |
| 2026.03.06 | The review focus and results of the audit plan for Q4 | After the report, the independent directors had no objections toward the report |

The accountant will report the highlights of the Company's financial audit to the independent directors every quarter and provide explanations. After communication, the accountant will issue an audit report to be submitted to the Board of Directors.

Up to now, the independent directors of the Company have good communication with the accountants.

| Date of discussion | Discussion topics | Results |
|---|---|---|
| 2025.03.14 | Audit scope, findings, other communication matters of the consolidated and individual financial reports for 2024 Q4 and the independence of auditor.<br>Update in accounting, audit, and tax laws. | After the report, the independent directors had no objections toward the report |
| 2025.05.02 | Audit scope, findings, other communication matters of the consolidated and individual financial reports for 2025 Q1 and the independence of auditor.<br>Update in accounting, audit, and tax laws. | After the report, the independent directors had no objections toward the report |
| 2026.03.06 | Audit scope, findings, other communication matters of the consolidated and individual financial reports for 2025 Q4 and the independence of auditor.<br>Update in accounting, audit, and tax laws. | After the report, the independent directors had no objections toward the report |

(3) The operation of corporate governance and the deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and the Reasons for any such deviation

| Evaluation Item | Implementation Status | | | Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons |
|---|---|---|---|---|
| | Yes | No | Abstract Illustration | |
| 1. Has the company formulated and disclosed the Code of Practice on Corporate Governance by the Code of Practice on Corporate Governance for Listed and OTC Companies? | ✓ | | The Company has formulated a Code of Practice on Corporate Governance and disclosed it on the official website and the Public Information Observatory. | None |
| 2. Shareholding structure and shareholders' rights<br>(1) Whether the company has established internal operating procedures to handling shareholder proposals, doubts, and disputes and litigation matters, and implement them in accordance with procedures? | ✓ | | (1) The Company has a spokesperson, proxy spokesperson and stock affairs unit, and has set up an "investor area" on the official website to deal with shareholder suggestions or disputes. | None |
| (2) Whether the company has actual control over the company of major shareholders and the largest number of major shareholders list of ultimate controllers? | ✓ | | (2) The Company and the stock agency regularly grasp the shareholding situation of the major shareholders and maintain good relations with investors. | None |
| (3) Does the company establish and execute the risk management and firewall system within its conglomerate structure? | ✓ | | (3) The Company has formulated the relevant rules of "Operation Specifications for Financial Business between Related Parties" and "Risk Management Policy” and implemented them in accordance with the provisions. | None |
| (4) Does the company establish internal rules against insiders trading of securities with undisclosed information? | ✓ | | (4) The Company has established the " Operating Procedures for Processing Internal Major Information and Prevention of Insider Trading Management " and "Risk Control for Other Management Operations", which explicitly prohibit insider trading activities, and publicity activities are organized from time to time. | None |

| | | | | |
|---|---|---|---|---|
| 3. Composition and responsibilities of the Board of Directors<br>(1) Whether the Board of Directors has formulated a deified policy, specific management objectives and implementation? | ✓ | | (1) Please refer to the annual report "II. Corporate Governance Report/I. Information on directors, supervisors, general managers, deputy general managers, associate managers, heads of departments and branches /(I) Directors, Supervisors/C. Diversity and Independence of the Board of Directors" for the formulation of diversification policies and specific management objectives, and implementation by the board of directors. | No Difference |
| (2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?<br><br>(3) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?<br><br>(4) Does the company regularly evaluate the independence of CPAs? | ✓<br><br>✓<br><br>✓ | | (2) At present, the company has not only set up Remuneration Committee and the Audit Committee, but also established Sustainable Development Committee on November 3, 2023 by the board of directors, in order to carry out the goal of sustainable development of the company.<br><br>(3) The Company has set up “Board Performance Evaluation Measures” and such evaluation was completed before January 31, 2026 and reported by audit committee to the Board of Directors on March 06, 2026. Performance evaluation results are referenced when determining the remuneration of individual directors and nominations for reelection.<br><br>(4) PwC Taiwan Accounting Firm currently entrusted by the Company is one of the four major firms in Taiwan. The Audit Committee take reference of AQI to review the independence and suitability of CPAs, and submitted for resolution by Board of Directors.<br>The Board of Directors review the independence of CPAs on March 06, 2026 based on key standards below:<br>a. It is certain that there is no major financial interest or potential employment relationships, neither does the committee member acquire or accept gifts or presents further to affect the independence.<br>b. Accountants comply with independence to represent certified accountant and a statement shall be provided by the accounting firm.<br>c. Same accountant does not conduct certification service for a consistent 7 years. | None<br><br>None<br><br>None |
| 4. Does the company appoint a suitable number of designated (concurrent) competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)? | ✓ | | The company has appointed senior supervisor, Wang-Ping Wu, responsible for corporate governance matters, and a designated unit of corporate governance for handling related affairs.<br>The main obligations shall include handling furnishing information required for business execution by directors, assisting in continuous development of directors, assisting directors with legal compliance, and handling matters relating to board meetings and shareholders meetings according to laws.<br>12 hours of continuing education has been completed in accordance with laws in 2025, which complies to the regulation of continuing education. | None |
| 5. Whether the company has established a relationship with interested parties (including but not limited to shareholders, employees, customers and suppliers, etc.) communication channel and setting stakes on the company official websites-<br>contact area, and properly respond to interests the important corporate social responsibility issues? | ✓ | | The company has set up a “Stakeholder Zone” on the official website. If interested parties have any comments or questions, they can directly respond to them, and a dedicated unit will be responsible for responding, so as to protect the rights and interests of the company's stakeholders. | None |

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| 6. Whether the company appoints a professional stock affairs agent in institutions to handle shareholder affairs? | ✓ | | The company has appointed a professional stock affairs agent called " Capital Securities Corporation. Stock Affairs Agency Department" as the company's stock affairs agent to be responsible for handling the affairs of the shareholders' meeting. | None |
| 7.Information Disclosure<br>(1) Whether the company has set up a website to disclose financial status and corporate governance information?<br><br>(2) Whether the company adopts other information disclosure (such a setting up an English website, appointing a special person to be responsible for the search of company information gathering, exposing and implementing the rule of spokesman, legal person briefing posted on company official website?<br><br>(3) Whether the company is announcing and declare Annual financial statements within two months business report, and on the premise of the specified deal line, early announcement and declaration of the first, second and third quarter financial reports and monthly operating conditions shape? | ✓<br><br>✓ | <br><br><br>✓ | (1) The company has set up a “Investors Zone” on the official website, and regularly disclose financial status, corporate governance, and other related information for investors’ study and searching purposes.<br><br>(2) The company has a spokesperson and an agent to spokesman, and the corporate governance unit is responsible for responsible for the collection and disclosure of company information. Investors can also use the "Open Information Observatory." Inquire about the company's latest news.<br><br>(3) The company is currently announcing before the prescribed deal line and declare the first, second and third quarter financial reports and the operating conditions of each month. | None<br><br>None<br><br>The financial report has not been announced within two months after the end of this year. |
| 8. Whether the company has other important information that is helpful to understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of interested parties, training of directors and supervisors, The implementation of risk management policies and risk measurement standards, the implementation of customer policies, the company’s purchase of liability insurance for directors and supervisors, etc.)? | ✓ | | The company attaches great importance to corporate governance. In addition to formulating several corporate governance-related regulations, it has also set up multiple communication channels. Stakeholders of the company can learn about the operation of corporate governance through public information such as the official website, the annual report of the shareholders' meeting, and the public information observation station. In addition, the company has established "Information System Security Management Operation Procedures", which are supervised and implemented by relevant units to ensure the company's information security and reduce risks.<br>All the directors of the company have regular training and have purchased liability insurance to reduce the company's risk exposure. (please refer to next page) | None |
| 9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures: The company has continued to handle relevant matters and measures in accordance with the internal Corporate Governance Best Practice Principles based on the corporate governance evaluation results. | ✓ | | The company continues to strengthen corporate governance, formulates comprehensive relevant corporate governance regulations, and cooperates with the "Corporate Governance Evaluation System" established by the competent authorities to help investors understand the effectiveness of corporate governance implementation.<br>The company's 2025 annual evaluation and ranking range is 6-20% of all OTC companies. It is a significant improvement from the past year. In the future, it will continue to implement corporate governance to protect shareholders' rights and interests. | None |

Other important information of the company that is helpful to understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of stakeholders, training of directors and supervisors, implementation of risk management policies and risk measurement standards, implementation of customer policies, and the purchase of liability insurance by the company for directors and supervisors, etc.).

(1) Employee Rights:

The company owns comprehensive working guidelines to regulate the labor rights and obligations between colleagues, so that both parties follow them, and report to the local competent authority for verification. Its main contents include general principles, employment and dismissal, salary, working hours, break, vacation, leave, retirement, female workers, attendance, assessment, reward and punishment and promotion, occupational disaster compensation and care, welfare measures, and safety and health, sexual harassment prevention, workplace bullying prevention, and treatment, etc., all of which are based on the principle of protecting the rights and interests of colleagues and the healthy operation of the company.

(2) Employee Care:

Under the principle of "Global layout, rooted in Taiwan", the company has always adhered to the concept of steady operation and is in line with international standards. The commuting mode adopts the mechanism of two days off per week and flexible work so that colleagues have more freedom and flexibility in work. Labor insurance, universal health insurance, and pension withdrawals that work hours and strictly comply with laws and regulations begin and extend to everyone. Group accident insurance and hospitalization medical insurance for employees.

Healthy employees are usually more energetic and focused. The company has hired contracted medical staff to provide on-site health services, offering health consultation and education related information. In case of abnormal health management issues, suggestions for taking measures and tracking improvement measures will be proposed. To assist colleagues in understanding the importance of health, learning to maintain physical and mental health, and reducing the risk of illness, health lectures are arranged every year. Through preventive health education, colleagues learn how to avoid common health problems and enhance their health awareness. In 2024, a total of 2 health lectures were arranged with 65 participants.

We believe that "memory" is unique and exclusive to everyone! In all aspects of care measures for operating colleagues, the Company organizes the establishment of the Employee Welfare Committee and the Humanities Inheritance Planning Office, so that colleagues can “not only see, but also use" the blessing benefit policy. In addition to New Year's gifts, year-end lottery, marriage, maternity subsidies, hospitalization condolences, death condolences for dependents, emergency loans for colleagues, scholarships, and grants, it is a partner who can carry forward long-term bonds Relationships", we spare no effort to care about the balance between work and family. Because the company believes Thetford colleagues to have a "work-life balance" life, three things must be done: first, "to 'share' business results and a sustainable future with colleagues"; In addition, they should “care' for the happiness of colleagues at each stage of life" Finally, it is necessary to "become a 'trustworthy' partner".

(3) Investor Relations:

To protect the rights and interests of investors, the company announces financial, business and material information in real time in accordance with the regulations and sets up an "investor area" on the company's website, and the dedicated unit is responsible for handling investor-related matters.

(4) Supplier Relations:

The company has established supplier management operating procedures, all cooperative suppliers must meet the review and evaluation standards, the company also maintains good interaction with various suppliers and have long-term and stable cooperative relations, with a view to jointly striving to enhance social responsibility.

(5) Rights of stakeholders:

The Company has set up a "Stakeholder Zone" on the Company's website to protect the rights and interests of the Company's stakeholders and allow stakeholders. We may communicate and advise the company to protect its legitimate rights and interests.

(6) Continuing education for directors:

| Name | Continuing education date | Organizer | Course name | Study hours |
|---|---|---|---|---|
| Chen Hui-min | 2025.07.29 | Taiwan Investor Relations Institute | New Concepts in Family Tax Succession | 6 |
| | 2025.07.31 | Taiwan Investor Relations Institute | Leading Strategies for Enterprise Sustainability in AI Transformation | |
| Li Sheng-shu | 2025.07.29 | Taiwan Investor Relations Institute | New Concepts in Family Tax Succession | 6 |
| | 2025.07.31 | Taiwan Investor Relations Institute | Leading Strategies for Enterprise Sustainability in AI Transformation | |
| Mao Ying-wen | 2025.07.29 | Taiwan Investor Relations Institute | New Concepts in Family Tax Succession | 6 |
| | 2025.07.31 | Taiwan Investor Relations Institute | Leading Strategies for Enterprise Sustainability in AI Transformation | |
| Huang Qing-mao | 2025.08.26 | The Institute of Internal Auditors - Taiwan。 | Enhance corporate sustainability value and improve risk management. | 6 |
| Hong Jing-heng | 2025.09.04 | The Institute of Internal Auditors - Taiwan。 | Payroll Cycle and the Labor Incident Act from a Corporate Governance Perspective | 6 |
| Liu Fu-hua | 2025.09.04 | The Institute of Internal Auditors - Taiwan。 | Payroll Cycle and the Labor Incident Act from a Corporate Governance Perspective | 6 |
| Zheng Cui-yu | 2025.04.10 | National Federation of Certified Public Accountant Associations, R.O.C. | Key Points and Clarifications of Corporate Income Tax Declaration | 7 |

Note: The training of directors of the Company complies with the requirements of the "Implementation Focus for the Continuing Education of Directors and Supervisors of Listed and OTC Companies".

(7) Implementation of risk management policy and risk measurement standards: The company has formulated a “Risk Management Policy” to reduce potential risks to business operation. In addition, the company also has established "Operating Procedures for Information System Security Management", which is operated by relevant units responsible for supervising the implementation and strengthening of information security protection to ensure enterprise information security and reduce risks.

(8) Implementation of customer policy: The company accepts orders of small quantity and diversity with a complete range of products, which can be shipped within 48 hours to all over the world. Dynamic prices and price protection mechanisms are provided to make distributors willing to promote the company's products also cooperate with the provision of RMA center services, to achieve the purpose of one-time purchase and fast maintenance.

(9) The situation in which the company purchases liability insurance for directors and supervisors: the company ensures directors' liability insurance for directors every year. The insurance situation has been reported to the Board of Directors on August 08, 2025.

(10) Intellectual property is one of the company's core competitive advantages. By encouraging employee innovation and creating high-quality R&D results, and actively managing intellectual property, we regularly review global sales regions according to trademark usage, conducting trademark registration, extension, and review and confirmation to strengthen our operational competitiveness. The relevant implementation status was subsequently submitted to the Board of Directors on November 7, 2025: 1. Patent Management: Our company holds a total of 28 domestic and international patents. 2. Trade Secret Management: In response to the company's ongoing strengthening of confidentiality requirements, we must sign confidentiality agreements with partners involved in confidential information cases. Internal staff are also trained. As of October 2025, 227 employees have received intellectual property knowledge promotion and training courses.

(4) If the company has set up a remuneration committee, it shall disclose its composition, responsibilities and operation:

1. Information of members of the Remuneration Committee:

2026/04/20 (closing date).

| Qualification / Capacity/Name | | Professional qualifications and experience | Independence situation | Number of other public companies at which the person concurrently serves as remuneration committee member |
|---|---|---|---|---|
| Independent director | Huang, Ching-Mao | Have the required working experience in business and company. There are no circumstances under Article 30 of the Company Act. | The directors have no kinship within spouses and second relatives, etc., in accordance with the provisions of the "Regulations on the Establishment and Compliance of Independent Directors of Public Offering Companies." | 0 |
| Independent director | Hong, Jing-Heng | Have the required working experience in business and company. There are no circumstances under Article 30 of the Company Act. | The directors have no kinship within spouses and second relatives, etc., in accordance with the provisions of the "Regulations on the Establishment and Compliance of Independent Directors of Public Offering Companies." | 0 |
| Independent director | Liu, Fu-Hua | Have the required working experience in business and company. There are no circumstances under Article 30 of the Company Act. | The directors have no kinship within spouses and second relatives, etc., in accordance with the provisions of the "Regulations on the Establishment and Compliance of Independent Directors of Public Offering Companies." | 0 |
| Independent director | Cheng, Tsuei-Yu | Experience in finance and accounting.<br>Convenor of the Company's Remuneration Committee.<br>There are no circumstances under Article 30 of the Company Act. | The directors have no kinship within spouses and second relatives, etc., in accordance with the provisions of the "Regulations on the Establishment and Compliance of Independent Directors of Public Offering Companies." | 0 |

2. Responsibilities of the Remuneration Committee:

(1) Establish and regularly review performance appraisal and policies, systems, standards and structures for remuneration of directors and managers.

(2) Regularly evaluate and determine the remuneration of directors and managers.

3. Information on the operation of the Remuneration Committee:

(1) The Company's Remuneration Committee has a total of 4 members.

(2) The term of office of the current member is from June 16, 2023, to June 15, 2026. The number of remuneration committee meetings held in the most recent fiscal year was: 4 (A). The attendance by the members was as follows:

| Title | Name | Attendance in Person(B) | By Proxy | Actual attendance rate (%) (B/A) | Remarks |
|---|---|---|---|---|---|
| Independent Director (Convenor) | Huang, Ching-Mao | 4 | 0 | 100 | None |
| Independent director | Hong, Jing-Heng | 4 | 0 | 100 | None |
| Independent director | Liu, Fu-Hua | 3 | 1 | 75 | None |
| Independent director | Cheng, Tsuei-Yu | 4 | 0 | 100 | None |

Other matters that should be recorded:

1. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it shall specify the date, session, content of the proposal and resolution results of the Board of Directors and the Company's handling of the Remuneration Committee's opinion: None.
2. The matters to be resolved by the Remuneration Committee shall be specified if there are objections or reservations by members and there is a record or written notification, the date, session, the content of motions, all members' opinions, and handling of members' opinions of the Remuneration Committee:

| Meeting date | Important resolutions | The results of the Compensation and Remuneration Committee resolution. |
|---|---|---|
| 2025.03.14 The 5th Session, 5th Meeting | Regarding the proposal to establish the "2025 Board of Directors Performance Evaluation Indicators" | The proposal was passed unanimously by all attending committee members and submitted to the Board of Directors for resolution. |
| | Regarding the payment of managerial and employee compensation | |
| | Proposal regarding the allocation of new shares to managers with restricted employee rights in 2023 | |
| | Proposal regarding the distribution of employee and director remuneration for 2024 | |
| 2025.05.02 The 5th Session, 6th Meeting | Regarding the payment of managerial and employee compensation | |
| 2025.08.08 The 5th Session, 7th Meeting | Proposal for review of policies, systems, standards and structures related to performance evaluation and compensation of directors and managers | |
| | Proposal for directors' remuneration and independent directors' compensation | |
| | Regarding the payment of managerial and employee compensation | |
| 2025.11.07 The 5th Session, 8th Meeting | Regarding the payment of managerial and employee compensation | |

2-1 Information of members of the Sustainable Development Committee：

2026/04/20 (closing date).

| Capacity/Name | | Professional qualifications and experience | Independence situation | Number of other public companies at which the person concurrently serves as remuneration committee member |
|---|---|---|---|---|
| Chairman (Convenor) | Chen, Hui-Min | Have the required working experience in business and company.<br>There are no circumstances under Article 30 of the Company Act. | The directors have no kinship within spouses and second relatives, etc., in accordance with the provisions of the "Regulations on the Establishment and Compliance of Independent Directors of Public Offering Companies." | 0 |
| Independent director | Huang, Ching-Mao | Have the required working experience in business and company.<br>There are no circumstances under Article 30 of the Company Act. | The directors have no kinship within spouses and second relatives, etc., in accordance with the provisions of the "Regulations on the Establishment and Compliance of Independent Directors of Public Offering Companies." | 0 |
| Independent director | Hong, Jing-Heng | Have the required working experience in business and company.<br>There are no circumstances under Article 30 of the Company Act. | The directors have no kinship within spouses and second relatives, etc., in accordance with the provisions of the "Regulations on the Establishment and Compliance of Independent Directors of Public Offering Companies." | 0 |
| Independent director | Liu, Fu-Hua | Have the required working experience in business and company.<br>There are no circumstances under Article 30 of the Company Act. | The directors have no kinship within spouses and second relatives, etc., in accordance with the provisions of the "Regulations on the Establishment and Compliance of Independent Directors of Public Offering Companies." | 0 |
| Independent director | Cheng, Tsuei-Yu | Experience in finance and accounting.<br>There are no circumstances under Article 30 of the Company Act. | The directors have no kinship within spouses and second relatives, etc., in accordance with the provisions of the "Regulations on the Establishment and Compliance of Independent Directors of Public Offering Companies." | 0 |

2-2 Responsibilities of the Sustainable Development Committee：

(1) Formulation of the company's sustainable development policy.

(2) The company's sustainable development, including the formulation of goals, strategies and implementation plans for sustainable governance, integrity management, environmental and social aspects.

(3) Review, track and revise the implementation and effectiveness of the company's sustainable development, and report to the board of directors on a regular basis.

(4) Pay attention to the issues of concern to all stakeholders, including shareholders, customers, suppliers, employees, governments, non-profit organizations, communities, and the media, and supervise communication plans.

2-3Information on the operation of the Sustainable Development Committee：

(1) The Company's Sustainable Development Committee has a total of 5 members.

(2) The term of office of the current member is from March 15, 2024, to June 15, 2026. The number of remuneration committee meetings held in the most recent fiscal year was: 2 (A). The attendance by the members was as follows:

| Title | Name | Attendance in Person(B) | By Proxy | Actual attendance rate (%) (B/A) | Remarks |
|---|---|---|---|---|---|
| Chairman (Convenor) | Chen, Hui-Min | 2 | 0 | 100 | None |
| Independent director | Huang, Ching-Mao | 2 | 0 | 100 | None |
| Independent director | Hong, Jing-Heng | 2 | 0 | 100 | None |
| Independent director | Liu, Fu-Hua | 1 | 1 | 50 | None |
| Independent director | Cheng, Tsuei-Yu | 2 | 0 | 100 | None |

Other matters that should be recorded:

1. If the Board of Directors does not adopt or amend the recommendations of the Sustainable Development Committee, it shall specify the date, session, content of the proposal and resolution results of the Board of Directors and the Company's handling of the Remuneration Committee's opinion: None.

2.The matters to be resolved by the Sustainable Development Committee shall be specified if there are objections or reservations by members and there is a record or written notification, the date, session, the content of motions, all members' opinions, and handling of members' opinions of the Sustainable Development Committee:

| Date | Material Motions | Sustainable Development Committee Resolution Result |
|---|---|---|
| August 8, 2025 4nd meeting of the 1st Committee | The Company's "2024 Annual Sustainability Report". | All attending members shall approve the motion without objection and submit it to the Board of Directors for resolution. |

(5) The implementation of promoting sustainable development and the differences between it and the practical code for sustainable development of listed OTC companies and the reasons:

| Item | Implementation status | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| 1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board? | ✓ | | The Company has established the Sustainable Development Committee by the resolution of board of directors on November 3, 2023, with consist of chairman and all independent directors. Chairman is serving as the conveyor, responsible for supervising the company's sustainable development.<br>In order to promote and implement relevant policies, the committee has set up the Sustainability Development Office as a dedicated unit in full-time to lead all departments of the company to work together towards the goal of sustainable development and gradually achieve progress on various indicators.<br>The Sustainable Development Committee held three meetings in 2025 and reported on the implementation status to the board of directors. The agenda included: (1) Progress and results of the implementation of the sustainability report (2) Progress report on greenhouse gas inventory execution. (3) Sustainable development related planning schemes. | None |
| 2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? | ✓ | | The boundary of the Company's perpetual risk assessment is mainly based on the consolidated financial statements of the parent and subsidiary companies. The Sustainable Development Committee identifies major themes based on the material principle of the perpetual report, comprehensively considers the positive and negative impacts of environmental, social, and corporate governance issues on the value chain, and evaluates the impact of related risks and opportunities on the company's operations. Then, it analyzes the degree of impact of relevant issues on the company's investors and other stakeholders and formulates strategies to ensure the stable operation and sustainable development of the company. Relevant risk management policies or strategies can refer to the sustainability report recently disclosed. (Download Zone https://www.silicon-power.com/tw/esg/sustainability_policy/sustainability_policy01/621/) | None |
| 3. Environmental issues<br>A. Has the Company set an environmental management system designed to industry characteristics? | ✓ | | A. The Company has passed the ISO14001 environmental management system (certificate validity period from 2024.04.25 to 2027.04.24), all parts, packaging materials and products are following EU 2011/65/EU RoHS standards, committed to abide by environmental protection laws and regulations. | None |

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| B. Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact? | ✓ | | B. The Company actively promotes various energy reduction measures, selects high energy efficiency and energy-saving equipment, reduces energy consumption of enterprises and products, and optimizes energy usage efficiency. At the same time, in order to reduce the environmental load, recycled materials have been introduced into product packaging cartons.<br>In 2025, a total investment of NT$116,000 was made to replace high-energy desktop computers, screens and servers, with a total benefit of saving 3,965.31 kWh per year.<br>In addition, 100% of the corrugated cartons used for packing 34.49 tons of products purchased in 2025 were recycled. | None |
| C. Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them? | ✓ | | C. The Company adopts the four core elements of organizational operations recommended by the Task Force on Climate-related Financial Disclosures (TCFD): governance, strategy, risk management, and metrics and targets to assess the potential risks and opportunities of climate change both now and in the future.<br>In 2025, reports were made quarterly to the Board of Directors on the progress of the greenhouse gas inventory execution, regular reviews assessed the implementation of climate-related financial risk strategies, and cross-departmental climate change risk management meetings were convened to review and adjust relevant strategies and action plans based on the latest regulations, practices related to environmental changes, and scenarios. | None |
| D. Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes? | ✓ | | D. The Company regularly conducts greenhouse gas inventory, total water and waste statistics, and implements energy-saving and carbon-reduction measures, such as replacement of process equipment, replacement of LED lamps, recycling of packaging materials, and electronic sign-off operations.<br>Greenhouse gas emissions, water consumption, and total weight of waste for the past two years can be referenced in the most recent sustainability report. (Download section https://www.silicon-power.com/tw/esg/sustainability_policy/sustainability_policy01/621/) | None |

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| 4. Social issues<br>A. Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions? | ✓ | | A. The Company follows the Labor Standards Act in selecting talents, cultivating talents and retaining talents, supports and refers to international human rights norms such as the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles for Business Enterprises and Human Rights, the Ten Principles of the United Nations Global Compact and the ILO Convention Declaration, upholds the principles of fairness, pluralism, tolerance and respect, and tries its best to improve working conditions, stabilize labor relations and create a friendly environment with zero discrimination and zero harassment. | None |
| B. Has the Company established and implemented reasonable employee welfare measures (including salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation? | ✓ | | B. The Company places great importance on employee welfare and allocates 10% to 20% of its profits for employee remuneration each year. On March 06, 2026, the Board of Directors resolved to propose that no less than 45% of the employee remuneration amount should be allocated to grassroots employees. The board decided to set council members' remuneration at NT$16,854,000, of which NT$7,584,300 was allocated to frontline employees, ensuring profits are shared with colleagues, aiming to retain, recruit, and nurture talent, and create a win-win friendly workplace. | None |
| C. Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health training for employees? | ✓ | | C. The Company regularly holds employee health examinations, environmental disinfection, employee travel, group health and stress relief, activity clubs, and other measures to maintain the environmental health. Fire drills, labor safety and health courses are regularly arranged to protect every colleague’s personal safety.<br>To ensure that all employees are well acquainted with occupational safety and health regulations and standards, in addition to regular advocacy for current employees, at least 3 hours of education and training will be provided for new employees to enhance overall employee awareness of safety and health and to strengthen the company’s safety culture.<br>In 2025, there were 528 participants of on-the-job education and training, averaging 1.6 hours.<br>In 2025, the number of occupational accidents and fire incidents in the company was 0. | None |

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|---|---|---|---|---|
| D. Whether the company has established effective rules for employees "Career Development Training Program?" | ✓ | | D. The Company has formulated "Education and Training Operating Procedures," having a complete training plan for employees, encourages and strengthens their functional development, and attaches importance to the suitability development of employees.<br>The training courses are quality management, on-the-job specialty, safety and health, environmental management and general education, which meet the management needs of laws and regulations, production, research and development, finance, personnel and sales, so as to help colleagues continue to learn and grow through diversified learning methods, and introduce the belief of corporate ethics to develop relevant training courses and cultivate their key abilities.<br>The total training hours in 2025 were 4,043 hours. | None |
| E. Does the company comply with relevant laws and international standards and formulate relevant policies and grievance procedures for the protection of consumer or customer rights and interests of products and services, such as customer health and safety, customer privacy, marketing, and labeling? | ✓ | | E. The products and services sold by the Company with relevant laws and regulations and international standards to ensure quality and protect customers' rights and interests.<br>For the health and safety of customers, the company puts the sustainable environment and customer safety as the primary consideration in product development. When selecting and developing materials, it is necessary to follow the Operating Procedures for the Management of Restricted Substances in Products-EU's Regulations on the Restriction of Hazardous Substances (EU RoHS) and the Registration, Evaluation, Licensing and Restriction of Chemicals (EU REACH), and ensure that products meet the environment and customer safety according to the Product Safety Verification Procedure.<br>The company has set internal standards for the protection of personal data, such as the Personal Data Protection Policy and Personal Data Protection Appeal Process. Protecting customers' privacy is our commitment to customers.<br>In addition, the company adopts a transparent sound complaint system and has channels for reflecting and reporting on the right to privacy. If there is any relevant situation, you can make a complaint or report through the contact telephone number of official website at 02-8797-8833 ext.606 or the e-mail address of sp.ir@silicon-power.com. | None |

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|---|---|---|---|---|
| F. Does the company have a supplier management policy that requires suppliers to comply with relevant norms on issues such as environmental protection, occupational safety and health, or labor and human rights, and how they are implemented? | ✓ | | F. In order to fulfill corporate social responsibility, in addition to safeguarding the basic human rights of employees and all stakeholders, the supply chain is required to pay attention to human rights issues together and encourage supply chain partners to follow the same standards.<br>The Company has a procurement management procedure. "Supplier Management Operating Procedures", suppliers should abide by the company's operating policies and specifications, and regularly evaluate and assess to establish a sound foundation, if there is a violation, they can terminate cooperation with them, and strive to improve the quality of corporate social responsibility.<br>In 2025, 36 suppliers were evaluated, and BSCI self-assessment forms were added. | None |
| 5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing on-financial information? Does the company obtain third party assurance or certification for the reports above? | ✓ | | The Company has compiled the 2024 sustainability report with reference to GRI standards and passed the third-party verification, and submitted it to the board of directors on August 8, 2025.<br>In addition, the 2025 annual sustainability report is expected to be completed and submitted to the Board of Directors in August, 2026. | None |

6 If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviation from the principles in the Company's operations: The Company has stipulated its own "Sustainable Development Best Practice Principles," and daily operation shall describe the implementation of corporate governance, development of sustainable environment, protecting social public welfare, information disclosure on reinforcement of sustainable development and also other policies implementation, and there was no deviations found.

7 Other important information to help understand the implementation of sustainable development:

Please refer to the latest sustainability report for the implementation of sustainable development. (Download https:// www.silicon-power.com/tw/esg/sustainability_policy/sustainability_policy01/621/)

（5-1）Climate-Related Information of TWSE/TPEx Listed Company: ：

Climate-related information implementation status

| Item | Implementation |
|---|---|
| 1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities. | The Board of Directors has established a Sustainable Development Committee as the responsible unit for managing climate change, composed of the Chairman and all independent directors, with the Chairman serving as the convener. The committee has set up a sustainable development office under its jurisdiction and instructs the senior managers of the general manager's office for plan and implementation, and report the implementation status to the board of directors at least once a year to execute supervision and governance. |
| 2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term). | The climate transition risks identified by the Company are the 2030 (NDC) emission reduction target, 2050 (NDC) net zero emissions, the EU Carbon Border Adjustment Mechanism (CBAM), carbon fees/carbon taxes and customer low-carbon requirements. Physical risks include heavy rainfall, drought/water outages, power cuts/blackouts, rising average temperatures and rising sea levels. The above-mentioned transformation and physical risks will lead to an increase in operating costs in the short and medium term; in the long term, those will lead to strengthen the company's sustainable operating resilience and improving the company's competitiveness. In addition, the identified climate opportunities include the cost of replacing old and new energy-consuming facilities, low-carbon manufacturing processes and whole-factory resource recycling, obtaining incentives and cooperation from government agencies, using green electricity and purchasing carbon rights, and promoting low-carbon green product design and independent sources of raw materials. In the short term, it will indeed lead to an increase in the company's additional cost burden, but in the medium and long term, the company's overall operating efficiency and product competitiveness will be improved. |
| 3. Describe the financial impact of extreme weather events and transformative actions. | Extreme weather events such as heavy rainfall, drought and water outages are likely to interrupt the company's operations, resulting in financial and business losses. Transformation actions will increase operating costs in the short term, but in the long term, the company's sustainable operational resilience and improving the company's competitiveness will be enhanced. |
| 4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system. | The Company's Sustainable Development Office is responsible for integrating the cross-department climate risk management process. After each department actually participates in discussions, the Sustainability Office regularly reports the implementation status and overall assessment results of major risks to the Sustainable Development Committee and the Board of Directors. |
| 5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described. | The Company conducts internal evaluations based on corporate strategies, climate risks and related research reports, identifies climate risks and opportunity projects, selects key climate-related financial impact targets, and targets transition risks (2050 net-zero emissions) and physical risks (strong Rainfall) as the background, we conduct analysis using SSP1-1.93 and SSP5-8.5 scenario assumptions respectively, analyze their impact on market size, cost, and overall strategy and incorporate quantitative factors, and use the analysis results as the company's response strategies and management.<br>Transition risk (2050 net zero emissions) simulation results: In the future, it may be affected by relevant regulations. If regulations can't be abided by, the Company will have to purchase green power certificates or carbon rights. Under the most stringent scenario assumption, the company's annual operating costs will increase by approximately NT$19,564,345.<br>Physical risk (heavy rainfall) simulation results: If there is heavy rainfall, since the operation base is a reinforced concrete building and no valuable materials and equipment are stored on the lower floors, even if flooding occurs, there will be no financial impact on the facilities, equipment and materials. However, if the Company is |

| | |
|---|---|
| | suspended due to heavy rainfall affecting employee attendance, it is estimated that each time it occurs, it will lead to a potential impact on annual revenue of approximately 0.37%, or approximately NT$17,009,413. |
| 6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks. | The Company refers to the Task Force on Climate-related Financial Disclosures (TCFD) promulgated by the Financial Stability Board (FSB) to examine the impact to the company and the financial influence level of transition risks, physical risks and climate-related opportunities to conduct climate risk identification.<br>The company has set the greenhouse gas emissions (category 1 and 2) in 2023 as the base year for the reduction target.<br>Short-term goal: annual reduction of 1% within 5 years (2024-2028).<br>Medium-term goal: annual reduction of 2% within 10 years (2029-2033).<br>Long-term goal: reaching "Net zero emissions" by the end of 2050. |
| 7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated. | There is currently no internal carbon pricing, and it will be carried out in response to the government deployment in the future. |
| 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. | Environmental protection is a core responsibility of our company. To this end, we will uphold the principles of "compliance with regulations, green production, environmental friendliness, and full employee participation" to actively address the challenges of climate change. Our company has reviewed greenhouse gas information in accordance with the Greenhouse Gas Protocol（GHG Protocol）, ensuring a thorough understanding of greenhouse gas emission sources and related data. We systematically manage carbon emission sources and have committed to reducing greenhouse gas emissions by 9% by the "medium-term goal 2030," while also striving to achieve the "Net-Zero Emissions by 2050" target, thus fulfilling our responsibility to the global community. Regarding the goal of achieving net-zero emissions, a "short-, medium-, and long-term" approach will be adopted for carbon reduction planning to address climate change. The three-phase assessment is summarized as follows.<br>Short-term Goal: Commit to carbon reduction and implement inventory checks, continuously purchase and replace energy-consuming equipment, and strengthen energy carbon reduction achievements. The goal is to reduce emissions by 1% annually over five years (2024-2028).<br>Mid-term Goal: The scope of the inspection will be expanded to categories three through six, and monitoring systems will be installed on energy-consuming equipment to clearly understand energy usage efficiency. On the product side, efforts will be made to reduce emissions through product carbon footprint tracking. The target is a 2% reduction annually over ten years (2029-2033).<br>Long-term goal: Continue to conserve energy and reduce carbon emissions, develop low-energy green products, and fully cooperate with the government's "net zero emissions by 2050". If there is still a gap with the target, we will consider purchasing renewable energy and certificates to achieve the net zero emissions target.<br>Our total emissions for fiscal year 2025 (Category I and Category II) amounted to 843.3965 metric tons ($CO_2e$), a reduction of 10.58% compared to the baseline year of 2023. All energy used was electricity (Taipower), with no gasoline or diesel consumption. We are currently not using renewable energy. |
| 9. Greenhouse gas inventory, assurance status and reduction goals, strategies and specific action plans. | Please refer to 1-1 and 1-2. |

## 1-1 Greenhouse Gas Inventory and Confirmation Status of the Company in the Most Recent Two Years

### 1-1-1 Greenhouse Gas Inventory Information

| Describe the emissions (metric tons of CO2e), concentration (metric tons of CO2e/NT$ million dollar) of greenhouse gases for the most recent two years, and the scope covered by this data. |
|---|

Emissions

| Year/Item | Category I (metric tons of CO2e) | Category II (metric tons of CO2e) |
|---|---|---|
| 2025 | 62.5531 | 773.0274 |
| 2024 | 62.8255 | 786.5839 |

Emission intensity

| Year/Item | Company revenue (NT$ million) | Category I and Category II (Metric tons of CO2e / NT$ million) |
|---|---|---|
| 2025 | 4,258 | 0.1962 |
| 2024 | 4,399 | 0.1931 |

Note: The above information covers the parent company and does not include subsidiaries with consolidated financial statements.

### 1-1-2 Assertions Information on Greenhouse Gases

| Describe the assertions for the two most recent years up to the date of publication of this annual report, including the scope of the assertions, the assertion body, the assertion criteria, and the assertion opinion. |
|---|
| Regarding the timeline for the "Roadmap for Sustainable Development of Listed Companies," the Company shall implement the assertions starting in 2028, and consolidated financial reporting subsidiaries shall implement the assertions starting in 2029.<br>The data is a preliminary self-assessment result, intended to help understand the current situation and respond in advance. The Company plans to conduct the assessment and confirmation in 2027. |

## 1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Actions

| Describe the baseline year for greenhouse gas reduction and its data, reduction targets, strategies, specific actions, and the status of achieving the reduction targets. |
|---|

The Company has set the reduction target base year as the parent company's greenhouse gas emissions (Category I and Category II) in 2023, with a base emission amount of 943.2088 metric tons of CO2e.

The carbon reduction targets and strategies are summarized below:

Short-term target: 1% annual reduction over 5 years (2024-2028).

Strategy: To commit to carbon reduction and implement inventory checks, continuously checking and replacing energy-consuming equipment to strengthen energy conservation and carbon reduction achievements.

Medium-term target: 2% annual reduction over 10 years (2029-2033).

Strategy: To expand the scope of inventory checks to Category III, install monitoring systems on energy-consuming equipment, and clearly understand energy usage efficiency.
In terms of products, we will strive to reduce emissions through product carbon footprint.

Long-term target: To fully cooperate with the government's "Net-Zero Emissions by 2050" policy.

Strategy: To continue to conserve energy and reduce carbon emissions, and develop low-energy-consumption green products. If there is still a gap with the target, this part will consider purchasing renewable energy and certificates to achieve net-zero emissions.

The Company's greenhouse gas emissions (Category I and Category II) for fiscal year 2025 totaled 835.5805 metric tons (CO2e), representing a 11.41% decrease from the baseline year of 943.2088 metric tons (CO2e) in 2023, reaching 99.8123 metric tons (CO2e). This represents a 1.63% decrease compared to the baseline year; and exceeds the expected target of 924.3446 metric tons (CO2e) for 2025.

(6）Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons:

| Item | Operating Status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary & Descriptions | |
| 1. Set integrity management policies and plans<br>(1) Does the company have an 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? | ✓ | | (1) The company has established the "Company Integrity Management Code", "Integrity Management Operation Procedures and "Guidelines of Conduct" was approved by the Board of Directors and disclosed on the official website and public information observatory, whole Board of Directors and management also execute monitor implementation. | None |
| (2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies? | ✓ | | (2) The company strictly prohibits the acceptance of any improper givings. In order to ensure the implementation of ethical management. The designated unit shall handle it in accordance with the "Integrity Management Operation Procedures and Behavior Guidelines". | None |
| (3) Does the company clearly define operating procedures, behavior guidelines, punishment and appeal systems for violations in the dishonesty prevention plan, and implement them, and regularly review and revise the previous disclosure plan? | ✓ | | (3) The company has established the "Integrity Management Operation Procedures and Behavior Guidelines", which specifically regulates and actively prevents dishonest behaviors. It also regularly reviews the content and announces it on the company's internal and external websites. | None |
| 2.Implement ethical management<br>(1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts? | ✓ | | (1) Before the company establishes a commercial relationship with the counterparty, it will first evaluate the legality and integrity management policy of the counterparty to ensure the implementation of the company's integrity management. | None |

| | | | | |
|---|---|---|---|---|
| (2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation? | | ✓ | (2) The company designates the management office as a dedicated unit, and its operation follows the procedures set by the company, and the Board of Directors can inquire about the implementation status at any time. On 2025.11.07, the Board of Directors reported on the implementation of the year, and there were no violations of integrity and ethics during the year. | A dedicated unit has been set up, but not attached to the Board of Directors yet. |
| (3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies? | ✓ | | (3) The company has established the "Ethical Code of Conduct", "Anti-Corruption Code of Conduct" and "Employee Complaint Channel Operating Procedures", requiring employees to abide by the rules and provide appropriate complaint channels. | None |
| (4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits? | ✓ | | (4) In order to ensure the implementation of honest management, the company's accounting system and internal control system, internal auditors regularly check their compliance and report to the Board of Directors. Effectively prevent various malpractices and supervise the implementation of company policies and make the internal control system work well. | None |
| (5) Does the company provide internal and external ethical corporate management training programs on a regular basis? | ✓ | | (5) The company has established the "Integrity Management Code", "Integrity Management Operation Procedures and Behavior Guidelines" and "Internal Material Information Handling and Prevention of Insider Transaction Management Operation Procedures", which are published on the company's website and internal electronic bulletin boards. Every year, we strengthen publicity through directors' training courses and online courses for employees to strengthen directors' and colleagues' awareness of professional ethics and compliance with laws and regulations. (A total of 221 people received education and training in 2025.) | None |
| 3. The operation of the whistleblowing system of the company<br>(1) Has the company established specific whistleblowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers? | ✓ | | (1) The company has a complaint channel and also set up a "stakeholder area" on the official website. If the dedicated unit discovers or receives a report, it will immediately find out the facts to protect the company's reputation and rights and interests. In case of violation, improvements will be made in accordance with regulations. | None |

| | | | | |
|---|---|---|---|---|
| (2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?<br>(3) Has the company adopted proper measures to protect whistle-blowers from retaliation for filing complaints? | ✓<br><br><br><br><br><br><br><br>✓ | | (2) The company has established the "Integrity Management Operation Procedures", "Procedures and Behavior Guidelines", and specify investigation standard operations for reported matters accepted procedures and related confidentiality mechanisms.<br>(3) The Company has adopted extreme confidential manners to whistle-blowers and proper measures to protect from retaliation for filing complaints. | None<br><br><br><br><br><br><br><br>None |
| 4. Strengthen information disclosure Does the company disclose the content of its ethical corporate management policies and promote its effectiveness on its website and Market Observation Post System (MOPS)? | ✓ | | The company's official website has an "Investors Zone-Corporate Governance" to disclose integrity management information, and public announcements will be made simultaneously on the Information Observatory for interested parties to inquire and follow. In 2025, there were zero case of violation of the "Ethical Corporate Management". | None |
| 5. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviations between the principles and their implementation:<br>The company has formulated the "Code of Integrity Management of Companies", and its operation is not significantly different from the "Code of Integrity Management of Listed OTC Companies".<br><br>6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles):<br>The company upholds the spirit of honest management, abides by the company law, securities trading law and other laws and regulations, promotes the policy of honest management for manufacturers, directors, managers and colleagues, and regularly reviews the operation situation to make the company move towards the concept of sustainable management development. | | | | |

(7) Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed:

01. Open Information Observatory
https://mops.twse.com.tw/mops/web/index

02. The company's official website "Investor Area"
https://www.silicon-power.com/web/investment_01

03. "Stakeholder Area" on the company's official website
https://www.silicon-power.com/web/stakeholder

(8) Internal Control Systems

1. Statement of Internal Control Systems

Please refer to the Market Observation Post System

(URL https://mops.twse.com.tw/mops/#/web/t06sg20)

2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: None.

(9) Important resolutions of the shareholders' meeting and the Board of Directors during the most recent year and up to date of publication of the annual report:

1. Material resolutions of shareholders' meeting

| Meeting date | Important resolutions | Subsequent implementation |
|---|---|---|
| 2025.06.19 Regular Shareholders Meeting | Proposal for the 2024 Annual Business Report and Financial Statements | Once approved by the Shareholders' Meeting, it will be announced in accordance with regulations on the Market Observation Post System (MOPS). |
| | 2024 Profit Distribution Proposal | The cash dividend, as required by the regulations and decided by the Board of Directors, will be allocated at NT$65,392,843 (NT$1 per share) and will be distributed in cash on May 23, 2025. |
| | Amendment to the Articles of Association | Following a resolution passed at the Regular Shareholders Meeting, the revised provisions will be implemented. |
| | Amendment to the Rules of Procedure for Shareholders' Meetings | Following a resolution passed at the Regular Shareholders Meeting, the revised provisions will be implemented. |

2. Material resolutions by the Board of Directors

| Date | Important Resolutions | Items Listed in Article 14-3 of the Securities and Exchange Act | Opinions of Independent Directors and the Company's Process of Opinions |
|---|---|---|---|
| 2025.03.14 8th meeting of the 9th Term | Proposal in 2024 Internal control system statement | ✓ | No Such Case |
| | Proposal in revision of the internal control system | ✓ | No Such Case |
| | Proposal in amendments of "Guidelines of Shareholders Meeting" | | No Such Case |
| | Proposal in amendments of "Articles of Incorporation" | | No Such Case |
| | Proposal in change of CPAs | ✓ | No Such Case |
| | Proposal in evaluation of CPAs' remuneration and independence | ✓ | No Such Case |
| | Proposal in 2025 Annual Board of Directors Performance Evaluation Index | | No Such Case |
| | Proposal in managerial officers compensation distribution | | No Such Case |
| | The proposal in allocation of 2023 new restricted employee shares for managerial officers. | | No Such Case |
| | The proposal in allocation of 2023 new restricted employee shares for non-managerial officers | | No Such Case |
| | The proposal in base date for 2023 new restricted employee shares. | | No Such Case |
| | 2024 Annual Operating Report and Consolidated Financial Statements (including Individual Financial Statements) | | No Such Case |
| | Distribution of Employee Remuneration and Director's Remuneration for the Fiscal Year 2024 | | No Such Case |
| | Distribution of Profits for the Fiscal Year 2024 | | No Such Case |
| | Distribution of Cash Dividends for the Fiscal Year 2024 | | No Such Case |
| | Application for bank credit limit | | No Such Case |
| | Application for bank credit limit (ratification) | | No Such Case |
| | Convening of the 2025 Shareholders' Meeting | | No Such Case |
| 2025.05.02 9th meeting of the 9th Term | Proposal in managerial officers compensation distribution | | No Such Case |
| | Application for bank credit limit (ratification) | | No Such Case |
| | Proposal in 2025 Q1 Consolidated Financial Report | | No Such Case |
| 2025.08.08 10th meeting of the 9th Term | The proposed Sustainability Report for 2024. | | No Such Case |
| | Proposal for Review of Policies, Systems, Standards and Structures Related to Performance Evaluation and Compensation of Directors and Managers | ✓ | No Such Case |

| Date | Important Resolutions | Items Listed in Article 14-3 of the Securities and Exchange Act | Opinions of Independent Directors and the Company's Process of Opinions |
|---|---|---|---|
| | Proposal regarding Directors' remuneration and Independent Directors' compensation | ✓ | No Such Case |
| | Proposal regarding managerial and employee compensation | | No Such Case |
| | Proposal regarding bank credit line application | | No Such Case |
| | Proposal for Consolidated Financial Statements in the Second Quarter of 2025 | | No Such Case |
| 2025.11.07<br>11th meeting of the 9th Term | Proposal for the 2026 Operating Plan Budget | | No Such Case |
| | Proposal for the 2026 Internal Audit Plan | ✓ | No Such Case |
| | Amendments to the "Code of Corporate Governance Practices" and the "Code of Sustainability Practices" | | No Such Case |
| | Proposal to define "frontline employees" | | No Such Case |
| | Proposal to revise internal control system | ✓ | No Such Case |
| | Proposal regarding managerial and employee compensation | | No Such Case |
| | Proposal regarding bank credit line application | | No Such Case |
| | Proposal regarding bank credit line application (ratified) | | No Such Case |
| | Proposal for consolidated financial statements in the third quarter of 2025 | | No Such Case |
| 2026.03.06<br>12th meeting of the 9th Term | Proposal for the 2025 Internal Control System Statement | ✓ | No Such Case |
| | Proposal to revise internal control system | ✓ | No Such Case |
| | Proposal to amend the "Procedures for Acquiring or Disposing of Assets" | ✓ | No Such Case |
| | Proposal to obtain real estate use rights from related parties | ✓ | No Such Case |
| | Proposal on remuneration and independence assessment of appointed visa accountants | ✓ | No Such Case |
| | Proposal to establish "2026 Board Performance Evaluation Indicators" | | No Such Case |
| | Proposal regarding manager promotion | | No Such Case |
| | Proposal regarding managerial and employee compensation | | No Such Case |
| | Proposal to cancel shares from "Restricted Employee Rights New Shares in 2023" | | No Such Case |
| | Proposal for a complete re-election of Directors (including Independent Directors) | | No Such Case |
| | Regarding the acceptance of shareholder proposals and nominations | | No Such Case |
| | Nomination of candidates for the 10th Board of Directors (including Independent Directors) | | No Such Case |
| | Proposal regarding lifting the non-compete restrictions on the 10th Board of Directors | | No Such Case |
| | Proposal regarding bank credit line application | | No Such Case |
| | Proposal regarding bank credit line application (ratified) | | No Such Case |
| | Proposal for the 2025 Annual Business Report and Consolidated Financial Report (including Individual Financial Reports) | | No Such Case |
| | Proposal for the distribution of employee and director compensation for 2025 | | No Such Case |
| | 2025 Profit Distribution Proposal | | No Such Case |
| | Proposal regarding the 2025 cash dividend distribution | | No Such Case |
| | Proposal for the 2026 Regular Shareholders Meeting | | No Such Case |
| 2026.05.08<br>13th meeting of the 9th Term | Proposal to elect the 10th Board of Directors | ✓ | No Such Case |
| | Proposal to the General Manager Appointment | | No Such Case |
| | Proposal regarding manager promotion | | No Such Case |
| | Proposal regarding managerial and employee compensation | | No Such Case |
| | Issuance of the first unsecured convertible corporate bond | ✓ | No Such Case |

| Date | Important Resolutions | Items Listed in Article 14-3 of the Securities and Exchange Act | Opinions of Independent Directors and the Company's Process of Opinions |
|---|---|---|---|
| | The Russian office representative was replaced | | No Such Case |
| | Case of changing the representative of a bank account at the Russian office | | No Such Case |
| | Proposal regarding bank credit line application | | No Such Case |
| | Proposal regarding bank credit line application (ratified) | | No Such Case |
| | Proposal in 2026 Q1 Consolidated Financial Report | | No Such Case |

### 4. Accountant public expense information

Unit: NT$ thousands

| Name of Accounting Firm | Name of CPAs | Period covered by the CPA audit | Audit fees | Non-audit fees (Note) | Total | Remarks |
|---|---|---|---|---|---|---|
| PwC Taiwan | Lin, Guan-Hong | January 1, 2025- December 31, 2025 | 3,285 | 920 | 4,205 | |
| | Lai, Zong-Xi | | | | | |

Note: Non-audit fees reach one fourth of the total audit fees. Non-audit fees include human resources, tax certification, relevant report on transfer prices and other financial consultation and advisory services.

(1) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such changes took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.

(2) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefore shall be disclosed: None.

## 5. Change of accountant information:

(1) Regarding the former certified public accountant

<table>
<tr><td>Date</td><td colspan="4">Q1, 2025 of the financial statements</td></tr>
<tr><td>Reason and Explanation</td><td colspan="4">In order to maintain the independence of certified accountants, PwC Taiwan Accounting Firm has implemented internal restructuring. From the 1st quarter of 2025, the financial report approval (review) attestation will be handled by accountants Lin, Guan-Hong and Chen, Xian-zheng. from original CPAs of the accountants Lin, Guan-Hong and Lai, Zong-Xi.</td></tr>
<tr><td rowspan="3">Explanation for voluntarily ended the engagement or declined further engagement</td><td colspan="2">Parties / Status</td><td>CPA</td><td>The Company</td></tr>
<tr><td colspan="2">Termination of appointment</td><td>-</td><td>-</td></tr>
<tr><td colspan="2">No longer accepted (continued) appointment</td><td>-</td><td>-</td></tr>
<tr><td>If the former certified public accountant issued an audit report expressing other than an unqualified opinion during the 2 most recent years, furnish the opinion and reason</td><td colspan="4">None</td></tr>
<tr><td rowspan="6">Disagreement between the company and the former CPAs</td><td rowspan="4">Yes</td><td></td><td colspan="2">Accounting Principles or Practices</td></tr>
<tr><td></td><td colspan="2">Disclosure of financial reports</td></tr>
<tr><td></td><td colspan="2">Check scope or steps</td></tr>
<tr><td></td><td colspan="2">Others</td></tr>
<tr><td>No</td><td colspan="3">✓</td></tr>
<tr><td colspan="4">Remarks/specify details:</td></tr>
<tr><td>Other Revealed Matters</td><td colspan="4">None</td></tr>
</table>

(2) Regarding the successor certified public accountant

| | |
|---|---|
| Name of the successor accounting firm | PwC Taiwan |
| Name of CPAs | Lin, Guan-Hong; Chen, Xian-zheng |
| Date of engagement | From the 1nd Quarter of 2025 Financial Statement |
| If prior to the formal engagement of the successor certified public accountant, the company consulted the newly engaged accountant regarding the accounting treatment of or application of accounting principles to a specified transaction, or the type of audit opinion that might be rendered on the company's financial report, the company shall state and identify the subjects discussed during those consultations and the consultation results | None |
| The company shall consult and obtain written views from the successor certified public accountant regarding the matters on which the | None |

| | |
|---|---|
| company did not agree with the former certified public accountant, and shall make disclosure thereof | |

3. The company shall mail to the former certified public accountant a copy of the disclosures it is making pursuant to Article 10, paragraph 6, subparagraph 1 and 2 of the three preceding items: Not Applicable.

**6. The chairman of the board, general manager, manager in charge of financial or accounting affairs of the company, who has worked in a visa accounting firm or another affiliated enterprise within the last year:** None.

**7. In the latest year and as of the date of publication of the annual report, directors, supervisors, managers, and shareholders with a shareholding ratio of more than 10% transferred and changed equity pledge**

(1) Changes in the equity of directors, supervisors, managers and major shareholders: Equity Transfer: Please refer to the Public Information Observatory> Single Company >Equity Change/Securities Issuance>Equity Transfer Data Inquiry > Insider Shareholding Change After-the-fact Return (URL https://mops.twse.com.tw/mops/#/web/query6_1) Changes in equity pledges: Please refer to the Public Information Observatory > Insider Setup > Single Company > Equity Changes/Securities Issuance Qualitative dequalitative > internal personnel set up qualitative dequainting announcements (https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

(2) The counterparty of the equity transfer is a related party: None.

(3) The counterparty of the equity pledge is a related party: None.

## 8. Information on the shareholders with the top 10 shareholding ratios who are related to each other or within the spouse or second parent:

April 20, 2026 (book closing date); Unit: share, %

| Item No. | Name | Current Shareholding | | Spouse's/Minor's Shareholding | | Shareholding by Nominee Arrangement | | Name and Relationship Between The Company's Top Ten Shareholders, or Spouses or Relatives within Two Degrees (Note 3) | | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Shares | % | Shares | % | Shares | % | Shares | % | |
| 1 | Sitronix Technology Corp.. | 4,198,701 | 6.43 | 0 | 0 | 0 | 0 | - | - | No |
| | Representative: Mao, Ying-Wen | 0 | 0 | 0 | 0 | 0 | 0 | - | - | No |
| 2 | Wang Hsin Investment Co. Ltd | 2,889,129 | 4.43 | 0 | 0 | 0 | 0 | Chen, Hui-Min | Director of the company | None |
| | Representative: Chen, Bin-Yi | 0 | 0 | 0 | 0 | 0 | 0 | Chen, Hui-Min | Relatives Within Two Degrees | None |
| 3 | Guang Sheng Investment LTD. | 2,437,803 | 3.73 | 0 | 0 | 0 | 0 | - | - | None |
| | Representative: Su, Li-Li | 0 | 0 | 415,278 | 0.64 | 0 | 0 | - | - | None |
| 4 | Zeng Zi-yi | 1,500,000 | 2.30 | 0 | 0 | 0 | 0 | - | - | None |
| 5 | Citigroup is entrusted with the safekeeping of Berkeley Capital's SBL/PB investment account. | 964,000 | 1.48 | 0 | 0 | 0 | 0 | - | - | None |
| 6 | Taipei Fubon Commercial Bank is entrusted with the safekeeping of investment account of Silicon Power Computer & Communications Inc. | 958,000 | 1.47 | 0 | 0 | 0 | 0 | - | - | None |
| 7 | Yuan, Pei-Rong | 956,447 | 1.46 | 309,820 | 0.47 | 0 | 0 | - | - | None |
| 8 | Mega Bank entrusted Chen, Hui-min with trust custody | 950,000 | 1.45 | 0 | 0 | 0 | 0 | - | - | None |
| 9 | Chen, Hui-Min | 732,566 | 1.12 | 223,417 | 0.34 | 0 | 0 | Wang Hsin Investment Co. Ltd | Director of the company | None |
| 10 | Hsieh, Chao-Min | 674,016 | 1.03 | 129,689 | 0.20 | 0 | 0 | - | - | None |

**9. The number of shares of the company, the directors, supervisors, managers of the company, and the undertakings directly or indirectly controlled by the company to the same reinvestment business, and the comprehensive shareholding ratio is calculated together:**

March 31, 2026, unit: shares; %

| Affiliated Enterprises (Note) | Ownership by the Company | | Direct or Indirect Ownership by Directors/Supervisors/ Managers | | Total Ownership | |
|---|---|---|---|---|---|---|
| | Shares | % | Shares | % | Shares | % |
| Silicon Power Computer & Communications, Netherlands B.V | 2,500 | 100 | 0 | 0 | 2,500 | 100 |
| Silicon Power Japan Co., Ltd. | 200 | 100 | 0 | 0 | 200 | 100 |
| Silicon Power Computer & Communications, USA Inc. | 200,000 | 100 | 0 | 0 | 200,000 | 100 |
| Silicon Power Computer & Communications, Investment Co., Ltd (SAMOA) | 3,500,000 | 100 | 0 | 0 | 3,500,000 | 100 |
| Flashzone Technology India Private Limited | 870,000 | 100 | 0 | 0 | 870,000 | 0 |

Note: Adopted by Equity method of long-term investment.

# III. Fundraising

## 1. Capital and Shares

### A. Source of capital stock

Unit: NT$/ thousand shares

| Month/ year | Issued price | Authorized capital |  | Paid-in capital |  | Remarks |  |  |
|---|---|---|---|---|---|---|---|---|
|  |  | Shares | Amount (NT$) | Shares | Amount (NT$) | Sources of capital (NT$ thousands) | Capital paid in by assets other than cash | other |
| February, 2003 | 10 | 200 | 2,000 | 200 | 2,000 | Share capital establishment | - | Note 1 |
| July, 2003 | 10 | 30,000 | 300,000 | 15,500 | 155,000 | Cash capital increase NT$148,000 | Monetary liability NT$ 5,000 thousand | Note 2 |
| June, 2004 | 10 | 30,000 | 300,000 | 17,050 | 170,500 | Cash capital increase NT$15,500 | - | Note 3 |
| January, 2006 | 10 | 30,000 | 300,000 | 17,538 | 175,380 | Employee Stock Options NT$ 4,880 | - | Note 4 |
| March, 2006 | 40 | 30,000 | 300,000 | 20,238 | 202,380 | Cash capital increase NT$ 27,000 | - | Note 5 |
| October, 2006 | 10 | 30,000 | 300,000 | 26,001 | 260,009 | Surplus transferred to capital increase NT$ 38,452Employee profit transferred to capital increase NT$ 7,034.<br>Legal reserve to capital increase NT$12,143 | - | Note 6 |
| January 2007 | 24 | 30,000 | 300,000 | 27,481 | 274,809 | Cash capital increase NT$14,800 | - | Note 7 |
|  | 10 |  |  | 27,663 | 276,626 | Employee stock options NT$1,817 | - |  |
| October 2007 | 10 | 60,000 | 600,000 | 29,953 | 299,532 | Surplus transferred capital increase NT$19,364Employee profit transferred to capital increase NT$ 3,542. | - | Note 8 |
| May 2008 | 10 | 60,000 | 600,000 | 30,085 | 300,846 | Employee Stock Options NT$1,314 | - | Note 9 |
| October 2008 | 10 | 60,000 | 600,000 | 33,643 | 336,434 | Surplus transferred to capital increase NT$ 30,085.<br>Employee profit transferred to capital increase NT$ 5,503. | - | Note 10 |
| June 2009 | 10 | 60,000 | 600,000 | 34,834 | 348,342 | Employee stock optionsNT$11,908 | - | Note 11 |
| November 2009 | 10 | 60,000 | 600,000 | 38,898 | 388,976 | Surplus transferred capital increase NT$ 34,834.<br>Employee profit transferred to capital increase NT$ 5,800. | - | Note 12 |
| April 2010 | 10 | 60,000 | 600,000 | 40,705 | 407,054 | Employee stock optionsNT$18,078 | - | Note 13 |
| May 2010 | 10 | 60,000 | 600,000 | 45,428 | 454,280 | Surplus transferred capital increase NT$ 40,706.<br>Employee profit transferred to capital increase NT$ 6,520. | - | Note 14 |
| April 2011 | 10 | 60,000 | 600,000 | 46,228 | 462,280 | Employee stock optionsNT$8,000 | - | Note 15 |
| October 2011 | 10 | 60,000 | 600,000 | 51,972 | 519,718 | Surplus transferred capital increase NT$ 46,228.<br>Employee profit transferred to capital increase NT$ 11,210. | - | Note 16 |
| June 2012 | 10 | 100,000 | 1,000,000 | 55,029 | 550,289 | Surplus transferred capital increase NT$ 15,591.<br>Employee profit transferred to capital increase NT$ 14,980. | - | Note 17 |
| July 2012 | 28 | 100,000 | 1,000,000 | 60,204 | 602,039 | Cash capital increase NT$ 51,750. | - | Note 18 |
| January 2015 | 29 | 100,000 | 1,000,000 | 64,204 | 642,039 | Cash capital increase NT$ 40,000. | - | Note 19 |
|  | 10 |  |  | 65,204 | 652,039 | Restricted Employee New Shares NT$ 10,000 |  |  |
| June 2015 | 10 | 100,000 | 1,000,000 | 65,183 | 651,829 | Restricted Employee New Shares Cancellation NT$ -210 | - | Note 20 |
| September 2015 | 10 | 100,000 | 1,000,000 | 65,147 | 651,469 | Restricted Employee New Shares Cancellation NT$ -360 | - | Note 21 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| December 2015 | 10 | 100,000 | 1,000,000 | 65,139 | 651,389 | Restricted Employee New Shares Cancellation NT$ -80 | - | Note 22 |
| February 2016 | 10 | 100,000 | 1,000,000 | 65,030 | 650,304 | Restricted Employee New Shares Cancellation NT$ -1,085 | - | Note 23 |
| June 2016 | 10 | 100,000 | 1,000,000 | 64,974 | 649,744 | Restricted Employee New Shares Cancellation NT$ -560 | - | Note 24 |
| September 2016 | 10 | 100,000 | 1,000,000 | 64,923 | 649,233 | Restricted Employee New Shares Cancellation NT$ -511 | - | Note 25 |
| November 2016 | 10 | 100,000 | 1,000,000 | 64,907 | 649,065 | Restricted Employee New Shares Cancellation NT$ -168 | - | Note 26 |
| April 2017 | 10 | 100,000 | 1,000,000 | 64,845 | 648,447 | Restricted Employee New Shares Cancellation NT$ -618 | - | Note 27 |
| July 2017 | 10 | 100,000 | 1,000,000 | 64,837 | 648,375 | Restricted Employee New Shares Cancellation NT$ -72 | - | Note 28 |
| August 2017 | 10 | 100,000 | 1,000,000 | 64,833 | 648,327 | Restricted Employee New Shares Cancellation NT$ -48 | - | Note 29 |
| December 2017 | 10 | 100,000 | 1,000,000 | 64,776 | 647,758 | Restricted Employee New Shares Cancellation NT$ -568 | - | Note 30 |
| October 2018 | 10 | 100,000 | 1,000,000 | 64,423 | 644,228 | Treasury stock cancellation -3,530 | - | Note 31 |
| January 2019 | 10 | 100,000 | 1,000,000 | 63,506 | 635,058 | Treasury stock cancellation -9,170 | - | Note 32 |
| December 2023 | 10 | 100,000 | 1,000,000 | 64,506 | 645,058 | Restricted Employee New Shares NT$ 10,000 | - | Note 33 |
| October 2024 | 10 | 100,000 | 1,000,000 | 64,393 | 643,928 | Treasury stock cancellation -1,130 | - | Note 34 |
| April 2025 | 10 | 100,000 | 1,000,000 | 65,393 | 653,928 | Restricted Employee New Shares NT$ 10,000 | - | Note 35 |
| April 2026 | 10 | 100,000 | 1,000,000 | 65,293 | 652,928 | Restricted Employee New Shares - NT$ 1,000 | - | Note 36 |

Note 1: Municipal letter no. 092055642 on February 18, 2003
Note 2: Municipal letter no. 09212494500 on July 4, 2003
Note 3: Municipal letter no. 09312400800 on June 18, 2004
Note 4: Municipal letter no. 09571909400 on January 18, 2006
Note 5: Municipal letter no. 09574705500 on March 22, 2006
Note 6: Municipal letter no. 09584043910 on October 24, 2006
Note 7: Municipal letter no. 09587344010 on January 5, 2007
Note 8: Industry letter no. 09689492010 on October 3, 2007
Note 9: Industry letter no. 09782871520 on May 29, 2008
Note 10: Industry letter no. 09789490900 on October 2, 2008
Note 11: Industry letter no. 09885094210 on June 29, 2009
Note 12: Industry letter no. 09889471620 on November 13, 2009
Note 13: Industry letter no. 09982770810 on April 12, 2010
Note 14: Industry letter no. 09984344500 on May 28, 2010
Note 15: Industry letter no. 10083066500 on April 22, 2011
Note 16: Industry letter no. 10001226550 on October 6, 2011
Note 17: Economic letter no. 10101102740 on June 5, 2012
Note 18: Economic letter no. 10101125100 on July 4, 2012
Note 19: Economic letter no. 10301259020 on January 14, 2015
Note 20: Economic letter no. 10401107610 on June 12, 2015
Note 21: Economic letter no. 10401181760 on September 7, 2015
Note 22: Economic letter no. 10401258050 on December 11, 2015
Note 23: Economic letter no. 10501028340 on February 16, 2016
Note 24: Economic letter no. 10501116110 on June 2, 2016
Note 25: Economic letter no. 10501212960 on September 2, 2016
Note 26: Economic letter no. 10501272550 on November 29, 2016
Note 27: Economic letter no. 10601047860 on April 21, 2017
Note 28: Economic letter no. 10601090940 on July 14, 2017
Note 29: Economic letter no. 10601124210 on August 30, 2017
Note 30: Economic letter no. 10601171250 on December 15, 2017
Note 31: Economic letter no. 10701132780 on October 29, 2018
Note 32: Economic letter no. 10801011830 on January 25, 2019
Note 33: Economic letter no. 11230224290 on December 18, 2023
Note 34: Economic letter no. 11330182630 on October 24, 2024
Note 35: Economic letter no. 11430041130 on April 10, 2025
Note 36: Economic letter no. 11530036720 on April 17, 2026

## B. Types of shares

April 20, 2026 (book closing date); Unit: shares

| Type of stock | Authorized Shares | | | Remarks |
|---|---|---|---|---|
| | Outstanding shares (Note) | Unissued shares | Total | |
| Registered common shares | 65,292,843 | 34,707,157 | 100,000,000 | 3,000,000 retaining shares for employee stock warranty |

Note: Shares outstanding are OTC stocks.

(2) List of major shareholders

April 20, 2026 (closing date).

| Shares / Name of the major shareholder | Number of shares held (shares) | Shareholding ratio (%) |
|---|---|---|
| Sitronix Technology Corp. | 4,198,701 | 6.43 |
| Wang Hsin investment Co. Ltd | 2,889,129 | 4.43 |
| Guang Sheng Technology Co., Ltd | 2,437,803 | 3.73 |
| Zeng Zi-yi | 1,500,000 | 2.30 |
| Citigroup is entrusted with the safekeeping of Berkeley Capital's SBL/PB investment account. | 964,000 | 1.48 |
| Taipei Fubon Commercial Bank is entrusted with the safekeeping of investment account of Silicon Power Computer & Communications Inc. | 958,000 | 1.47 |
| Yuan Pei-Rong | 956,447 | 1.47 |
| Mega International Commercial Bank entrusted Chen Huimin Trust Property Account | 950,000 | 1.46 |
| Chen Hui-Min | 732,566 | 1.12 |
| Hsieh Chao-Min | 649,016 | 0.99 |

(3) Dividend Policy and Implementation Status

A. Dividend policy adopted in the company's articles of incorporation: If there is net profit upon the final settlement of account of each fiscal year, the Company shall distribute in the following order:

a. taxation

b. offset any previous accumulated losses

c. set aside a legal reserve at 10% of the net profits, unless the accumulated legal reserve amounts reach the total capital of the Company.

d. offset or reverse the special surplus legal reserve by laws or regulations of competent authority.

e. if there is still surplus, retaining surplus to be allocated depends on future capital need and long-term financial plan of the company.

The proposal in the distribution surplus shall be prepared by the Board of Directors in aspect of balance including the accumulated earnings of previous years. Where the Company distributes preceding surplus earning, legal reserve and capital reserve in the form of cash, such distribution is authorized to be made after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

In consideration of business profitability status, capital structure, demand for future operation and other factors, the dividend distribution with the appropriation of the amount which shall be no less than 30% of the net profit after income tax under the circumstance that the accumulated distributable surplus is less than 5% of the paid-in shares.

B. Dividend distributions proposed by the most recent shareholders:

Unit: NT$

| Item | Amount |
|---|---|
| Undistributed Surplus, the beginning of the Period | 333,164,081 |
| Plus:2025 Retaining Surplus Adjustment (Note 1) | 976,320 |
| Plus: 2025 Net Profit after Tax | 134,360,615 |
| Less: Legal Reserve 10% Allocation | (13,533,694) |
| Distributable Surplus | 454,967,322 |
| Allocation: | |
| Dividend of Shareholders (Cash Dividend NT$1 per share) (Note 2) | (65,292,843) |
| Undistributed Surplus, end of the Period | 389,674,479 |

Note 1: 2025 Retaining surplus adjustment based on recognition of actuarial benefits in defined benefit plans.

Note 2: As of 2026.02.26, outstanding holding shares of the company of 65,292,843 shares are actual distributable for 2025 surplus allocation.

3. Statement where it is expected for major changes in the dividend Policy: None

(4) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted: Not applicable.

(5) Compensation of Employees, Directors and Supervisors

A. The percentages or ranges with respect to employee, director, and supervisor profit-sharing compensation, as set forth in the company's articles of incorporation:

From the profit earned by the Company as shown through the annual account closing, 10%-20% shall be taken for employees' compensation and no less than 3% shall be allocated for directors' compensation. If the Company has accumulated losses, the Company shall estimate and reserve the accumulated losses to be made first before estimating and afterwards reserving the employees' compensation and directors' compensation.

Employees' compensation shall be distributed in the form of shares or in cash and directors' compensation shall be distributed in the form of cash and shall be submitted to Board of Directors where two-thirds or more attending directors and approved by majority of attending directors for resolution. In addition, the proposal in employees' remuneration and directors' remuneration shall be submitted to report in the shareholders meeting.

Qualification requirements of employees, including the employees of subsidiaries of the company meeting certain specific requirements.

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

The remuneration cost of employees and directors are conducted in accordance with regulations of “Employee Bonus and Directors’ and Supervisors’ Remuneration Accounting Management” as per March 16, 2007 Ji-Mi-Zi letter no. 052 of Accounting Research and Development Foundation. Should there be any recognized expense and liability by legal obligation or assumed obligation with a predictable value, this discrepancy shall be adjusted to the expenses of the year in which the estimates are made. If a different amount is resolved, the differences are recognized as a change in accounting estimate and will be adjusted in the following year.

C. Information on any approval by the board of directors of distribution of profit-sharing compensation

a. The amount of any employee and supervisor profit-sharing compensation distributed in cash or stocks. 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 remuneration for employees and directors of the company in 2025 was approved by the board of directors on March 06, 2026. The amount of employee remuneration was NT$16,854,000, and the amount of director remuneration was NT$2,222,000, all were paid in cash. The amount of remuneration of employees and directors approved by the 2026 general shareholders meeting had no material difference from the figures estimated in the 2025 financial statements.

b. The amount of any employee profit-sharing compensation distributed in stocks, 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 profit-sharing compensation: Not applicable.

D. The actual distribution of employee, director, and supervisor profit-sharing compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor profit-sharing compensation, additionally the discrepancy, cause, and how it is treated:

The amount of employee remuneration was NT$16,454,000, and the amount of director remuneration was NT$2,169,000, and there is material no difference from the figures estimated and the actual distribution and recognized.

(6) Status of a company repurchasing its own shares: None.

**2. Corporate bonds: including overseas corporate bonds:** None.

**3. Special Unit Handling:** None.

**4. Participation in the issuance of overseas depositary receipts:** None.

**5. Employee stock option certificate processing:** None.

## 6. Restrictions on employee rights:

### A. Implementation of new restricted employee's shares

**May 05, 2026**

<table>
<tr><td>Type of new restricted employee shares</td><td>2023 new restricted employee's shares</td></tr>
<tr><td>Effective registration date and total number of shares</td><td>August 9, 2023<br>total number of 2,000,000 shares</td></tr>
<tr><td>Issue date</td><td>November 10, 2023 (1,000,000 shares)<br>March 17, 2025 (1,000,000 shares)</td></tr>
<tr><td>Number of new restricted employee shares issued</td><td>2,000,000 shares</td></tr>
<tr><td>Number of new restricted employee shares still available for issuance</td><td>0 shares</td></tr>
<tr><td>Issue price</td><td>free of charge</td></tr>
<tr><td>Ratio of the number of new restricted employee shares issued to the total number of issued shares</td><td>3.06%</td></tr>
<tr><td>Vesting conditions of the new restricted employee shares</td><td>After being allocated new shares with restricted employee rights, you will still be employed during the following period and meet the "personal performance" recognition conditions. The shares that can meet the vested conditions are as follows:
<table>
<tr><th>Vesting Period</th><th>Vesting Ratio</th></tr>
<tr><td>Serve for one year after being assigned</td><td>30%</td></tr>
<tr><td>Serve for two years after being assigned</td><td>30%</td></tr>
<tr><td>Serve for three years after being assigned</td><td>40%</td></tr>
</table>
"Individual performance" recognition conditions: Within the most recent year from the date of vesting, the performance evaluation results meet the following assessment standards, and after convening an appraisal meeting in accordance with the company's performance appraisal management regulations to confirm the performance grade, the proportion that can be earned in the current year will be assessed as:
<table>
<tr><th>Individual performance</th><th>Vesting Ratio</th></tr>
<tr><td>Excellence</td><td>100%</td></tr>
<tr><td>Good</td><td>80%</td></tr>
<tr><td>Meet the expectation</td><td>60%</td></tr>
<tr><td>Need improvement, poor</td><td>0%</td></tr>
</table>
</td></tr>
<tr><td>Restrictions on rights in the new restricted employee shares</td><td>Employees may not sell, mortgage, transfer, donate, pledge or otherwise dispose of new shares with restricted employee rights before the vested conditions are met.</td></tr>
<tr><td>Custody of the new restricted employee shares</td><td>The company's authorized employees and stock trust institutions conduct (including but not limited to) negotiation, signing, amendment, extension, termination of trust contracts and instructions for the delivery, use and disposal of trust properties.</td></tr>
<tr><td>Treatment of the new restricted shares for which the grantee fails to meet the vesting conditions after receiving or subscribing to the shares</td><td>For new shares with restricted employee rights that do not meet vested conditions, the company will take back the shares free of charge and cancel them.</td></tr>
<tr><td>Number of new restricted employee shares that have been retired or bought back</td><td>100,000 shares</td></tr>
<tr><td>Number of new restricted shares that have vested</td><td>870,000 shares</td></tr>
<tr><td>Number of unvested new restricted shares</td><td>1,030,000 shares</td></tr>
<tr><td>The ratio of the number of unvested new restricted shares to the total number of issued shares (%)</td><td>1.58%</td></tr>
<tr><td>The effect on shareholders' equity</td><td>The dilution of the company's earnings per share is still limited, so there is no significant impact on shareholders' equity.</td></tr>
</table>

B. Names and acquisition status of managerial officers who have acquired new restricted employee shares and of employees who rank among the top ten in the number of new restricted employee shares acquired:

May 05, 2026

<table>
<tr><th rowspan="2"></th><th rowspan="2">Job title</th><th rowspan="2">Name</th><th rowspan="2">Number of shares subscribe-able from exercise of warrants granted (thousands)</th><th rowspan="2">Ratio of the number of shares subscribe-able from the exercise of warrants granted to the total number of issued shares</th><th colspan="4">Exercised</th><th colspan="4">Unexercised</th></tr>
<tr><th>Number of shares</th><th>Exercise price</th><th>Total exercise price (thousands)</th><th>Ratio of the number of exercised shares to the total number of issued shares</th><th>Number of shares</th><th>Exercise price</th><th>Total exercise price (thousands)</th><th>Ratio of the number of exercised shares to the total number of issued shares</th></tr>
<tr><td rowspan="7">Managerial officers</td><td>General Manager of the Business Group</td><td>Hsieh, Chao-Min</td><td rowspan="7">925</td><td rowspan="7">1.42%</td><td rowspan="7">435</td><td rowspan="7">0</td><td rowspan="7">0</td><td rowspan="7">0.67%</td><td rowspan="7">490</td><td rowspan="7">0</td><td rowspan="7">0</td><td rowspan="7">0.75%</td></tr>
<tr><td>General Manager of the Business Group</td><td>Lin, Jin-You</td></tr>
<tr><td>Executive Deputy General Manager</td><td>Lee, Qi-Han</td></tr>
<tr><td>Deputy General Manager</td><td>Hu, Jia-Ming</td></tr>
<tr><td>Deputy General Manager</td><td>Zheng Zong-yang</td></tr>
<tr><td>Deputy General Manager</td><td>Wu Chih-liang</td></tr>
<tr><td>Director of Finance and Accounting</td><td>Wu, Wang-Ping</td></tr>
<tr><td rowspan="11">Employees (Note)</td><td>GM</td><td>Julio Redondo Tobarias</td><td rowspan="11">620</td><td rowspan="11">0.95%</td><td rowspan="11">302</td><td rowspan="11">0</td><td rowspan="11">0</td><td rowspan="11">0.46%</td><td rowspan="11">318</td><td rowspan="11">0</td><td rowspan="11">0</td><td rowspan="11">0.49%</td></tr>
<tr><td>Senior Director</td><td>Guan, Chih-Liang</td></tr>
<tr><td>Senior Director</td><td>Wu, Liang-Chen</td></tr>
<tr><td>Director</td><td>Chueh, Chao-Feng</td></tr>
<tr><td>Director</td><td>Hsieh, Chia-Rong</td></tr>
<tr><td>Director</td><td>Chang, Zhi-Jie</td></tr>
<tr><td>Director</td><td>Bai, Kuai-Hong</td></tr>
<tr><td>Director</td><td>Wu Jia-hao</td></tr>
<tr><td>Senior Manager</td><td>Zhang Li-sheng</td></tr>
<tr><td>Manager</td><td>Zhou, Yu-Ping</td></tr>
<tr><td>Manager</td><td>Tang, Wan-Pei</td></tr>
</table>

Note: The top ten employees who have acquired share subscription warrants means employees other than managerial officers.

**7. Mergers and acquisitions or the issuance of new shares by the shares of the company: No**ne.

**8. Implementation of the plan for the use of funds:**

A. For the period as of the quarter preceding the date of publication of the annual report, with respect to each uncompleted public issue or private placement of securities, and to such issues and placements that were completed in the most recent 3 years but have not yet fully yielded the planned benefits, the annual report shall provide a detailed description of the plan for each such public issue and private placement: None.

B. With respect to funds usage under the plans referred to in the preceding subparagraph, the annual report shall analyze the status of implementation and compare actual benefits with expected benefits: None.

# IV. Operation Overview

## 1. Business content

(1) Business scope

1. The main contents of the company's business:

The company's main business is the development, manufacture and sales of data storage and processing equipment and electronic components.

The scope is as follows:

F218010 Information software retail.
F219010 Electronic materials retail.
F118010 Information software wholesale industry.
F119010 Wholesale of electronic materials.
F401010 International trade.
CC01120 Data storage media manufacturing and reproduction.
CC01080 Electronic parts manufacturing industry.
CC01101 Telecommunications regulated radio frequency equipment manufacturing.
F401021 Telecommunications regulated the radio frequency equipment import industry.
ZZ99999 Except for licensed business, you may operate a business that is not prohibited or restricted by law.

2. Proportion of business

Unit: NT$ thousands

| Revenue and proportion / Items | The year 2025 | |
|---|---|---|
| | Operating income | The proportion of operating (%) |
| DRAM memory modules | 2,902,978 | 68.17% |
| NAND FLASH products | 971,497 | 22.81% |
| Strategic products | 363,999 | 8.55% |
| Others | 19,901 | 0.47% |
| Total net operating income | 4,258,375 | 100% |

3. The company's current goods (services).

The main products of the company and its subsidiaries are memory cards, flash drives, memory modules, solid-state drives, external hard disks, power banks and mobile phone peripherals.

4. New products' development in plan (service)

A. Memory Card Products

**Hypera microSDXC™ Express Card**

This product uses the SM2708 controller chip to support the SD Express 7.1 standard and delivers high-speed performance through PCIe Gen 3x1 and NVMe protocols, achieving a maximum read-speed of 880MB/s and a write-speed of 700MB/s. It boasts a maximum read-speed of 880MB/s and a write-speed of 700MB/s, approximately 2.7 times faster than traditional UHS-II microSD cards, providing a faster game loading and download experience for next-generation consoles such as the Nintendo Switch 2.

The dual-interface design, featuring PCIe and UHS-I interfaces, is compatible with both new and old generation devices and offers up to 1TB of capacity, easily storing large games and high-resolution video content. It also supports the V30 standard, enabling stable 4K UHD recording and playback to meet entertainment and creative needs.

In terms of overall reliability, it mainly uses 3D TLC NAND and has passed rigorous durability testing, including supporting 10,000 insertion and removal cycles, operating temperature from 0°C to 70°C, and features shockproof, anti-static and X-ray protection design. In addition, it provides a 10-year limited warranty, balancing product performance and durability.

**Inspire microSDXC™ Card**

Utilizing 3D TLC NAND technology, this product offers up to 1TB of storage, making it ideal for extended shooting sessions and content creation. It is widely compatible with various devices, including drones, action cameras, tablets, and handheld game consoles. Simultaneously, when paired with a DDR200 card reader and compatible devices, it achieves maximum transfer speeds of approximately 170MB/s. This not only meets the demands of 4K Ultra HD high-definition video recording and high-speed data transfer but also complies with UHS-I U3, V30, and A2 performance levels, resulting in faster app launches, smoother game performance, and a stable and efficient user experience.

In terms of durability, in addition to multiple protective designs including waterproofing, drop resistance, high and low temperature resistance, and abrasion resistance, it also features a built-in ECC dual automatic error correction mechanism to effectively ensure data integrity. This product, which balances performance, stability, and long-term reliability, is designed for content creators and heavy gamers with high performance needs.

**Golden Series High Endurance microSDHC/SDXC™ Card**

It is equipped with UHS-I U3 high-speed specifications and meets V30 recording standards, which can stably support 4K high-definition recording, especially in high-density, long-term loop recording scenarios, including: dashcams, surveillance cameras and various security monitoring systems, to ensure continuous and smooth images.

This product boasts a maximum read-speed of 100MB/s and a write-speed of 80MB/s (actual performance depends on system environment), effectively improving recording and file transfer efficiency. Its built-in high-quality flash memory provides up to 512GB of capacity, enabling stable storage of 4K video and large amounts of data for extended periods to meet continuous recording needs.

In terms of durability and reliability, in addition to being shockproof, waterproof, antistatic and X-ray resistant, it can cope with a variety of harsh environments. It has a built-in ECC automatic error correction mechanism to detect and correct data errors in real time, ensuring the integrity of long-term operation and system stability.

B. USB flash drive products

The DS72 USB 3.2 Gen2 dual-interface Type-A+C delivers astonishing read and write-speeds of up to 1050MB/s and 1000MB/s respectively, 9.1 times and 26.7 times faster than standard USB flash drives. This allows for the instant transfer of large files, combining the portability of a USB flash drive with the speed of a solid-state drive. Thanks to its high-speed USB 3.2 Gen 2 interface and up to 2TB of storage capacity, large files, video games, and multimedia data can be transferred quickly and easily between smartphones and computers, regardless of cloud storage limitations, ensuring data is stored instantly. Notably, the DS72 is made of scratch-resistant aluminum alloy, preventing fingerprints and scratches and ensuring durability. A protective cap further safeguards the USB connectors for data security.

The DS72 also features both Type-A and Type-C interfaces, ensuring seamless compatibility with various mobile devices and Windows, Mac, and Android operating systems, demonstrating excellent cross-device storage performance. Creators can easily transfer high-resolution media from cameras with Type-C interfaces to laptops with Type-A interfaces, thus reducing downtime during editing and significantly improving productivity, and vice versa. File transfer between smartphones, tablets, and PCs is faster and more flexible with the DS72, eliminating the need to carry external cables.

C. Memory products

**DDR5 RDIMM 4800~6400MT/s**

Manufactured with high-quality DRAM chips from the original manufacturer and subjected to extensive stability testing, this product ensures high reliability and continuous operation, especially in enterprise-level applications. Compared to standard ECC UDIMMs, it offers superior fault tolerance and error correction capabilities, effectively improving server system stability and overall yield. It has been verified on mainstream server platforms and is fully compatible with both Intel and AMD architectures.

Thanks to its high-density architecture and built-in 32 memory banks (divided into 8 groups of 4 banks each), data throughput efficiency is significantly improved. It also integrates a Serial Presence Detect (SPD) EEPROM for accurate system identification and optimized settings. The module features high-quality gold-plated contacts to ensure stable signal transmission and durable connectivity even after prolonged use.

On-Die ECC and RCD (Remote Clock Driver) technology enable real-time error detection and automatic correction, maintaining stable performance under high loads. Combined with a 1.1V low-voltage design and built-in PMIC power management chip, it effectively reduces power consumption and heat generation, while also enhancing voltage control and signal stability, making it an ideal memory solution for data centers and enterprise servers.

**XPOWER Cyclone DDR5 RGB UDIMM**

It primarily offers high-speed performance starting from 6000 MT/s, delivering a smooth and responsive system experience, and supports Intel XMP 3.0, allowing users to easily tune performance and unleash the full potential of their hardware. Furthermore, the built-in PMIC power management chip provides a stable and efficient power supply, while on-Die ECC technology further enhances data reliability and overall system stability.

In particular, its exterior design combines a stylish light bar with RGB lighting effects, which can be personalized through motherboard software to create a unique visual effect. It also features a robust 2mm heatsink, which effectively enhances heat dissipation, reducing the temperature by more than 10°C to ensure stable operation over extended periods.

**XPOWER Cyclone DDR5 RGB CU-DIMM**

It primarily offers ultra-high speeds of 8200 MT/s to 9200 MT/s, delivering exceptional performance for high-performance computing and extreme gamers. Through the adoption of Clock Driver Chip (CKD) technology, it significantly improves signal stability and overall system efficiency, supports Intel XMP 3.0 at high frequencies, and allows for easy unleashing of full performance with a single click.

This product features a built-in PMIC power management chip and ECC mechanism, ensuring stable and reliable operation under high loads and full compatibility with Intel Core Ultra desktop processors and the Z890 platform. The exterior boasts a modern light strip design combined with RGB lighting effects that can be synchronized with the motherboard software, creating an immersive visual experience. Additionally, a 2mm heatsink effectively reduces temperatures by over 10°C, ensuring stable operation even during extended periods.

D. Card reader products

**C200 Memory Card Reader**

This card reader features a slim and lightweight design with a lanyard hole for easy portability. It supports UHS-I DDR200 transfer mode, with read-speeds up to 180MB/s and write-speeds up to 165MB/s, fully utilizing the transfer capabilities of high-performance microSD cards. It is also backward compatible with USB 2.0, catering to the needs of various devices.

This card uses a USB-C interface, making it widely compatible with desktop computers, laptops, smartphones, and tablets, and supports Windows, macOS, Linux, ChromeOS, iOS, iPadOS, and Android operating systems. Furthermore, its plug-and-play design eliminates the need for additional driver installation, making it simple and intuitive to use.

E. External solid-state drive products

Featuring an ultra-thin design, the durable and high-speed PX10 series solid-state drives combine high performance with a slim and aesthetically pleasing form factor, providing a convenient storage solution for digital image creators and mobile workers. The drives are only 10.3mm thick and weigh just 33g, available in stylish black and pink colors, and feature a USB 3.2 Gen 2 Type-C high-speed interface. Beyond its stylish appearance, the PX10 also prioritizes performance and stability. Its unique design, in particular, enhances heat dissipation, ensuring sustained high-speed operation over extended periods. Read and write-speeds reach up to 1,050MB/s, significantly improving workflow whether transferring large files or recording high-definition Apple ProRes video directly on the iPhone 17 Pro/Pro Max. The PX10 has passed shock resistance testing to ensure data safety, providing a stable and reliable storage experience even on the go.

F. Solid State Drive Products

We will continue to develop the latest interface, full-capacity, and NVMe SATA/PCIe SSD products, aiming to meet the diverse needs of users with a full range of products covering high, medium, and low capacities and different speed requirements. We also emphasize the high stability and high performance of our products and are committed to maintaining high compatibility with various brands of computer systems and gaming consoles.

The XPOWER series now includes the XS90 PCIe SSD, featuring the latest high-speed PCIe Gen 5x4 interface, designed specifically for next-generation computing. Internally, it utilizes a TSMC 6nm controller chip, delivering lightning-fast performance and exceptional efficiency to meet the growing demands of AI-driven workloads, top-tier gaming, and professional content creation. This latest XS90 combines extreme speed with cutting-edge technology, redefining users' performance expectations for Gen 5 SSDs.

The XS90's core features a PCIe Gen 5x4 interface and a TSMC 6nm process controller, optimized for performance and power efficiency. Boasting read-speeds of up to 14,300MB/s and write-speeds of up to 13,400MB/s[1], it is Silicon Power's fastest SSD to date. Furthermore, the XS90 is equipped with LPDDR4 DRAM caching, ensuring lightning-fast response times even during intensive tasks such as AI model training or high-resolution video editing. This XS90 combines high performance with low power consumption, making it an ideal choice for the latest desktop and laptop computers that support the PCIe 5.0 standard.

Whether rendering complex 3D models, developing advanced applications, or editing high-definition video, the XS90 perfectly meets a variety of professional needs. The XS90 is currently available in 1TB, 2TB, and 4TB capacities, providing ample space for large files, game libraries, and AI training databases. Notably, its compact M.2 2280 form factor and heatsink-free design ensure high compatibility with most motherboards and laptops, providing users with a seamless and flexible upgrade experience. For heavy users, creators, and AI innovators, the XS90 achieves a perfect balance of speed, storage, and adaptability.

The XS90's arrival demonstrates Silicon Power's continued commitment to innovation, reliability, and performance. In addition to supporting the NVMe 2.0 protocol and offering a 5-year limited warranty, it delivers reliable long-term performance for professionals and avid gamers. With the surge in computing demands, particularly in AI applications, the XS90 is poised to powerfully support creativity and productivity.

G. Industrial standard products

In response to the demand for higher computing performance from cloud computing and databases in the memory industry, DDR5-6400MHz and 7200MHz RDIMMs have recently been introduced, with the capacity increased to 64GB to meet the computing needs of Edge AI applications.

Regarding the SSD portion, an M.2 2280 PCIe Gen5x4 SSD has been developed, which can double the speed to a maximum of 14000MB/s, and is backward compatible with PCIe 4.0 and 3.0 platforms to meet customers' demands for ultimate performance.

In terms of product continuity, whether it is the 350S with DRAM or the 3K0E and 3M0E series without DRAM, 218-layer BiCS8 3D TLC flash memory has been successively introduced. It also has power failure protection and industry-recognized TCG OPAL information encryption security function, giving modern security defense systems and equipment capabilities.

Regarding microSD cards, the 218L BiCS8 product has been launched, with capacities supporting 128GB to 1TB, suitable for high-capacity/high-durability/high-stability industrial applications.

PFS (Power Failure Signal) is the latest technology launched this year that can be used with PCIe SSD products. Combined with the system power failure warning signal, it takes protective measures through the SSD firmware and can immediately perform a safe shutdown in the cache to ensure data integrity.

Regarding value-added software for industrial control products, a brand-new "Smart Tools" system will be developed. This system combines the original SSD ToolBox function to view the health and usage status of SSDs, while adding a behavior analysis function. It analyzes user behavior through SSD read and write data to assess whether special function firmware should be selected. In addition to simultaneously monitoring Silicon Power’s DRAM modules, this software can also be configured to send alarm messages to designated email addresses.

(2) Industry overview

1. The current situation and development of industry

Starting in Q4 2025, driven by the continued growth in demand from artificial intelligence (AI), high-performance computing (HPC), cloud data centers, and edge computing, the global memory industry is gradually shifting its market focus from consumer applications to high-performance, high-reliability, and high-value-added products. Compared to the consumer market, the commercial and industrial application markets place greater emphasis on stable product supply, long lifecycle support, environmental resilience, and system compatibility. This is expected to drive the memory industry towards application-oriented and high-reliability development in the future.

**3D NAND technological evolution**

Looking back from 2014 to the present, 3D NAND technology has evolved from 24 layers to over 300 layers, and the number of layers continues to increase. As the stacking height increases, the complexity of the manufacturing process and capital expenditure also rise significantly. This has led to a gradual slowdown in the effectiveness of simply increasing the number of layers to reduce costs, however.

Thus, the industry's focus has shifted from "layer count competition" to "architecture and performance optimization," particularly through technologies such as CMOS under Array (CuA) and String Stacking to improve density and yield. Meanwhile, in terms of data transmission, the increased layer count and capacity lead to a significant increase in NAND internal data throughput requirements, driving continuous upgrades to interface technologies (such as ONFI) to support higher I/O speeds and overall performance.

On the application side, the rapid growth of AI, data centers, and edge computing is further driving the demand for high-capacity and high-performance storage. In summary, 3D NAND has now moved beyond simply stacking layers and entered a new phase of "co-evolution of architecture, interface, and application requirements."

**Memory Industry Technology Development Trends in 2026**

In 2026, the DRAM industry is expected to officially enter a structural growth phase driven by AI demand. Given the large-scale deployment of AI as it gradually shifts from training to inference, memory demand is also shifting from simple bandwidth competition to overall optimization of capacity, power efficiency, and system synergy.

Industry observers indicate that DDR5 achieved mainstream adoption by 2025 and will continue to expand its penetration rate in 2026, ultimately becoming the standard configuration for servers, PCs, and industrial applications. It is projected that the combined market share of DDR5 and LPDDR5/5X will continue to increase, while DDR4 will retreat to cost-oriented and long-lifecycle application markets (such as industrial control and embedded systems), showing a clear generational shift.

In high-end applications, HBM (High Bandwidth Memory) will continue to be a core driver of growth in the DRAM industry. With the rapid increase in demand for AI servers and accelerators, HBM3e has entered the mass production stage, simultaneously driving the memory industry towards higher bandwidth and higher added value. HBM and traditional DDR memory will form a division of labor, with the former focusing on ultra-high bandwidth computing scenarios and the latter serving as the main system memory.

Over the next three years, memory technology will enter a new multi-track development pattern, as follows: DDR5 will continue to optimize performance and reduce costs, becoming the market leader; however, DDR6 will enter the early commercialization and ecosystem building phase, primarily targeting high-end computing and data center applications. Compared to DDR5, DDR6 will offer higher data transfer rates (up to 12,000 MT/s and above), but will also place higher demands on signal integrity (SI), power management, and PCB design, accompanied by higher initial adoption costs.

Regarding technological development, the focus will shift from improving the performance of individual components to system-level integration, including the collaborative operation between memory and processors. Furthermore, as the next-generation CXL (Compute Express Link) interface technology matures, memory resources can be dynamically configured at the system level, further changing traditional architectures and enhancing the flexibility and efficiency of data centers and edge computing systems.

In terms of product technology, DDR5 will continue to incorporate key design enhancements to improve system stability and reliability, including Client Clock Driver (CKD) to improve signal quality and On-Die ECC (ODECC) to enhance data integrity. And industrial applications will emphasize wide-temperature operation and environmental tolerance designs (such as anti-sulfurization) to ensure stable operation of products in high-temperature, high-humidity, and high-pollution environments.

At the application level, edge AI, smart manufacturing, smart monitoring, and networking equipment will play important roles in driving growth. Compared to the past computing model concentrated in data centers, starting in 2026, AI computing will gradually move to edge devices, thereby driving the demand for high-capacity, low-latency, and high-reliability memory modules.

Overall, the key to competition in the memory industry in 2026 has shifted from competition based on single specifications to a comprehensive contest of "technological capabilities × cost control × application compatibility." Companies that can simultaneously master DDR5 cost optimization, HBM trend linkage, and DDR6 technology deployment will gain a crucial advantage in the new round of industry competition.

**PCIe interface technology development and market dynamics**

With the continued growth in demand from AI, high-performance computing (HPC), and data centers, PCIe interface technology will see accelerated upgrades in 2026, expected to become a key infrastructure supporting high-speed data transmission and system performance. PCIe 5.0 is also moving from the introduction phase to the growth phase, with its penetration rate in the enterprise SSD market continuing to increase, gradually moving towards mainstream adoption. PCIe 4.0, on the other hand, maintains a stable shipment base due to its maturity and cost advantages.

On the platform side, with next-generation server processors and AI accelerators fully supporting PCIe 5.0, high-bandwidth transmission capabilities will become standard in system architecture design, driving upgrades to both storage devices and controller solutions. To meet the demands of high-speed transmission, the technical barriers to related solutions in terms of signal integrity (SI), power consumption control, and thermal design have also significantly increased. This makes the adoption of PCIe 5.0 not only an interface upgrade but also a driving force for improving overall system design capabilities.

On the application side, significant growth momentum for PCIe 5.0 will come from AI servers, data centers, and high-performance computing platforms, particularly in GPU-accelerated architectures and high-throughput storage systems, where it can significantly improve data transfer efficiency. In contrast, in the consumer market, PCIe 4.0 remains the mainstream configuration primarily due to limitations in actual application needs and platform cost considerations, with PCIe 5.0 mainly concentrated in high-end products and specific application scenarios.

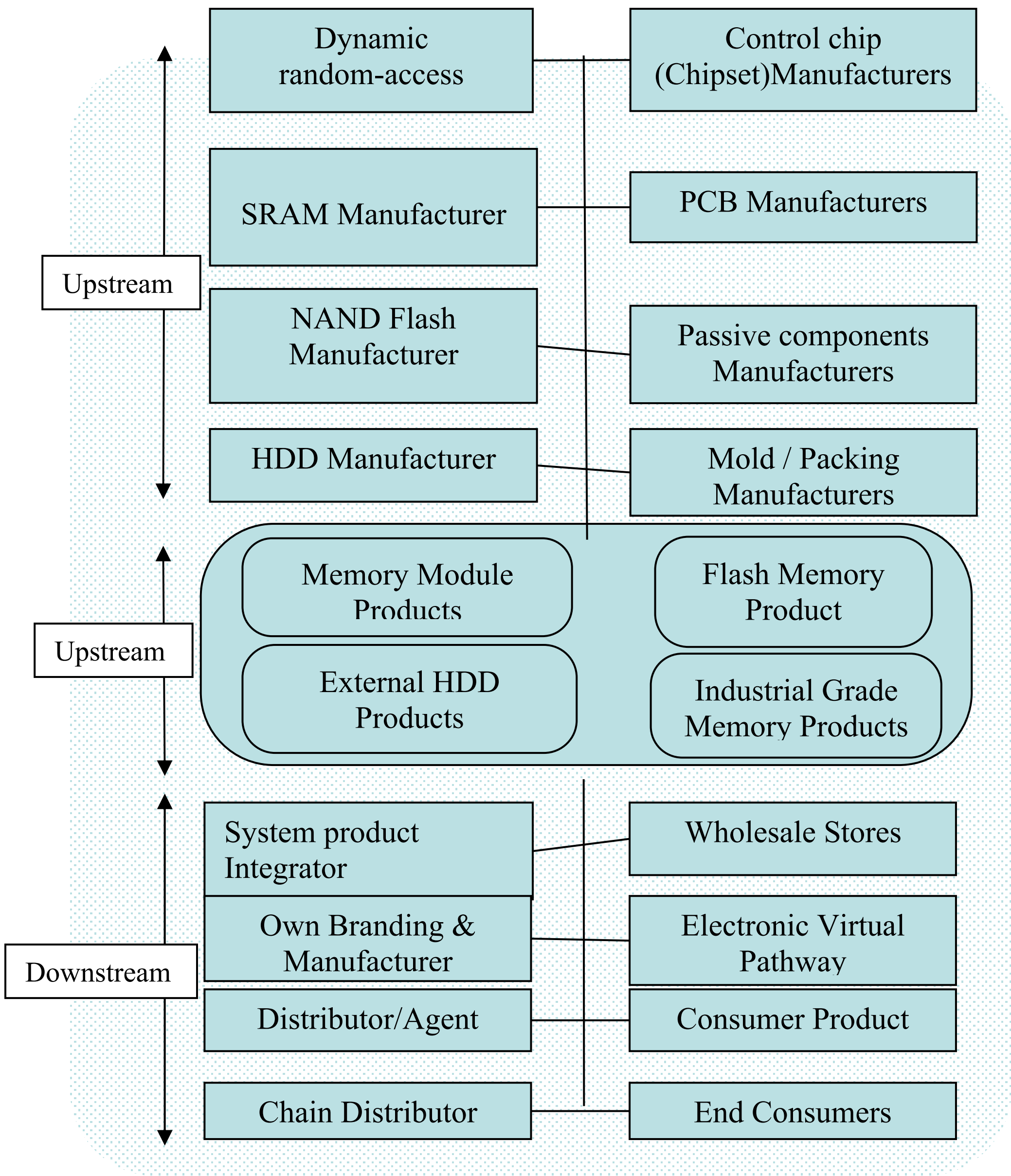
The next-generation PCIe 6.0 will remain in the early adoption phase in 2026, but has already begun validation and small-scale deployment in some data centers and high-end applications. Due to its use of PAM4 signaling technology, while PCIe 6.0 significantly improves transmission speeds, it also brings greater challenges to signal integrity and requires more robust error correction (FEC) capabilities. This means that in the short term, it will remain primarily focused on specific high-end applications and has not yet entered a large-scale commercial phase.

In the industrial and embedded markets, the adoption of PCIe technology has been relatively steady. This is because industrial control applications prioritize long-term supply stability and system reliability, making PCIe 4.0 the current mainstream choice. However, with the rise of Edge AI, machine vision, and smart manufacturing applications, some high-performance industrial control devices have begun to adopt PCIe 5.0 to support higher data throughput and real-time computing requirements. This indicates that the market is gradually shifting from a singular focus on stability to a development trend that emphasizes both performance and reliability.

Overall, PCIe technology development has exhibited a structural growth pattern, with platform upgrades driving application expansion. PCIe 4.0 will continue to be the mainstream foundation, PCIe 5.0 is accelerating its penetration and becoming a key interface for high-performance applications, while PCIe 6.0 is in the technology verification and ecosystem building phase. In the future, market competition will focus on the overall balance between high-speed transmission, power consumption control, and system reliability to meet the needs of diverse application scenarios.

2.The correlation between the upstream, midstream and downstream of the industry

The main products of the company and its subsidiaries are flash memory products, memory module products, external hard disk products, industrial memory products and other mobile peripheral products, etc., which are connected to the upstream, middle and downstream of the industry, closely linked with manufacturers and customers, and strung together into a complete supply system, as shown below:



3. Various development trends and competitive conditions of products

A. Various development trends of products

Given the ongoing transformation of the global memory and storage industry's application structure, product development has gradually shifted from a focus on capacity increases and price competition to a development model that emphasizes high performance, high reliability, low power consumption, and application integration capabilities. Especially driven by applications such as artificial intelligence (AI), high-performance computing (HPC), data centers, industrial control, edge computing, smart monitoring, and professional video production, market demand for memory and storage products has moved beyond simply upgrading basic specifications. It now emphasizes long-term stable operation, high-speed data processing capabilities, system compatibility, thermal efficiency, and lifecycle management capabilities. This has led to product competition evolving from a single price and specification-driven approach to a comprehensive competition encompassing technological capabilities, responsiveness, and supply quality.

In the DRAM product market, the continued increase in DDR5 penetration has led to a product upgrade trend centered on high bandwidth, high capacity, and low power consumption. DDR5, with its higher transmission speed, better energy efficiency, and larger capacity support, is gradually becoming the main configuration direction for servers, commercial computers, and next-generation platforms. DDR4, on the other hand, remains active in industrial computers, medical equipment, communication systems, automation equipment, and other long-lifecycle application markets due to its advantages of platform maturity, relatively stable prices, and complete verification. Overall, competition in the DRAM product market has shifted from being dominated by generational replacements to differentiated product strategies based on application characteristics. Therefore, suppliers must not only consider upgrades to next-generation products but also maintain long-term supply and customer support capabilities for existing products to meet the comprehensive needs of different markets for performance, stability, and cost.

In the NAND Flash and related storage products market, the evolution continues towards designs with higher capacity, higher endurance, higher transmission performance, and higher reliability. Taking 3D NAND technology as an example, increasing the number of stacked layers helps increase storage density and reduce unit capacity cost, but it also increases process complexity and capital investment. This has prompted major manufacturers to shift their competitive focus from simply increasing the number of stacked layers to optimizing architecture, I/O performance, production yield, and overall application value. With the continued expansion of enterprise-level storage, smart monitoring, edge devices, networking equipment, and industrial applications, the market's requirements for storage products have shifted from capacity and price for general consumer applications to an emphasis on write cycles, data retention capabilities, power outage protection design, environmental tolerance, and long-term supply stability. This makes products with high reliability and application verification capabilities more competitive.

In the SSD product market, the trend is towards higher-speed interfaces, improved controller performance, optimized thermal design, and application stratification. PCIe 4.0 remains the mainstream specification for industrial control, embedded systems, and most commercial platforms, boasting advantages such as mature technology, high compatibility, and relatively reasonable implementation costs. PCIe 5.0 has expanded into enterprise-level storage, AI servers, high-performance workstations, and data-intensive computing platforms, driving SSD product upgrades towards higher sequential read/write performance and lower latency. While transmission speeds continue to improve, issues such as signal integrity, control chip power consumption, thermal management, and system stability have become critical to product design. The focus of competition is no longer solely on theoretical transmission rates, but rather on a supplier's ability to maintain stability, durability, and overall system compatibility in high-speed operating environments. As for PCIe 6.0, it is currently in the early stages of technology verification and ecosystem building, and large-scale commercialization is not yet possible in the short term. Future development will depend on the demands of high-end application markets and the overall maturity of the industry.

In the areas of memory cards, embedded storage, and external high-speed storage products, driven by increasing demands in professional video production, mobile creation, drone applications, smart surveillance, and edge data acquisition, the development trend of these products is clearly moving towards higher speeds, larger capacities, thinner and lighter designs, and multi-scenario applications. Especially with the trend of high-resolution video moving from 4K to 6K, 8K, and even higher specifications, memory cards and external storage products not only need to have higher sustained write-speeds, but also need to support long-duration recording, fast backups, cross-device data transfer, and highly durable designs, thus avoiding the risk of interruptions to shooting and workflow. This trend is shifting product competition from price in the general consumer storage market to professional applications, focusing on specifications, sustained performance, compatibility verification, and overall workflow integration. Looking at the higher-end CFexpress, SD UHS-II, external SSDs, and high-speed card readers being launched by various brands, this expansion of product portfolios is expected to strengthen the completeness of their solutions for professional creators, video production teams, and enterprise application customers.

The global memory and storage market has gradually evolved into an industry structure where original equipment manufacturers, module manufacturers, and application solution providers compete with each other. Original equipment manufacturers dominate the high-performance and high-value-added product market by leveraging their technological R&D, production capacity, and high-end product advantages. Module and brand manufacturers, on the other hand, compete for market opportunities in industrial, commercial, and professional application sectors through product portfolios, diversified application strategies, localized service capabilities, and customized support. In a market environment characterized by shorter product cycles, accelerated technological upgrades, and increasingly segmented application needs, manufacturers relying solely on single product specifications or price competition will find it difficult to maintain a long-term competitive advantage. The future competitive players will be those with comprehensive product lines, continuous technological upgrades, stable supply chain management, application validation capabilities, and integrated customer service capabilities.

In summary, the memory and storage product market has gradually shifted from a focus on specifications and price to a development model driven by application needs, centered on product stratification and high-reliability design. Furthermore, as various end-user applications continue to demand higher performance, stability, durability, and system integration capabilities, market competition has expanded from single-product competition to overall solutions, supply capabilities, and application services. In the future, manufacturers capable of providing products with high performance, stable quality, and long-term service capabilities to meet diverse application scenarios will have the opportunity to gain a more advantageous position during industry upgrades and market restructuring.

B. Competitive situation

Our company and its subsidiaries primarily produce memory cards, flash drives, DRAM modules, solid-state drives, and industrial-grade storage solutions. Major competitors in this industry include domestic and international brands such as Kingston, Transcend Information, ADATA Technology, Innodisk Corporation, Apacer Technology, ATP, and Swissbit. Overall, the global memory and storage industry has gradually shifted from a model primarily focused on capacity expansion and price competition to one that emphasizes high performance, high reliability, long lifecycle support, and application integration capabilities. Under these circumstances, the market landscape is evolving from a single product specification and price-driven approach to a comprehensive competition based on technological capabilities, application service capabilities, supply stability, and customer validation capabilities.

(1) Product Strategy: Application-Oriented and Differentiated Approach

In response to changes in market competition, industry structure, and application demands in 2026, the Company will adjust its product portfolio and operational strategies to enhance its overall competitive advantage. Regarding product strategy, with the continued growth in demand for artificial intelligence (AI), high-performance computing (HPC), edge computing, smart manufacturing, networking equipment, and professional imaging applications, the Company will further expand its DDR5 memory module and PCIe SSD product lines, while simultaneously strengthening its high-capacity NAND Flash product portfolio. This is expected to create new business opportunities in the high-bandwidth, high-capacity, and high-speed transmission application market. In addition, considering the increasing demand from the industrial and embedded application markets for long-term supply stability, system compatibility, wide-temperature operation and high reliability, our company will continue to deepen the specification design and application verification capabilities of industrial-grade storage products, thereby enhancing the added value and market differentiation of these products.

Building on the above, our company will further enhance its customized design and application implementation capabilities, especially for different industrial applications (such as industrial automation, edge computing, smart healthcare and networking equipment), providing a variety of customized services including capacity configuration, performance tuning, SPD parameter setting, firmware optimization and flexible adjustment of component bundle (BOM), thus meeting customers' differentiated needs in system integration and long-term supply.

Furthermore, the collaborative design partnerships with clients in the early stages of development, along with support for platform verification, enable the Company to more accurately address the compatibility and stability requirements of various application scenarios, shorten the implementation timeline, reduce overall system risk, and further enhance product competitiveness and customer loyalty.

(2) Deepening Market Layout and Regional Expansion

In anticipation of the global memory and storage industry's trend towards high performance, high reliability, and diversified applications by 2026, our company will not only continue to strengthen its product technology and application service capabilities, but also simultaneously deepen its global market layout to meet the different needs and growth opportunities in various regional markets. Given that market competition is gradually shifting from price-driven to competition based on stable supply, local support, and long-term cooperation capabilities, the Company will continue to promote its global localization strategy. Building on its existing markets in Europe, Japan, and the United States, the Company plans to expand into markets in Eastern Europe, Central and South

America, Oceania, India, South Korea, the Middle East, and mainland China. Through local business teams and channel cooperation, the Company aims to increase market penetration and brand visibility. In addition, the Company will flexibly adjust its product portfolio and promotion strategies according to the characteristics of each regional market. For example, it will continue to deepen the penetration of high value-added products in mature markets, while actively expanding channel coverage and business development in emerging markets. The Company will strengthen its overall market competitiveness and make unremitting efforts to build future growth momentum.

(3) Supply chain management capability - a key to competition

In the face of increased price volatility in memory chips, over-concentration of supply resources, and fluctuating market demand in 2026, supply chain management capabilities will be a crucial factor in industry competitiveness. To address this, our company will strengthen its control over material sources, inventory management, and delivery scheduling capabilities through diversified supply sources, flexible procurement strategies, and deepened cooperation with major manufacturers. This is expected to enhance overall supply chain resilience and reduce operational risks. By improving our stable supply capabilities, our company can effectively meet customers' requirements for delivery time, quality, and long-term supply stability, further strengthening our market competitiveness.

(4) From product supply to solutions services

The market demand for memory and storage products is expected to continue its trend towards higher performance, higher reliability, and greater diversification by 2026. Customer needs are shifting from single-specification procurement to a greater emphasis on application integration, system compatibility, and long-term service support. In response to this trend, our company will transform from a single-product supplier to a solutions provider, deepening our partnerships with customers. We will also offer customized memory and storage solutions for different application scenarios to enhance product added value, customer loyalty, and long-term cooperation benefits.

In response to increasingly complex application demands, our company has gradually transformed from a single product supplier into a solutions provider. We not only deepen our cooperation with customers but also provide customized memory and storage solutions to enhance customer loyalty and long-term partnership value. In addition, to meet the high demands of industrial applications for data security and system stability, our company will integrate hardware, firmware, and software technologies to build a complete industrial control storage solution. Regarding data security, we will provide hardware write protection through DataGuard, combined with a Sanitize mechanism, and incorporate Power Fail Signaling (PFS) and PFP+ (Power Fail Protection Plus) to enhance data integrity and system protection capabilities during power outages. In terms of device management, we will integrate SMART IoT, SP Smart Tool and FWxpress to provide health monitoring, firmware updates and remote management functions. At the same time, through lifespan prediction and early warning analysis, we will help customers optimize maintenance efficiency and reduce risks.

In summary, our company will continue to drive the transformation of our products from single hardware supply to a comprehensive solution covering data security, system stability and intelligent management, thereby realizing the transformation from "product supply" to "comprehensive industrial control storage solution".

(3) Overview of technology and research and development

1. The technological level and R&D of the main business

A. Flash memory related products

Our company and subsidiaries continuously launch new models with new features to meet consumer demands in response to advancements in key market components (FLASH and Controller). Our main technology level involves designing and developing cost-effective high-speed mainstream interfaces (such as PCIe G5x4, PCIe G4x4, SATA3, USB3.2 Gen2x2, USB4, SD express, and CFexpress 4.0). In response to the introduction of next-generation flash memory process chips, we continue to develop flash memory storage devices with higher capacity and higher reliability. Furthermore, we optimize the electrical characteristics and compatibility of our products and improve process yield through rigorous testing procedures to ensure quality.

B. DRAM memory module

Due to the miniaturization of IC manufacturing processes and the continuous evolution of packaging technologies, the requirements for raw materials and manufacturing processes in memory modules have also increased. Our company and its subsidiaries utilize high-quality materials such as BGA-packaged memory chips and multilayer printed circuit boards (PCBs). We have also adopted the latest generation of DDR5 memory as specified by the Joint Electron Device Engineering Council (JEDEC), launching memory modules for desktop and notebook computers. These modules will offer DDR5 speeds ranging from 4800MT/s to up to 6400MT/s, including CUDIMM and CSODIMM product development. For RDIMM memory modules used in server computers, we have successively launched 16GB/32GB/64GB capacities with speeds up to 6400MT/s, plus a DDR5 RGB overclocking module specifically for gaming. Moving forward, we will continue to monitor the latest DDR5 specifications and related applications, and actively develop related products to meet consumer needs.

C. Add-on PHD/PSD storage devices and related products

In the add-on PHD section: We continue to launch products with better data protection and greater cost advantages, and fully integrate USB 3.2 Gen1 into the 2.5-inch product line, focusing on military-grade/shock-resistant/thin and light designs. The hard drive sizes cover 7mm/9.5mm/15mm processes, providing consumers with more choices.
In the add-on PSD section: Available USB Type-C PSD products with high-speed internal flash controller and competitive features, featuring USB 3.2 Gen2x2 high-speed transmission mode with data transfer rates up to 20Gbps.

D. Portable power bank / Car charging device

Consumers are increasingly reliant on smartphones and tablets, leading to a growing demand for device power. Maintaining continuous device operation has become crucial. To address this issue, our portable power bank combines a compact and stylish design with high capacity and fast charging, supporting simultaneous charging of multiple devices. In terms of safety, it offers four major safety protection mechanisms: over-voltage protection (OVP), over-discharge voltage protection (UVP), over-discharge current protection (OCP), and short-circuit protection (SCP), ensuring safer use.

E. Industrial standard products

In response to the memory industry's pursuit of higher performance in cloud and database computing, new DDR5-6400MHz and 7200MHz RDIMMs have been introduced, while the capacity has been increased to 64GB to meet the computing needs of Edge AI applications.

For SSDs, an M.2 2280 PCIe Gen5x4 SSD has been developed, offering double the speed, reaching up to 14000MB/s. It is backward compatible with PCIe 4.0 and 3.0 platforms to meet customers' demands for ultimate performance.

Regarding product continuity, both the 350S series with DRAM and the 3K0E and 3M0E series without DRAM have successively adopted 218-layer BiCS8 3D TLC flash memory, simultaneously featuring power-loss protection and industry-recognized TCG OPAL information encryption security functions, providing modern security defense systems and devices.

For microSD cards, 218L BiCS8 products have been launched, supporting 128GB to 1TB, suitable for high-capacity/high-durability/high-stability industrial applications.

PFS (Power Failure Signal) is a new technology introduced this year for use with PCIe SSDs. This technology works in conjunction with a system power failure warning signal. The SSD firmware takes protective measures, immediately writing data from the cache to the NAND Flash, updating critical system data, and completing any incomplete write commands. After completing these operations, the SSD safely shuts down, ensuring data integrity.

In terms of value-added software for industrial control products, a brand-new Smart Tools system is planned to be developed. This system will combine the original SSD ToolBox function to view the health and usage status of SSDs, and add a usage behavior analysis function. By analyzing usage behavior through SSD read and write data, users can evaluate whether to select special function firmware. This software will also integrate monitoring of Silicon Power DRAM modules and can be configured to send alarm messages to designated email addresses.

F. Research and Development Overview

Our company and its subsidiaries are responsible for the research and development of new products and technologies by our R&D unit. Currently, our focus covers the development of new products such as flash memory, DRAM memory modules, external PHD/PSD, industrial flash-related products/DRAM memory modules, and power banks/vehicle charging equipment.

We will leverage superior hardware specifications, diverse product designs, and value-added software applications to expand into a broader storage market. Furthermore, we will actively develop industrial-grade storage devices, focusing on highly reliable design and integrated solutions to create product value in industrial applications.

2. The most recent year and 2026 R&D expenses invested as of the date of publication of the annual newspaper

Unit: NT$ thousands；%

| Project | The Year 2025 | As at 31 March 2026(Note) |
|---|---|---|
| R&D expenses | 59,126 | 35,156 |
| Operating income | 4,258,375 | 2,077,977 |
| Proportion of R&D expenses | 1.39 | 1.69 |

Note: Refers to the number of financial statements reviewed by accountants in the first quarter of 2026.

### 3. Technologies or products that have been successfully developed in the latest year and 2026 as of the date of publication of the annual newspaper

| | |
|---|---|
| 01. | **XPOWER CYCLONE Series - DDR5 RGB Gaming Overclocking Memory Module (XPOWER CYCLONE DDR5 OC Gaming RGB UDIMM & CU-DIMM)**<br>In response to the ever-increasing demand in the e-sports field and to meet the needs of professional gamers to upgrade their equipment, we are launching the new "XPOWER CYCLONE DDR5 OC Gaming RGB UDIMM & CU-DIMM" e-sports series, which boasts superior performance and power. This device combines superior design with ultimate performance, featuring a high-frequency, low-latency chip and advanced cooling technology to deliver impeccable performance. In particular, its immersive RGB lighting design makes the computer even more dazzling, and it supports motherboard RGB synchronization control software, allowing users to freely create lighting effects to express their personal style and create a unique e-sports atmosphere, marking a new milestone in memory solutions. In terms of actual performance, XPOWER CYCLONE DDR5 OC Gaming RGB UDIMM offers high-speed performance from 6000 MT/s to 8000 MT/s; while XPOWER CYCLONE DDR5 OC Gaming RGB CU-DIMM delivers an even more amazing speed experience from 8200 MT/s to 9200 MT/s, meeting the needs of different players and consumers in more ways. |
| 02. | **Hypera microSDXC™ Express Card (Ultra-high-speed uSD express memory card)**<br>The Hypera microSDXC™ Express Card uses 3D TLC NAND Flash and is equipped with an SM2708 controller to support PCIe Gen 3x1 and NVMe interfaces. It has a read-speed of up to 880MB/s, which is 1.5 times faster than SATA solid-state drives (560MB/s) and more than eight times faster than traditional UHS-I microSD memory cards (100MB/s). Write-speeds can now reach 700MB/s, but with optimizations in NAND Flash manufacturing processes and improvements in controller firmware operations, the maximum write-speed can reach nearly 800MB/s. The Hypera microSDXC™ Express Card features LDPC ECC error correction capabilities, increasing flash memory lifespan and significantly improving memory durability. The Hypera microSDXC™ Express Card is backward compatible with microSDXC UHS-I memory card devices. With a maximum storage capacity of 1TB, it meets the needs of handheld game consoles, smartphones, home security cameras, tablets, dashcams, 4K high-resolution video, and more, providing users with a high-performance storage experience. |
| 03. | **PCIe Gen 5x4 NVMe™ DRAM-less SSD (US85)**<br>The US85 series is tailored for gamers, content creators, and AI enthusiasts. It adopts the M.2 2280 form factor and, to meet market demands and flexibly utilize various advanced NAND Flash manufacturing processes, uses the MAP1806 eight-channel controller chip, manufactured using TSMC's 12nm process. The interface is PCIe Gen5x4. The MAP1806 itself is a DRAM-free chip solution, supporting HMB mode. It uses high-quality NAND Flash chips to ensure SSD quality, providing top-tier performance and reliability. In terms of actual performance, the MAP1806 can achieve sequential read-speeds of up to 10300MB/s and write-speeds of up to 8600MB/s. Regarding IOPS, it can achieve 4K random read-speeds of up to 1000K and 4K random write-speeds of up to 1200K, and supports the latest 3D Nand Flash and ONFI 5.0 Flash. |

| | |
|---|---|
| 04. | **AI Industrial Grade CSO-DIMM/CU-DIMM**<br>Silicon Power is optimistic about the continued growth trends in the industrial computing, edge AI, smart manufacturing, and high-performance embedded systems markets. Meanwhile, the support for DDR5 memory on next-generation mainstream platforms is becoming increasingly mature, with stable support up to 6400 MT/s. To meet customers' demands for high-speed, high-stability, and high-reliability memory modules during system upgrades, Silicon Power plans to promote the independent research and development of DDR5 6400 MT/s CSODIMM and CUDIMM memory modules. This project's product positioning will focus on industrial and embedded applications, providing not only high bandwidth, low latency, and stable performance, but also helping systems maintain high efficiency in data-intensive and real-time computing scenarios. It is intended for applications such as edge computing devices, industrial computers, embedded motherboards, communication equipment, and automation systems, comprehensively improving system response speed and overall computing performance. The DDR5 6400 CSO-DIMM and CU-DIMM modules incorporate a CKD (Clock Driver) architecture in their design, primarily improving high-speed clock signal integrity and ensuring stability under high-frequency operation. Simultaneously, combined with PMIC and On-Die ECC technologies, they enhance power quality and data reliability, providing a stable and reliable memory solution for long-term industrial environments. |
| 05. | **Industrial-grade M.2 2280 PCIe SSD MEC3K0E, DAP & DataGuard Support**<br>This SSD utilizes an M.2 2280 PCIe Gen3x4 interface, enabling flexible use of various advanced NAND Flash manufacturing processes. The RTS5766-VBB quad-channel controller chip, manufactured using TSMC's 28nm process, reduces SSD costs and supports mainstream 3D TLC Flash. High-quality NAND Flash chips are selected to ensure SSD quality. It also features exclusive optional gold-finger UART, Write Protect, and Erase (DAP) interfaces, allowing for integration with industrial motherboards to provide write protection, full disk erasure, and debug functionality without requiring additional interfaces. This gives the MEC3K0E industry-leading read/write performance, compatibility, high reliability, and price, along with a thinner and lighter design, accelerating consumer adoption of SSDs. |
| 06. | **Industrial-grade M.2 2230 PCIe E Key SSD MEM3K0E, DAP Support**<br>This project targets the NVIDIA Jetson series E Key interface, primarily for use in wireless communication modules. Some E Key slots also support PCIe lanes for connecting PCIe/NVMe SSDs, providing transfer rates up to PCIe Gen3x1 and additional storage beyond the M Key interface. To flexibly utilize various advanced NAND Flash manufacturing processes in SSDs, this project employs the Realtek RTS5766-VBB 4-channel controller chip, manufactured using TSMC's advanced 28nm process, to improve product performance and NAND support, thereby reducing SSD costs. It also supports mainstream 3D TLC synchronous Flash, selecting high-quality NAND Flash chips to ensure SSD quality. Combined with our company's exclusive security protection system design, the MEM3K0E boasts industry-leading read/write performance, compatibility, high reliability, and price, winning over consumers' favor in SSD usage. |

(4) Long-term and short-term business development plans

1. Short-term planning

A. Strengthen channel management

We will continue to strengthen the depth and breadth of our channel operations. In terms of penetrating deep into end-user channels, in addition to providing timely and appropriate sales assistance to customers and their customers, we will stay abreast of market trends to develop new, marketable, and competitive products. Regarding channel breadth and digital marketing models, we will actively expand our channel base, balance our physical and e-commerce channel layouts, and increase channel coverage.

B. Strengthen industrial market operation and application penetration

In terms of continuously deepening the layout of industrial and embedded market channels, we will strengthen our cooperation with OEMs, industrial PC (IPC) manufacturers and regional distributors, including participating in customers' product development and design-in stages, in order to enhance our ability to understand end-application needs. We will provide immediate technical support and product advice to increase market penetration and project adoption opportunities.

C. Strengthen supply chain management and cost control capabilities

In an operating environment characterized by volatile chip prices and increasing uncertainty in supply sources, we will continue to optimize inventory management and procurement strategies, and deepen our partnerships with upstream manufacturers to enhance our ability to secure key resources. At the same time, we will maintain our market competitiveness by employing a flexible supply chain management mechanism that balances cost control and supply stability.

D. Upholding the SP brand image

Despite intense market competition, our company and subsidiaries continue to develop under the "SP brand image," adhering to quality, continuous innovation and R&D, and expanding market share. Furthermore, in response to the growth trend of the industrial application market, we are striving to promote the development of our industrial control brand and strengthen market recognition of our products' core values such as reliability, stability, and long-term supply. Simultaneously, we are increasing our marketing resources, including participation in exhibitions, digital marketing, and the promotion of technical content, to enhance brand visibility and professional image in the industrial and embedded application fields.

E. Enhance industrial-grade product service and technical support capabilities

In focusing on the development of industrial application products and services, we will strengthen our FAE technical support and application implementation capabilities, providing customers with comprehensive support from product selection and verification to implementation. In building long-term partnerships, we will enhance customer loyalty and strengthen our project-based business development capabilities.

F. Improve service quality

In terms of R&D and business development of industrial control products and services for industrial applications, we will target the global leaders in industrial applications, provide professional products and services, and establish long-term product R&D partnerships and stable supply.

2. Long-term planning

A. Long-term business development plan

① Comprehensive Global Distribution Network

We will actively expand our global market presence, including Europe, the United States, Japan, Russia, and China, as well as major emerging markets, gradually extending our business globally.

② Cultivating Local Talent

In line with our localization strategy, we will strengthen our understanding and management of local markets and train local talent.

③ Vertical Integration for Profitability

In terms of vertically integrated product lines, we aim to offer a wider range of product choices than our main competitors. We will mitigate channel risks by continuously expanding our customer base and refining customer management.

B. Long-Term Marketing Strategy

① The goal is to establish the Silicon Power (SP) brand and implement this strategy across all aspects of product and service.

② We will actively participate in professional international exhibitions, strive for international awards, showcase the SP brand, strengthen brand trust, and create brand exposure opportunities.

③ We insist on 100% testing and verification to ensure customer satisfaction and peace of mind through high quality and reliability.

④ We offer over 15 product lines and more than 2,000 products, providing customers with diverse choices and enabling them to purchase all their needs in a "one-stop shop."

C. Establish comprehensive R&D, testing, and production capabilities for customized industrial control products.

In building an industrial-grade brand image and market positioning, we will focus on the industrial application market, strengthening market recognition of the brand's reliability, stability, and professional technical capabilities, and gradually establishing an industrial control brand image.

We will strengthen technical marketing and international exposure. In addition to actively participating in international professional exhibitions and industry events, we will enhance brand exposure and market influence through digital marketing and technical content promotion.

We will enhance product quality and reliability, continuously strengthening product testing and verification mechanisms to ensure product quality and stability, thereby increasing customer confidence.

We will enhance product quality and reliability, continuously strengthening product testing and verification mechanisms to ensure product quality and stability, thereby increasing customer confidence. We will provide a complete product portfolio and one-stop service, continuously expanding our product line and application coverage to offer customers diverse product choices and meet different application needs.

D. Complete Customer Service System

①We will ship within 48 hours to help customers seize profitable business opportunities.

② We plan to leverage real-time back-end customer service center support and a global FAE service network to provide customers with high-quality technical support and services, achieving comprehensive customer satisfaction.

**2. Market and production and sales overview**

(1) Market analysis

1. The sales (provision) area of the main products (services).

Unit: NT$ thousands；%

| Sales region | Year 2025 | | Year 2024 | |
|---|---|---|---|---|
| | Net operating income | Ratio | Net operating income | ratio |
| Asia | 1,385,662 | 32.54% | 1,519,906 | 34.55% |
| America | 1,163,998 | 27.33% | 1,312,808 | 29.85% |
| Europe | 981,229 | 23.04% | 1,043,506 | 23.72% |
| Taiwan | 494,312 | 11.61% | 358,198 | 8.14% |
| Oceania | 207,203 | 4.87% | 134,911 | 3.07% |
| Other | 25,971 | 0.61% | 29,330 | 0.67% |
| Total | 4,258,375 | 100% | 4,398,659 | 100% |

2. Market share

The company and its subsidiaries are mainly engaged in the manufacture and sales of memory cards, pen disks, external hard disk memory modules, external hard disks and SSD solid-state drives and other related products, due to the main original DRAM memory and flash memory products application categories, memory trading methods are divided into contract market and spot market, etc., it is not easy to estimate the accurate market share. Based on the 2025 annual operating income of the listed (over the counter) company in the same industry, the comparison is as follows: (the source is the public information observation station).

| Company name | Net revenue | market share |
|---|---|---|
| Silicon Power | 4,258,375 | 3.95% |
| ADATA Technology | 53,087,430 | 49.29% |
| Transcend Information | 17,125,453 | 15.90% |
| TEAMGROUP Technology | 20,428,449 | 18.97% |
| Apacer Technology | 11,123,604 | 10.33% |
| Pinan Technology | 1,675,964 | 1.56% |
| total | 107,699,275 | 100% |

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

Although the global memory market has experienced significant corrections in recent years due to changes in the overall economy, fluctuations in end-user demand, and adjustments in industry inventory, the demand for high-end memory and storage products has rebounded, driven by the continued growth in applications such as artificial intelligence (AI), high-performance computing (HPC), cloud data centers, and edge computing. This has led to a gradual recovery in the overall market's growth momentum. Looking ahead to 2026, the global memory market still has room for growth as demand continues to expand in areas such as AI servers, smart computing, automotive electronics, industrial control, smart monitoring, IoT and professional imaging applications. In particular, the market focus is gradually shifting from consumer applications to high-performance, high-reliability and high-value-added products.

In terms of product structure, DRAM and NAND Flash will remain the main product items in the global memory market. Due to the rapid development of AI applications, the market share and importance of high bandwidth memory (HBM) will continue to increase, becoming one of the main drivers of industry growth. As the scale of generative AI models continues to expand, HBM3E has become an important component of next-generation AI accelerators, while HBM4 is also gradually entering the sampling and adoption phase. This will drive increased market demand for high-bandwidth, high-capacity, and high-value-added memory products. On the other hand, DDR5 continues to expand its penetration in servers, commercial computers and high-performance platforms, while DDR4 maintains stable demand in long-lifecycle markets such as industrial control, medical equipment, communication systems and embedded applications. This shows that the overall market demand structure has gradually developed towards diversified and segmented applications.

Regarding NAND Flash and storage products, the market demand for high-capacity, high-endurance, high-transmission-performance, and high-reliability products is expected to continue to grow, benefiting from the increasing demand for data centers, smart surveillance, edge computing, professional video production, and mobile creation applications. Especially as high-resolution images gradually evolve from 4K to 6K, 8K, and even higher specifications, storage products, in addition to meeting the demand for increased capacity, also need to take into account continuous write performance, fast transmission capabilities, system compatibility, and long-term stable operation. This will drive the market to gradually shift from a purely price-oriented approach to an application value-oriented approach.

Overall, the global memory industry's supply and demand will continue to be influenced by factors such as geopolitics, supply chain adjustments, OEM capacity planning, process yield, and changes in end-use applications. Market prices and supply and demand conditions may fluctuate in the short term. However, in the long term, with the increasing prevalence of AI, intelligent computing, automotive electronics, robotics, and next-generation technologies, the demand base for memory and storage products will become more diversified and stable than in the past, and the industry is expected to move towards steady growth in the medium to long term.

4. Competitive niche

Given the economies of scale inherent in the memory module and storage industry, the trend of "the big players getting bigger" persists. Major manufacturers will continue to hold market dominance due to their capital, technology, control over material sources, and bargaining power. In response to this competitive environment, our company and subsidiaries will establish a competitive advantage through our own brands, innovative product design, a complete distribution channel strategy, and a service-first business philosophy. Furthermore, in response to the industry's trend towards high performance, high reliability, and diversified applications by 2026, we will continue to strengthen our supply chain management, product differentiation, and global market presence to maintain overall competitiveness.

A. Rapid production and improved delivery efficiency

Our company and subsidiaries will actively integrate upstream component supplier resources. In addition to maintaining strong supply and demand relationships with NAND Flash and DRAM manufacturers, we also leverage our capabilities in branding, marketing, technology, products, and global services. By flexibly adjusting production and supply strategies based on order intake, we can effectively reduce inventory risk and improve delivery efficiency and market responsiveness. This operating model not only helps reduce operating expenses and capital expenditures but also enables us to meet customer needs promptly by providing competitive prices and services, further strengthening our operational resilience in a volatile market environment.

B. Controlling distribution channels and generating profits

Faced with rapidly fluctuating and highly competitive memory market prices, our company and subsidiaries have adopted a multi-regional, multi-channel, and low-volume, high-variety strategy to flexibly respond to market demands. This will enhance our ability to quickly reach end markets while simultaneously ensuring customer inventory management and our own inventory turnover efficiency. To avoid distribution channel conflicts, our company carefully selects partners worldwide and employs a channel segmentation strategy to effectively reduce price wars and maintain brand pricing in various regional markets. Meanwhile, through rapid supply, immediate response to market prices, and close cooperation with distributors, coupled with subsidiaries, offices, or local sales representatives in key regions, the company has been able to continue to deepen its global distribution network and enhance market penetration and operational growth momentum.

C. Product innovation and differentiation

Our company and its subsidiaries have long been committed to product design and R&D innovation, pursuing excellence in product functionality, performance, and aesthetic design. In particular, our products have received numerous domestic and international product design awards in recent years, demonstrating our strong capabilities in innovative technology and product design. Faced with the trend in the memory and storage market that is gradually shifting from price competition to application value competition, our company will continue to strengthen market recognition and product added value through product innovation, design differentiation, and brand value enhancement, further consolidating our competitive advantage.

D. Own-brand, international recognition

Our company and subsidiaries are committed to operating our own brands as a sustainable business objective and continuously promote localization strategies in response to global market changes. This involves overall brand planning and management by the head office, with local market strategies implemented by regional offices. All matters concerning product positioning, pricing, packaging design, and advertising and marketing are controlled through a comprehensive and rigorous internal process system. Furthermore, the company continuously communicates its brand image and strengthens its brand spirit and market visibility through major international exhibitions, media promotion, and digital marketing campaigns. Own-brand management and a global localization strategy enable the company to continuously enhance its brand value and international market competitiveness.

5. Favorable and unfavorable factors and countermeasures of the development prospect

A. Favorable factors

① Brand Benefits and International Market Recognition

Our company and subsidiaries sell under our own brand "Silicon Power (SP)," continuously focusing on our core business and winning numerous world-class awards. This is not only due to our comprehensive product line and stable quality, but also our consumer recognition. Our unwavering belief throughout the brand's growth is that memory storage products should not only be used for storing data. In the face of a rapidly developing digital society, we design more efficient and faster memory products.

② Complete product range, leading technical specifications

Our company and subsidiaries possess a complete R&D team, focusing on technological development. We sell a full range of products and mobile accessories globally, including flash memory cards, flash drives, memory modules, SSDs, external hard drives, wireless devices, and industrial-grade products. Our product designs have received recognition from major domestic and international awards. In particular, our diversified product range provides customers with complete satisfaction through a single purchase, and we leverage new product technologies to help customers create more sales opportunities.

③ Innovative R&D capabilities

Our company and its subsidiaries have long been committed to creating our own brands, successfully developing a number of products and applying for related patents. Considering the short product life cycle and the need to seize the opportunity to launch new products, we hope to reduce the cost of developing new products, accelerate the development of new products, create a win-win market, and lay a competitive advantage.

④ Improved service quality, global service guarantee

To enhance service quality, our company and subsidiaries have established an online shopping website to meet consumers' demands for convenience, safety, and speed, offering a diverse range of products. We are replacing the traditional repair-by-repair model with high-quality and fast after-sales service, creating more added value for our products. Through this, we hope consumers will experience our company and subsidiaries' genuine concern for their needs.

⑤ Stable product quality and market acceptance

Our company and subsidiaries provide customers with excellent products as the foundation for marketing and promotion, and place great emphasis on quality management. We continuously introduce automated production equipment and high-performance testing and inspection platforms, and implement 100% product testing and rigorous sampling inspection between each stage of the production process to effectively control product quality and yield. This reduces after-sales maintenance costs and earns customer satisfaction.

⑥ Core values, personnel training

The core values of our company and its subsidiaries are "sharing, care, and trustworthiness," aiming to create the greatest common benefit for customers, shareholders, employees, and suppliers. These values are implemented in our daily operations to create a win-win situation with the aforementioned stakeholders and achieve steady growth together.

Our company and subsidiaries firmly believe that employee growth is an integral part of company growth, and we respect employees' freedom to learn and affirm their personal value and expertise. We provide training programs such as "New Employee Training," "Weekly Sales Coaching Seminars," "Sales Professional Skills Training," "Book Clubs," "Management Function Training," and "Professional Function Training" to enable employees to learn from and share their experiences and expertise in the workplace, allowing their potential to be fully realized. We also have "Job Rotation" and "Job Promotion" systems to provide colleagues with opportunities for cross-disciplinary learning and growth outside their own professional fields.

⑦ A strategy of developing multiple markets simultaneously

Over the years, our company and subsidiaries have achieved remarkable success in Russia, Japan, the Middle East, Italy, Spain, and France. Our overall strategy involves starting with key target markets and then replicating this successful model in other markets. We rapidly expand from specific points to broader markets, coupled with immediate and flexible pricing and a competitive strategy of "48-hour delivery and customer service," laying a solid foundation for our success. We continue to expand our market share in our core markets, such as securing a top-three brand position in Russia. Furthermore, we leverage local talent and invest more resources to address the differences in local distribution channels and service characteristics, aiming to achieve the best strategic position in the shortest possible time.

B. Unfavorable factors and countermeasures

① Key raw materials account for a high proportion of costs, and their price fluctuations affect profit stability.

Flash memory, memory modules, and storage devices share the common characteristic that key raw materials (especially DRAM chips and NAND Flash chips) account for a high proportion of product costs. When chip prices fluctuate drastically, product costs are immediately affected, consequently impacting product prices and sales, as well as the stability of company profits. Memory market capacity will influence the market, potentially leading to price declines or price increases due to production cuts. Technological changes can also impact the memory market; for example, the emergence of new memory technologies may lead to a contraction in the traditional memory market. Finally, instability in the international trade environment may result in decreased demand and lower prices.

Countermeasures:

(A) We will strengthen our ability to analyze market price trends and collect relevant raw material supply and demand data to mitigate price volatility risks.

(B) We will enhance inventory management and a highly efficient sales system. Through a comprehensive global marketing network, we will adopt a rapid production and delivery model with orders shipped within 48 hours of receipt to reduce the risk of price fluctuations.

(C) We will leverage the management team's keen market responsiveness and, with the continued expansion of our global distribution network, rapidly utilize existing products. Our strong brand value and image, along with our diversified product line, will help the company increase gross profit and avoid low-price competition from smaller competitors, maintaining stable profitability.

(D) We will actively integrate upstream raw material supplier resources and use data systems to assist in inventory control. In terms of manufacturing, we will rely on in-house production during the off-season and collaborate with downstream outsourcing manufacturers during peak seasons to increase overall production capacity.

② Mature technical specifications and numerous integrated products

Given the increasingly standardized specifications of existing memory cards and memory chips, the pace of specification innovation cannot keep up with the speed of production. After product standardization, basic models are highly similar, offering little room for differentiation. In addition, the increasing prevalence of large-capacity storage in existing mobile phones, media players, and even cloud-based technologies is also impacting the sales of memory products.

Countermeasures:

We will create product differentiation from the design and R&D stages, add new features that competitors do not have, actively discuss and develop new technologies with original manufacturers and relevant technical associations, launch new product specifications, and strengthen our technological leadership.

③ The pace of innovation in information products is accelerating, leading to fierce market competition.

With the continuous emergence of new information products and rapid technological advancements, product generations are changing at an extremely fast pace. Therefore, consumers, lured by new features and within an acceptable price range, mostly turn to purchasing products with new specifications, causing older products to depreciate rapidly. Manufacturers often have to clear outdated inventory at low prices, facing the risk of losses. In addition, consumers' increasing demands for flash memory card capacity and transfer speeds have driven various manufacturers to launch high-capacity, high-speed transfer, and fast-write-speed products, resulting in fierce overall market competition.

Countermeasures:

(A) We will closely monitor the demand situation in the consumer market and maintain good interactive relationships with manufacturers and customers. In addition to knowing the launch schedule of new technologies in upstream products, we can grasp the pulse of market demand and trends and reduce the risk of this adverse factor.

(B) Given the varying levels of technological advancement and product demands across countries, actively building global marketing channels to sell products of different specifications and capacities to target markets will help mitigate the impact of shortened product lifecycles.

(C) Our company and its subsidiaries place great importance on the evolution and design of product specifications. As information, communication and consumer electronics products are becoming increasingly trendy, the company continues to launch innovative products with a lightweight and stylish design to meet consumers' demand for novel products.

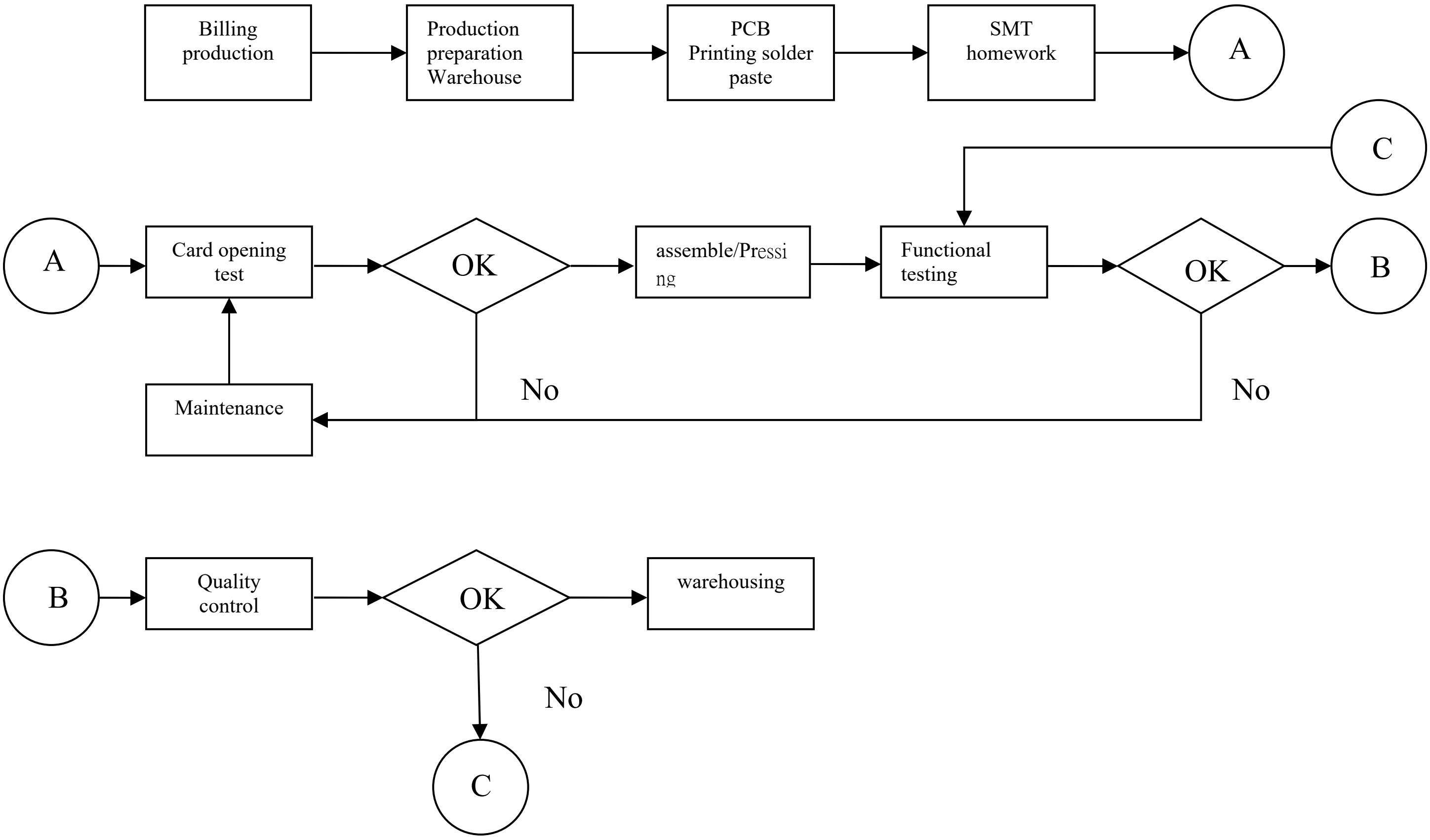
(D) All purchases of products from our company and its subsidiaries include a free download of the SP Widget software. This software features seven backup and security protection functions, providing consumers with a safe and convenient value-added service. For any product issues, consumers can immediately obtain a lifetime warranty and comprehensive after-sales service through our global distribution network and customer service centers.

(2) Important uses and production processes of major products

1. Important use of main products

| Main products | Usage |
|---|---|
| Memory Modules | Used in information technology devices such as desktop computers, notebook computers, servers, and printers, functioning as system memory for data access and temporary storage. |
| Flash Memory Products | Used as external memory storage devices connected to computer systems, or as multifunctional devices combining data storage, image/video capture, and playback functions. |
| Solid-State Drive (SSD) Products | With features such as high capacity, high speed, and excellent stability, SSDs are gradually replacing traditional hard disk drives in the data storage industry. |
| External Hard Drive Products | Used as external storage devices for computer systems. |
| Industrial Memory Modules (Flash/DRAM) | Designed for specialized system devices tailored to the specific requirements of various industrial sectors. |
| Power Banks / Charging Devices | Used as power sources for charging tablets and mobile phone |

2. Production process




(3) The supply status of major raw materials

| Raw materials | Source of supply | Availability Status |
|---|---|---|
| Dynamic random-access memory | Hynix、Micron、Samsung、CXMT、 NANYA | Stable supply |
| flash memory | WD、Micron、Kioxia、Hynix、YMTC | Stable supply |
| Printed circuit boards | Keelson Co., Brain Power, APCB INC. | Stable supply |
| Chipset | Phison Electronics, Silicon Motion Technology, Asolid Technology, Realtek Semiconductor, Musray Corporation | Stable supply |
| hard drive | Seagate、WD、Toshiba | Stable supply |

(4) The names of customers who have accounted for more than 10% of the total amount of imported (sold) goods in any of the last two years, and the amount and proportion of their purchases (sales).

1. Suppliers who account for more than 10% of the total purchase

Unit: NT$ thousands

| | Year 2024 | | | | Year 2025 | | | | Year 2026 Fiscal year ended the first quarter | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| project | name | amount | Ratio to net purchase for the whole year [%] | Relationship with the Issuer | name | amount | Ratio to net purchase for the whole year [%] | Relationship with the Issuer | Name | amount | Accounts for the current year's purchase as of the previous quarter Net Ratio [%] | Relationship with the Issuer |
| 1 | Company J | 325,611 | 10.32 | none | Company J | 3,795,164 | 100 | none | Company H | 705,437 | 39.26 | none |
| 2 | other | 2,828,706 | 89.68 | none | -- | -- | -- | -- | Company I | 276,735 | 15.40 | none |
| 3 | -- | -- | -- | none | -- | -- | -- | -- | Other | 814,818 | 45.34 | none |
| | Net purchases | 3,154,317 | 100 | | Net purchases | 3,795,164 | 100 | | Net purchases | 1,796,990 | 100 | |

The main supplier changes are caused by considering product quality and supplier quotations and purchasing goods from different suppliers.

2. Customers who account for more than 10% of the total sales

Unit: NT$ thousands

| | Year 2024 | | | | Year 2025 | | | | Year 2026 Fiscal year ended the first quarter | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| project | name | amount | Ratio to net sales for the whole year [%] | Relationship with the Issuer | name | amount | Ratio to net sales for the whole year [%] | Relationship with the Issuer | Name | amount | Ratio of net sales to the previous quarter of the year [%] | Relationship with the Issuer |
| 1 | Company A | 990,052 | 22.51 | none | Company A | 774,767 | 18.19 | none | Company A | 2,077,977 | 100 | none |
| 2 | other | 3,408,607 | 77.49 | none | other | 3,483,608 | 81.81 | none | Company B | -- | -- | -- |
| | Net sales | 4,398,659 | 100 | | Net sales | 4,258,375 | 100 | | Net sales | 2,077,977 | 100 | |

There have been no major changes in the company's major customers, the changes in sales ratio are mainly due to changes in customer market demand.

## 3. Number of employees in the last two years and as of the date of publication of annual newspapers

Unit: person; Year; Year; %

| Year | | The Year 2024 | The Year 2025 | The Year 2026 As of May 5 |
|---|---|---|---|---|
| member work person number | Supervisors | 94 | 95 | 95 |
| | General colleagues | 209 | 209 | 214 |
| | Online workers | 123 | 128 | 132 |
| | Total | 426 | 432 | 441 |
| Average age | | 41 | 36 | 35.6 |
| Average length of service | | 5.8 | 6.6 | 6.4 |
| learn calendar divide cloth compare rate | Boshi | 0 | 0 | 0 |
| | Masters | 15.5 | 15.5 | 15 |
| | Junior college | 55.4 | 56.1 | 54.8 |
| | High School | 10.6 | 9 | 8.6 |
| | High school onwards | 18.5 | 19.4 | 21.6 |

## 4. Environmental Spending Information

Total amount of losses and disposals suffered due to environmental pollution in the latest year and as of the date of publication of the annual report, and possible future countermeasures:

1. The company and its subsidiaries that the total amount of losses and penalties incurred for environmental pollution: None.
2. The company and its subsidiaries are enterprises that meet ISO14001 certification, and the main products are external hard disks, pen drives... and other production process-related equipment automatic SMT, assembly, packaging, testing, inspection, etc. without waste gas, waste oil generation. It is only generated by general business waste, and the impact on the environment is minimal, so there is no need to apply for a polluting facility installation permit or a pollution discharge permit. The company and its subsidiaries in product design, raw material suppliers and related materials and by-materials, packaging materials, etc., manufacturers have given the third verification unit test report to meet the company's product requirements, and in accordance with international RoHS, REACH and other directives and regulations and banned substances in various countries have established an "environmental management maintenance list" Meet customer requirements. The Company and its subsidiaries shall submit the business waste clean-up plan in accordance with the regulations of the Environmental Protection Bureau, and carry out the labeling and management of classification and collection; Hazardous business waste is also reported monthly to the EPD, chemical solvents are provided and solvent barrels are also contracted by qualified recycling manufacturers, and appropriate protective equipment is provided in accordance with the provisions of the Labor Safety and Health Act. In the drinking water part, regular testing is also carried out in accordance with the provisions of laws and regulations, and T5 energy-saving lamps and photocopy paper are also fully used in the office area and factory area for recycling, and there are regular auditors to conduct relevant inspections and maintenance of environmental pollution related matters, which are in line with ISO14001 air, water, waste, The requirements of poison and noise are the responsibility of enterprises to protect the global ecology.
3. Major environmental protection expenditure: none.

## 5. Labor-management relations

1. The company's various employee welfare measures, further education, training, retirement system and its implementation, as well as the agreement between labor and management and various employee rights and interests' protection measures:

(1) Employee welfare measures and implementation:

In order to improve the welfare of employees, the company has established an employee welfare committee in accordance with the law to allocate welfare funds on a regular basis, and the main points of the company's welfare measures are as follows:

①The company's statutory welfare measures: universal health insurance, labor insurance, labor retirement reserve, arrears wage advance fund, occupational accident insurance, labor pension.

②The company provides: employee remuneration, employee education and training programs, group accident insurance, hospitalization medical insurance and regular health check-ups.

③The Welfare Committee provides wedding and funeral celebration grant, injury and illness condolence payment, maternity allowance, regular employee travel activities, three-day gifts, club subsidies, scholarships and grants for employees and dependents, emergency loans and other convenient and preferential activities.

(2) Employee training and training:

The company provides employees with complete education and training to facilitate. employees to perform their functions and enhance the overall development of the company.

Make employees' careers more complete. The company's staff training and training materials in Year 2025 are as follows:

| | Order of Class | Class Hour (Unit：Hours) | Person-Time | Cost (Unit：NTD) |
|---|---|---|---|---|
| Liberal Education | 62 | 105.5 | 1,321 | 0 |
| Health and Safety | 23 | 96.5 | 578 | 150,700 |
| Quality Management | 4 | 43 | 63 | 6,900 |
| Environmental Management | 2 | 10 | 4 | 8,700 |
| In-Service Profession | 64 | 168 | 628 | 58,100 |
| Other | 155 | 423 | 2,594 | 224,400 |

(3) The situation in which the Company obtains the relevant licenses designated by the competent authority for personnel related to financial information transparency

| Title／Name | Continuing Education Date | Organizer/Course Name | Study Hours |
|---|---|---|---|
| Corporate Governance Supervisor: Wu Wang-ping | 2025.10.16 | Financial Supervisory Commission / 15th Taipei Corporate Governance Forum | 6 |
| | 2025.10.29 | Taiwan Accounting Research and Development Foundation / Sustainable Information Compilation and Reporting Practice Workshop | 6 |
| Accounting Supervisor: Wu Wang-ping | 2025.10.21 | The Securities and Futures Market Development Foundation of the Republic of China / Improving the Presentation Model of Financial & Management Statements to Reshape Operational Performance | 6 |
| | 2025.11.21 | The Securities and Futures Market Development Foundation of the Republic of China / Judicial Determination of Corporate Management Fraud - Focusing on Breach of Trust, Unconventional Transactions, and Falsified Financial Statements | 6 |
| Acting Accounting Supervisor: Zhou Yu-ping | 2025.12.29 ~ 2025.12.30 | The Accounting Research and Development Foundation of the Republic of China / Continuing Education Program for Accounting Supervisors of Securities Firms and Stock Exchanges | 12 |
| Audit Supervisor: Zhang Zhi-jie | 2025.09.04 | Internal Audit Association / Payroll Cycle and Labor Incident Act from a Corporate Governance Perspective | 6 |
| | 2025.09.19 | Internal Audit Association / Power BI - Data Integration and Analysis | 6 |
| Acting Audit Supervisor: Lin Yu-qing | 2025.09.17 | Internal Audit Association / Self-Assessment Practices | 6 |
| | 2025.10.13 | Internal Audit Association / Power BI - Risk Assessment and Visual Analysis | 6 |

(4) Retirement system and its implementation:

In order to improve the retirement life security of workers and strengthen the relationship between labor and employment, the company implements pension. allocation in accordance with the law.

①Applicable to old employees:

The Company's retirement system is governed by the relevant provisions of the Labor Base Law, and the pension is deposited into the Central Trust Bureau on a monthly basis in accordance with the law and is managed by the Labor Retirement Reserve Supervision Committee.

②Applicable to new employees:

According to the Labor Pension Ordinance, the company pays 6% of the total salary every month to withdraw the retirement reserve and deposit it into a special account managed by the Labor Insurance Bureau.

(5) Agreements between labor and management and various measures to protect the rights and interests of employees:

Since the establishment of the company, all regulations and measures related to labor relations shall be handled in accordance with relevant laws and regulations. The company attaches great importance to the opinions of employees, and in line with the business philosophy of coexistence and common prosperity and clear management policies, internal communication channels are smooth, and good and harmonious labor-management relations are maintained.

2. The losses suffered by the company due to labor disputes in the last two years and as of the date of publication of the annual report, and disclose the estimated amount and countermeasures that may occur in the future and take countermeasures:

(1) Losses suffered by the company due to labor disputes in the last two years and as of the date of publication of the annual report: none.

(2) Estimated number of losses that may occur in future labor disputes and countermeasures:

Since its establishment, the company and its subsidiaries have been adhering to the integrity and responsible attitude, committed to the well-being of employees, and working together for the growth of the company, so that the company's performance has gradually improved, so the labor-management relationship has always been harmonious. In the past two years and as of the date of publication of the prospectus, the Company and its subsidiaries have not suffered significant losses due to labor disputes, and it is expected that there should be no labor disputes in the future.

**6. Information security management**

(1) Describe the information security risk management framework, information security policy, specific management plan and investment in information security management Resources:

1. Information Security Risk Management Framework:

In order to ensure information security risks, the top supervisor of the information unit directly under the general manager is responsible for information security risk management matters, including coordinating information security management, supervising and coordinating the annual information security plan, planning information security education and training to publicize information security information, and depending on the information security situation, the company may hold a management review meeting at any time to review the information security management system and report the results with the general manager. Every year, the audit office conducts information security inspections on the internal control system - computerized information cycle - and evaluates the effectiveness of the internal control of enterprise information operations.

2. Information Security Policy:

Implement the internal control system of the information security management company - computerized information circulation and information system security management operating procedures, and also formulate relevant guidelines for personal information protection operations, data backup work, computer virus prevention, disaster recovery and exercise records, etc., hoping to establish a safe and reliable computerized operating environment through the joint efforts of all colleagues, and ensure the company's data, systems, equipment and network security, protect the company's interests and the sustainable operation of each information system.

The following are the objectives of the company's information security policy:

(1) Annual internal audits are conducted to ensure the implementation of information security-related operations.

(2) A dedicated information security department has been established to plan information security policies and programs.

(3) All employees are ensured to have an awareness of information security risks.

(4) Different access permissions are assigned to storage media according to functional departments to prevent unauthorized access and modification, ensuring their accuracy and integrity.
(5) To ensure the continuous operation of the Company's information systems and improve service availability during the architecture design phase.
(6) To ensure the confidentiality, integrity, and complete backup of information assets.
(7) To conduct an inventory of company assets and identify the corresponding potential risks, classifying them by risk level.

(8) Based on the risk level definition, allocate resources to mitigate the risks and reduce residual risks to an acceptable level.

3. Specific management plan and resources invested in information security management:
(1) Verify the integrity of firewall policies and adjust firewall settings promptly in response to external attacks.
(2) Implement necessary isolation and protection for physical entities and networks to address potential risks to assets.
(3) Ensure antivirus software virus definitions are updated daily and regularly scan computers and storage media for viruses.
(4) Monitor cybersecurity intelligence, identify serious system vulnerabilities, and schedule updates to patch them.
(5) Develop and implement strict password strength policies to reduce the risk of account theft.
(6) Reduce computer privileges for non-network administrators; prohibit unauthorized software installation on computer devices.
(7) Assign different access permissions to different functional departments.
(8) Confirm the deletion of accounts for departing employees and the cancellation of original permissions for transferred employees.
(9) Remote access to the information system should be subject to appropriate application and approval.
(10) Conduct information security education and training as needed to promote employees' awareness of information security and strengthen their understanding of related responsibilities.
(11) Important files of all departments within the company are stored on servers and backed up and preserved uniformly by the IT department.
(12) Confirm that daily backups are performed, storage media are off-site weekly, and regular drills of disaster recovery operations for critical information systems are conducted.
(13) Computer equipment is managed by designated personnel with account passwords set, and unauthorized use of private storage devices is prohibited.
(14) Review computer network security control measures periodically, examine system records of network management items, and track abnormal situations.
(15) Cybersecurity personnel regularly attend the annual cybersecurity conference to acquire new knowledge and participate in relevant technical courses and seminars as needed.

(2) List the losses and possible impacts suffered due to major information security incidents in the latest year and as of the date of publication of the annual newspaper and countermeasures:

As of the date of publication of the annual report, the Company and its subsidiaries have not suffered major information security incidents, and there are no related losses and Effect.

**7. Important Contracts**

| Contractual nature | Party | The date of commencement and end of the contract | Main content | Restriction clauses |
|---|---|---|---|---|
| Lease Agreement | Sitronix Technology Corporation | 2026/04/01~2029/03/31 | Office space leasing (Head Office No. 106 7F, 7F-1). | None |
| | Hsu○○ | 2026/02/15~2028/02/14 | Office space leasing (Head Office No. 106 8F, 8F-1). | None |
| | Hsu○○ | 2026/03/01~2029/02/28 | Office space leasing (Head Office No. 108, 110 8F). | None |
| | Hsu○○ | 2026/03/01~2028/02/28 | Office space leasing (Head Office No. 112, 8F). | None |
| | Wang○○ | 2026/05/01~2027/04/30 | Office space leasing (Head Office No. 34, 7F). | None |
| | Xitian Enterprise Co., Ltd | 2025/05/01~2030/04/30 | Office space leasing (Head Office No. 106 7F, 8F-1). | None |
| | Yu○○ | 2026/03/15~2029/03/14 | Office space leasing (5F, No. 308-7, Xizhi Plant). | None |
| | Nimei International Co., Ltd. | 2026/02/01~2031/01/31 | Office space leasing (1st floor, No. 308-7, Xizhi Plant). | None |
| | Ampacs Corporation | 2026/01/01~2028/12/31 | Office space leasing (2nd floor, No. 308-6, 2nd floor, No. 308-8, 2nd floor, No. 308-9, 2nd floor). | None |
| Licensing Contracts | SD-3C, LLC | 2025/01/01~ 2027/12/31 (3 years automatic extension per term) | SD HOST/ANCILLARY PRODUCT LICENSE AGREEMENT (HALA) | Confidentiality Agreement |
| Insurance deeds | Hotai Insurance Co., Ltd.; Mega Insurance Co., Ltd. China Trust Insurance Co., Ltd. | 2025/12/23~2026/12/23 | Commercial fire insurance | None |
| | Fubon Insurance Co., Ltd. | 2025/10/01~2026/10/01 | Commercial comprehensive and Public accident liability insurance | None |
| | Union Insurance Company | 2025/11/22~2026/11/22 | Public accident liability insurance | None |
| | Fubon Insurance Co., Ltd. | 2025/12/15~2026/12/14 | Cargo transport insurance | None |
| | Fubon Life Insurance Co. Ltd. | 2026/01/01~2026/12/31 | One-year term insurance for groups | None |
| | MSIG Mingtai Insurance Co., Ltd. | 2025/08/01~2026/08/01 | Directors' and supervisors' liability insurance | None |

# V. Review and analysis of financial position and financial performance and risk matters

## 1. Financial status

(1) Comparative analysis table of financial status

Unit: NT$ thousands

| Year / Item | 2025 | 2024 | Variance | |
|---|---|---|---|---|
| | | | Amount | % |
| Current assets | 2,627,431 | 1,903,567 | 723,864 | 38.03 |
| Real estate, plant and equipment | 245,319 | 244,337 | 982 | 0.40 |
| Intangible assets | 3,791 | 1,779 | 2,012 | 113.10 |
| Other assets | 712,909 | 804,916 | (92,007) | (11.43) |
| Total assets | 3,589,450 | 2,954,599 | 634,851 | 21.49 |
| Current liabilities | 1,471,510 | 828,896 | 642,614 | 77.53 |
| Non-current liabilities | 32,442 | 5,036 | 27,406 | 544.20 |
| Total liabilities | 1,503,952 | 833,932 | 670,020 | 80.34 |
| Share capital | 653,928 | 643,928 | 10,000 | 1.55 |
| Capital surplus | 349,746 | 325,457 | 24,289 | 7.46 |
| Retained earnings | 709,039 | 639,095 | 69,944 | 10.94 |
| Other equity | 372,785 | 512,187 | (139,402) | (27.22) |
| Treasury shares | 0 | 0 | 0 | 0 |
| Equity attributable to owners of the parent company | 2,085,498 | 2,120,667 | (35,169) | (1.66) |

Effect of changes on the company's financial condition (deviation over 20% and difference amount over NT$10 million) and future response actions:

(1) Increase in current assets: Mainly due to increases in inventory and accounts receivable in 2025.
(2) Increase in total assets: Mainly due to increases in inventory and accounts receivable in 2025.
(3) Increase in current liabilities: Mainly due to increased short-term borrowings and accounts payable in 2025.
(4) Increase in non-current liabilities: Mainly due to the increase in lease liabilities and non-current liabilities in 2025.
(5) Increase in total liabilities: Mainly due to increases in short-term borrowings and accounts payable in 2025.
(6) Decrease in Other Equity: Mainly due to financial assets measured at fair value through other comprehensive income in 2025 – non-current valuation Adjustment and reduction.

(2) Those with significant impact should explain their future response plans: There is no significant impact on the financial business of the company and its subsidiaries.

**2. Financial performance**

(1) Comparative analysis table of financial performance

Unit: NT$ thousands

| Item \ Year | 2025 | 2024 | Variance | |
|---|---|---|---|---|
| | | | Amount | % |
| Operating Revenue | 4,258,375 | 4,398,659 | (140,284) | (3.19) |
| Cost of Goods Sold | 3,249,479 | 3,517,088 | (267,609) | (7.61) |
| Gross Profit | 1,008,896 | 881,571 | 127,325 | 14.44 |
| Operating Expenses | 893,232 | 808,879 | 84,353 | 10.43 |
| Operating Income | 115,664 | 72,692 | 42,972 | 59.12 |
| Non-operating Income and Expenses | 48,382 | 57,654 | (9,272) | (16.08) |
| Profit Before Income Tax | 164,046 | 130,346 | 33,700 | 25.85 |
| Income Tax Expense | 29,685 | 17,086 | 12,599 | 73.74 |
| Net Profit for the Year | 134,361 | 113,260 | 21,101 | 18.63 |

Effect of changes on the company’s financial condition (deviation over 20% and difference amount over NT$10 million) and future response actions:

1. Increase in operating profit: Mainly because operating costs decreased more than operating revenue in 2025, resulting in higher gross profit
2. Increase in pre-tax net profit: Mainly because operating costs decreased more than operating income in 2025, resulting in higher gross profit.
3. Increase in income tax expenses: Mainly due to higher profits in 2025 compared to 2024.

(2) Expected sales quantity and its basis:

The sales volume of the Company and its subsidiaries in the coming year depends on changes in industry trends, status of supply and demand, market prices and other factors, and the Company shall continue to develop new products to prepare a complete product line, strengthen product competitiveness and sales performance, and achieve sustainable sales growth.

(3) Possible impact on the company's future financial business and response plan:

The analysis of the relevant financial performance has not yet had any material changes and adverse effects on the future financial affairs of the Company and its subsidiaries.

## 3. Cash flow

(1) Analysis of changes in cash flow for the current year:

Unit: NT$ thousands

<table>
<tr><td rowspan="2">Cash Balance for the Period</td><td rowspan="2">Net cash flow from Operating Activities</td><td rowspan="2">Annual Cash Inflow (outbound) volume</td><td rowspan="2">Cash surplus Amount</td><td colspan="2">Remedies for cash shortfalls</td></tr>
<tr><td>Investment plan</td><td>Financial planning</td></tr>
<tr><td>339,547</td><td>(507,199)</td><td>(77,286)</td><td>262,261</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td colspan="6">Analysis of cash flow changes:<br>(1) Operating activities: Mainly due to increase in purchases resulted in a net cash outflow from operating activities of NT$507,199 for the year.<br>(2) Investment activities: Mainly due to increase in capital expenditure for machinery and equipment was the result, resulting in a net cash outflow from investing activities of NT$18,988 for the year..<br>(3) Financing activities: Mainly due to an increase in short-term borrowings, resulting in a net cash inflow of NT$447,326 from financing activities for the year.<br>(4) Remedy for Cash Deficit and Liquidity Analysis: Not Applicable.</td></tr>
</table>

(2) Cash flow analysis for the coming year:

Unit: NT$ thousands

<table>
<tr><td rowspan="2">Cash Balance, for the Period</td><td rowspan="2">Net cash flow from Operating Activities</td><td rowspan="2">Cash Inflow (outbound) volume</td><td rowspan="2">Cash surplus Amount</td><td colspan="2">Remedies for cash shortfalls</td></tr>
<tr><td>Investment plans</td><td>Financial plans</td></tr>
<tr><td>262,261</td><td>(250,000)</td><td>120,000</td><td>382,261</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td colspan="6">Analysis of cash flow changes:<br>(1) Operating activities: Mainly due to the operating income and increase in the purchases in 2026, resulting in net cash outflow of operating activities.<br>(2) Investment and Financing activities: Mainly due to the short-term borrowing increase in 2026, resulting in net cash inflow of investment and financing activities.<br>(3) Remedy for Cash Deficit: Not Applicable. .</td></tr>
</table>

## 4. The impact of significant capital expenditures in recent years on financial operations:

Not applicable.

**5. The most recent year's reinvestment policy, the main reasons for its profit or loss, improvement plan, and investment plan for the coming year:**

(1) Reinvestment policy, reasons for profit or loss and improvement plan:

Unit: NT$ thousands

| Reinvested companies | Holding percentage | Investment Policy | Profit or loss of the company invested in for the period | Main Reason for Profit or loss | improvement plans |
|---|---|---|---|---|---|
| Silicon Power Computer & Communications, Netherlands B.V. | 100% | Overseas sales base | 32,680 | Continuous business development and increase in sales of e-commerce channels. | None |
| Silicon Power Japan Co., Ltd. | 100% | Overseas sales base | 15,642 | Continuous business development. | None |
| Silicon Power Computer & Communications USA Inc. | 100% | Overseas sales base | 30,320 | Continuous business development and increase in sales of e-commerce channels. | None |
| Silicon Power Investment Co., Ltd | 100% | Holding company | 249 | Recognize the benefits of reinvestment. | None |
| Flashzone Technology India Private Limited | SPI 100% | Overseas sales base | 228 | Receive revenue from appropriate maintenance services based on operating costs. | None |

(2) Future investment plan for the next 12 months:

In addition to continuing to expand its business in the existing market, the Company and its subsidiaries shall continue to actively develop markets in various regions and strengthen the business development of e-commerce and industrial control markets in the future, in order to achieve sustainable growth in performance.

**6. Assessment of risk matters for the most recent year and as of the date of publication of the annual report**

(1) Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures:

1. Changes in interest rates

The company's interest expense was NT$12,800 thousand in 2025, accounting for a ratio of 7.80% to the company's net profit before tax, and the long-term and short-term borrowings engaged in by the company are financial products with floating interest rates, so the impact of interest rate changes on the company's profits and loss is limited. The company's financial structure is good, and idle funds are deposited in reputable financial institutions based on conservative and prudent principles, considering safety and reasonable interests. However, if interest expense increases due to operational needs to borrow funds from banks in the future, the impact of interest rate changes on the company's profit and loss will increase accordingly, and the company will pay attention to interest rate changes at any time and take necessary countermeasures to reduce the impact of interest rate changes on the company's profit and loss.

2. Changes in foreign exchange rates

The company's exchange gain was NT$14,309 thousand in 2025, accounting for 8.72% of the net profit before tax. In addition to subsidiaries, the company's sales are mainly collected in US dollars, and the purchase part is also paid in US dollars, to achieve the effect of natural hedging as much as possible in strategy and reduce the impact of exchange rate fluctuations on the company's profit and loss. At the same time, the company's financial department also collects exchange rate information at any time, grasps the exchange rate trend, and decides whether to use appropriate derivative financial instruments to avoid exchange rate risks according to the company's operating conditions.

3. Inflation

The price of Flash modules, which is the company's main raw material, is mainly determined by changes in market supply and demand and has little correlation with inflation. In addition, to always be alert to market fluctuations and maintaining good interaction with suppliers and customers, the Company and its subsidiaries have not had a significant impact on profit and loss due to inflation factors in recent years, so inflation has no significant impact on the profit and loss of the Company and its subsidiaries.

(2) Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions: :

The Company and its subsidiaries, with prudent and conservative principles, do not engage in high-risk and high-leveraged investments, and currently have no lending to others and endorsement guarantees, and derivatives trading is mainly for hedging purposes only.

(3) Future Research & Development Projects and Corresponding Budget:

1. Future Research & Development Projects

A. Memory module products:

(1) Standard memory module products: In line with the evolution of memory chip manufacturing processes, we continue to develop 8GB/16GB/24GB/32GB/48GB/64GB DDR5-4800MT/s, DDR5-5600MT/s, and DDR5-6400MT/s memory modules suitable for desktop and notebook computers. In addition, we plan to develop 16GB/32GB/64GB DDR5-4800MT/s, DDR5-5600MT/s, and DDR5-6400MT/s RDIMM memory modules for servers and workstations.

(2) Overclocking memory module products: We will continue to develop DDR5 overclocking memory modules that comply with Intel XMP 3.0 and AMD EXPO specifications. In addition, to meet the needs of the e-sports market, we will develop the XPOWER series of RGB overclocking memory modules with heatsinks and integrated LEDs.

B. Flash memory products:

(1) We will continue to introduce higher-speed and higher-capacity SD/microSD cards to meet the recording needs of dashcams, surveillance cameras, home security systems, and wearable cameras, which require long-duration loop recording and high-density writing.

(2) We will introduce CFexpress memory cards with PCIe Gen4x2 specifications, offering high-speed and high-capacity products to achieve high-speed data transfer and high-capacity storage.

(3) We will develop USB 3.2 Gen2x2 and USB 4 interface flash drives with diverse designs and greater cost-effectiveness, further emphasizing high-speed data transfer and high-capacity storage.

(4) We will continue to develop 3D QLC products, pursuing higher performance, higher capacity, and better cost-effectiveness.

C. Solid State Drive:

(1) We will continue to develop higher-performance and higher-capacity SSDs, providing products with excellent price-performance ratios while maintaining high efficiency.

(2) We will develop higher-performance and higher-capacity PCIe G5x4 products to meet customers' demands for ultimate performance.

(3) We will continue to develop products with heatsinks to pursue more stable product performance.

D. Add-on hard drive:

(1) We will continue to develop add-on hard drives with capacities ranging from 1TB to 8TB and stylish, innovative designs.

(2) We will develop USB4 interface external solid-state drives, featuring a casing design with improved heat dissipation performance, aiming for high-speed data transfer and high-capacity storage.

E. Industrial Memory Modules:

Industrial Flash and DRAM memory modules are positioned with an emphasis on product stability and lifespan, and are designed for various applications with diverse requirements. In view of this, our company and its subsidiaries not only offer high-quality industrial Flash and DRAM products with various interfaces and form factors, but also focus on integrating appropriate solutions and providing customized software and functions to meet the specific application needs of industries.

F. Power Bank Products:

(1) We will continue to develop mainstream capacity, stylish and slim power banks with device identification capabilities and LED indicators to show charging and discharging status. In addition, we plan to develop Type-C interfaces to meet the needs of new tablets and mobile phones for backup power, including portable, waterproof, and dustproof backup power for smart devices and power banks suitable for outdoor use.

(2) We will continue to introduce charging devices for vehicles and homes, including those with Smart-Detect intelligent charging function, which can automatically detect and identify the current demand of the product device, adapt to the optimal current output, effectively protect the user's charging equipment, and provide fast and safe power transmission.

2. Future R&D budget is about NT$95,894 thousand.

3. Main factors affecting the success of R&D in the future:

| R&D plan | The main factors affecting the success of R&D in the future |
|---|---|
| DDR5 memory modules | The quality of the power control module, motherboard compatibility, memory particle manufacturing process and yield, and the heat dissipation effect of the module. |
| USB 3. 2 Gen2x2 flash drive | Market demand and controller technology. |
| SD6. 0 LVS<br>SD7.0 Express | Market demand and controller technology. |
| PCIE G5x4<br>High-speed, high-capacity SSDs | The timeline of the controller launch, the penetration rate of the main control terminal, the quality of memory particles and product compatibility. |
| SATA interface<br>High-speed, high-capacity SSDs | Market demand and controller technology, quality of memory particles. |
| Power Bank | The time of product launch and price of the product. |
| External hard drive | Data security protection, product price. |
| DRAM for industrial use<br>Memory modules | Customer specification requirements. |
| Industrial SSD/PCIe<br>High-speed, high-capacity SSDs | Software and hardware integration, customer specifications. |

(4) Effects of and Response to Changes in Domestic and Foreign Important Policies and Regulations Relating to Corporate Finance and Sales:

The Company and its subsidiaries have taken timely measures to respond to important domestic and foreign policies and legal changes, and as of the date of publication of the annual report, there has been no significant impact on the company's financial business due to important domestic and foreign policy and legal changes.

(5) Effects of and Response to Changes in Technology (Including Cyber Security Risk) and the Industry Relating to Corporate Finance and Sales:

In order to meet market demand and technological growth, the Company and its subsidiaries not only diversify their product lines, but also actively develop new products and technologies to maintain market competitiveness. This market trend has had a positive impact on the Company's improved operating performance. In addition, in order to ensure the company's information security, the top supervisor of the information unit directly under the general manager is responsible for the risk management of information security.

(6) The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures:

The company and its subsidiaries uphold the principles of professionalism and integrity management, attach importance to corporate image, risk control and implementation of corporate governance. Committed to making the company's corporate image a leading brand of "high-quality, exclusive, and unique memory storage". As of the date of publication of the annual report of the company and its subsidiaries, there have been no incidents that have had a significant impact on the company due to changes in corporate image.

(7) Expected Benefits from Risks Relating to and Response to Merger and Acquisition Plans:

The Company and its subsidiaries, up to the date of publication of the annual report, have no merger and acquisition plans in the latest year.

(8) Expected Benefits from Risks Relating to and Response to Factory Expansion Plans:

The Company and its subsidiaries have no plans to expand their plant up to the date of publication of the annual report.

(9) Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration:

1. Purchasing

   In order to avoid the risk of excessive concentration of purchases, the Company and its subsidiaries take the principle of diversifying the sources of purchases, so the transaction amount with major suppliers is mutually beneficial to ensure the stability of supply sources. In the future, the Company will continue to maintain long-term and stable supply relationships with major suppliers, so the Company and its subsidiaries do not have the risk of excessive concentration of purchases.

2. Sales

   The Company and its subsidiaries are committed to the establishment of stable and long-term sales channels, with an average of hundreds of customers per month, so the Company and its subsidiaries do not have the risk of excessive sales concentration. In addition, the subsidiary is the overseas operation base of the company, all the sources of goods are supplied by the company, and the sales of the subsidiary are also good.

(10) Effects of Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%: None.

(11) Effects of Risks Relating to and Response to the Changes in Management Rights: None.

(12) Litigation or non-litigation events:

1. Have been concluded by means of a final and unappealable judgment or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: None.
2. Involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or company controlled by the company: None.

(13) Other important risks and countermeasures:

The Company has formulated the" Risk Management Policy" to reduce possible risks that may be faced in its operations.

For the most recent year and as of the date of publication of the annual report, there is no significant risk.

**7. Other important matters:** None.

# VI. Special Note

**1. Information related to the company**

Please refer to the Public Information Observatory >Single Company > Electronic File Download > Related Enterprises Three Books and Lists section
(URL https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

**2. Handling of private placement securities for the most recent year and as of the date of publication of the annual report:**

Please refer to the Public Information Observatory> Thematic Zone> Investment Zone> Private Placement Zone> Private Placement Zone
(URL https://mops.twse.com.tw/mops/#/web/t116sb01)

**3. Other necessary additional clarifications:** None.

**4. In the most recent year and as of the date of publication of the annual report, matters stipulated in Paragraph 2, Paragraph 2 of Article 36 of the China Securities Exchange Law that have a significant impact on shareholders' rights or the price of securities have occurred:** None.

**Silicon Power Computer & Communications Inc.**

**Chairman：Chen, Hui-Min**

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