Stock Code 7747

GrandTech CloudServices 昕奇雲端

# 2025
# Annual Report

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GrandTech Cloud Services Inc.
www.grandtech.com
Taiwan Stock Exchange Market Observation Post System: mops.twse.com.tw

**I. Names, titles, phone numbers, and email addresses of the spokesperson and acting spokesperson:**

Spokesperson

Name: Huang, Kuo-Feng
Title: Vice President
Tel: (02) 8792-3677
Email: ir@grandtechcloud.com

Acting Spokesperson

Name: Chang, Chiu-Hua
Title: Assistant Vice President
Tel: (02) 8792-3677
Email: ir@grandtechcloud.com

**II. Contact information of the headquarters, branch offices, and plants:**

Company address: 2F., No. 33, Ln. 76, Ruiguang Rd., Neihu Dist., Taipei City
Tel: (02) 8792-3677

**III. Contact information of the stock transfer agency:**

Name: Yuanta Securities Co., Ltd.
Address: B1, No. 67, Sec. 2, Dunhua South Rd., Da'an Dist., Taipei City
Website: www.yuanta.com.tw
Tel: (02) 2586-5859

**IV. Names of CPAs, firm name, address, website, and phone number for the most recent year's financial statements:**

Name of CPAs: Chiang, Chia-Chi and Chao, Min-Ju
Firm Name: KPMG Taiwan
Address: 68F, No. 7, Section 5, Keelung Road, Xinyi District, Taipei City
Website: www.kpmg.com
Tel: (02) 8101-6666

**V. Name of the overseas stock exchange and method for accessing information on said securities: None.**

**VI. Company website: www.grandtechcloud.com**

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# I. Letter to Shareholders

2025 was a year in which GrandTech Cloud Services Inc. (the “Company”) experienced the most drastic changes in the external environment, and the overall operating environment was extremely challenging. Despite a challenging environment, the Company has responded prudently to market volatility and overcome external headwinds, supported by its resilient corporate structure and innovative, adaptive thinking, . GrandTech Cloud has not only stood firm amid volatility, but has also strengthened its core competitiveness by focusing on the optimization and growth of its profit structure, demonstrating strong operational resilience. Over the past year, the Company benefited from the continued digital transformation of industries worldwide and the growing demand for cloud services fueled by the expanding demand for generative artificial intelligence (AI). While accelerating growth in its domestic market, it also aggressively expanded across Asia, successfully laying a strong foundation in overseas markets. In 2025, both the revenue and profit performance of GrandTech Cloud continued to improve. The operational overview of 2025 and the operational outlook for 2026 are as follows:

## 1. 2025 Operation Overview

A. 2025 business plan implementation results

2025 was a year of great milestones and challenges for GrandTech Cloud. While successfully completing the IPO listing, the management team also faced unprecedented and drastic changes in the external environment; demonstrating high resilience, the team confronted challenges directly and responded swiftly, successfully turning the situation around through the steadfast execution of customer structure optimization and the strengthening of operational efficiency. GrandTech Cloud reported consolidated revenue of NT$1,568,346 thousand for 2025, representing a growth of approximately 9.7% compared with the same period last year. Thanks to the efforts of the management team, the overall profit performance also showed steady growth compared with last year, with net profit after tax attributable to the parent company amounting NT$102,792 thousand, an increase of 7.7% over the previous year, and earnings per share reaching NT$4.04. Not only did both revenue and profit achieve steady growth, but the Company also established its competitive advantage in the cloud market amidst volatility.

Relevant year-on-year data regarding profits or losses were as below:

Unit: NTD thousand

| Year / Item | 2025 | 2024 | Increase (Decrease) | YoY increase (decrease) rate |
|---|---|---|---|---|
| Operating revenue | 1,568,346 | 1,429,689 | 138,657 | 9.7% |
| Net profit after tax | 110,520 | 102,822 | 7,698 | 7.5% |
| Net profit after tax of the parent company | 102,792 | 95,465 | 7,327 | 7.7% |
| Earnings per share after tax (NTD) | 4.04 | 4.07 | (0.03) | (0.7%) |

GrandTech Cloud has developed an integrated multi-cloud, value-added cloud service financial operations (FinOps) platform (ARMIN) that serves as a one-stop platform across clouds, providing professional and diverse infrastructure as a service (IaaS) and software as a service (SaaS) services such as real-time monitoring of cloud traffic, cost control and optimization, and cross-regional account management. This enables clients to focus on their core business, ensuring that they can effectively achieve customer success with the services provided by GrandTech Cloud, thereby enhancing the customer lifetime value of the Company. Furthermore, GrandTech Cloud continuously improves service quality and professional capabilities to assist enterprise users in digital transformation and cross-industry collaboration. GrandTech Cloud has successfully deepened its presence in the startup ecosystem, committed to growing hand in hand with clients, with customer success as its mission. Clients demonstrate high loyalty and strong growth momentum, leading to continuous growth in GrandTech Cloud's annual recurring revenue (ARR) and net revenue retention (NRR).

B. 2025 budget implementation:

The Company is not required to disclose financial forecasts and therefore this is not applicable.

C. Analysis of revenues, expenditures and profitability:

2025

Unit: NTD thousand

| Analysis | Item | Parent company | Group |
|---|---|---|---|
| Revenues and expenditures | Operating revenue | 751,905 | 1,568,346 |
| | Gross profit from operations | 136,880 | 231,878 |
| | Net profit for the period | 102,792 | 110,520 |
| Profitability | Return on assets (%) | 11.15 | 9.97 |
| | Return on shareholders' equity (%) | 13.83 | 14.20 |
| | Pre-tax net profit as a percentage of paid-in capital (%) | 42.49 | 47.21 |
| | Operating profit as a percentage of paid-in capital (%) | 28.35 | 43.81 |
| | Net profit margin (%) | 13.67 | 7.05 |
| | Basic earnings per share (NTD) | 4.04 | 4.04 |

D. Research and development (R&D):

In order to strengthen the professional advantages of its multi-cloud platform services, GrandTech Cloud's research and development team is committed to enhancing the innovative features of the ARMIN FinOps platform, providing users with tools for optimized management and analysis, including cost and usage reports and dashboards, as well as cost optimization recommendations. These help users maximize the cost-effectiveness of their cloud usage, and enable proper planning, forecasting, understanding of cost drivers, expenditure allocation, and efficiency benchmarking. In addition, ARMIN has established a fully automated accounting workflow that improves overall operational efficiency, allowing customers to access real-time data inquiries and analysis features to enhance customer satisfaction. ARMIN also includes a comprehensive procurement mechanism for online B2B usage-based ordering, which aligns with clients' internal procurement control systems while meeting modern automation standards. Building on ARMIN's robust capabilities in serving end users, GrandTech Cloud is further developing a new platform focused on partner customers, aiming to expand the scope of GrandTech Cloud's service platform in a more innovative and accelerated way, to drive business growth and strengthen strategic collaborations, domestically and internationally.

## II. 2026 Business Plan

A. Business policy

a. Accelerate growth through a multidimensional development strategy of "2 to the 4th Power".
b. Sustain the organic growth of the cloud ecosystem while pursuing cross-industry integration.
c. Deepen the unique, symbiotic relationships within the start-up ecosystem, strengthen close ties with corporate clients, and develop a "client-as-partner" ecosystem model.
d. Continue deployment in global markets and rapidly replicate GrandTech Cloud's successful overseas expansion experience.

B. Estimated sales amount: The Company is not required to disclose financial forecasts and therefore this is not applicable.

## III. Future Development Strategies

GrandTech Cloud is a cloud service operator born out of the global new economy and startup industries. Through its business model of cloud aggregation and cloud sharing, GrandTech Cloud is committed to being a FinOps platform company with customer empowerment as its primary goal, and to strengthening its competitive advantage through the following core strategies:

**Building a moat and advancing intelligent capabilities:** Providing real-time-multi-cloud monitoring, precise cost control, and cross-regional automated billing systems through the self-developed ARMIN FinOps platform. Fully implement an AI-first approach to not only optimize core products but also integrate AI into internal workflows to achieve automated operations, leveraging technology to significantly enhance operational efficiency and service value, building a solid competitive advantage.

Replicating regional success: Leveraging a robust financial structure and lean management, the Company has successfully established a solid presence in Taiwan, Southeast Asia, and Japan. Looking ahead, the Company will accelerate the rollout of this proven regional success model across other high-potential markets. Through the integration of cross-regional logistics capabilities, GrandTech Cloud effectively leverages economies of scale to reduce the impact of fluctuations in single markets, ensuring a diversified and stable revenue structure for the Group.

**Ecosystem strategic investment and smart growth:** The Company will strengthen the collaborative synergy with startups and managed service providers through strategic integration and deep alliances. Through the Company's unique strategic framework, deep connections of symbiotic partnerships are established with customers, strengthening its ecosystem influence. 2026 will be a pivotal year for GrandTech Cloud to move towards "smart growth"; it will integrate AI-driven logistics momentum to ensure a leading position is consistently maintained in a volatile market.

## IV. Impact of External Competitive, Regulatory, and Overall Economic Environments

Looking forward to 2026, the resilient transformation in 2025 has established a more robust foundation and operational momentum for the Company. The Company maintains optimistic confidence in the growth momentum for the full year. Having experienced market challenges, the team deeply appreciates the strategic value of "From Wild Growth to Wise Growth," which will lead GrandTech Cloud in building a high-efficiency organization that balances profitability, discipline, and pragmatism. In the future, with the support of the capital markets, the Company will actively engage in resource integration and strategic positioning, striving to become a sustainable, scaled, and high-profit leader in the AI cloud industry. The management team will continue to introduce automation and AI-driven logistics capabilities to enhance operational efficiency and build a strong corporate moat. On the basis of adhering to International Financial Reporting Standards (IFRS) and strengthening organizational resilience, the Company will steadily achieve its operating goals. We sincerely thank all shareholders for their trust and support; GrandTech Cloud will remain committed to its founding spirit, and create long-term, market-leading value for all its supporters.

Chairperson: Hsu, Cheng-Chiang

General Manager: Hsu, Cheng-Chiang

Accounting Supervisor: Weng， Chao-Fen

# II. Corporate Governance Report

1. Profiles of the Company’s Directors, Supervisors, General Manager, Vice Presidents, Assistant Vice Presidents, and Heads of All Divisions and Branches

A. Profile of directors

(1) Profile of directors

April 5, 2026

| Title | Nationality / Place of incorporation | Name | Gender/ Age | Date first elected | Date elected | Term of office (year) | Shares held when elected | | Shares currently held | | Shares currently held by spouse and minor children | | Shares held through nominees | | Experience (Education) | Positions concurrently held in the Company and other entities | Other executives, directors, or supervisors that are spouses or relatives within second degree of kinship | | | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Shares | % | Shares | % | Shares | % | Shares | % | | | Title | Name | Relationship | |
| Chairperson | ROC | GrandTech C.G. Systems Inc. | – | 2017.10.3 | 2020.6.29 | 3 | 16,692,801 | 70.65% | 16,692,801 | 60.86% | – | – | – | – | – | – | – | – | – | – |
| | | Representative; Hsu, Cheng-Chiang | M<br>51–60 | 2017.10.3 | 2020.6.29 | 3 | – | – | 966,370 | 3.52% | 225,783 | 0.82% | – | – | M.S. in Computer Science, State University of New York<br>Chairperson of GrandTech C.G. Systems | Note 1 | – | – | – | – |
| Director | Malaysia | GrandTech C.G. Systems Inc. | – | 2017.10.3 | 2020.6.29 | 3 | 16,692,801 | 70.65% | 16,692,801 | 60.86% | – | – | – | – | – | – | – | – | – | – |
| | | Representative: Ngoi, Miew-Huat | M<br>51–60 | 2017.10.3 | 2020.6.29 | 3 | – | – | 180,169 | 0.66% | – | – | – | – | Campbell University, North Carolina, USA<br>General Manager of GrandTech C.G. Systems | Note 2 | – | – | – | – |
| Director | ROC | Li, Cheng-Hsiung | M<br>51–60 | 2024.7.18 | 2024.7.18 | 3 | 319,660 | 1.35% | 249,660 | 0.91% | 5,128 | 0.02% | – | – | B.S. in Computer Science, Tamkang University<br>President of Netcore Network Communication Technology Corp.<br>Vice President of D-Link Corporation | Note 3 | – | – | – | – |
| Director | ROC | Wei, Chia-Hung | M<br>41–50 | 2024.7.18 | 2024.7.18 | 3 | – | – | – | – | – | – | – | – | M.S. in System and Marine Engineering, National Cheng Kung University<br>CEO of Delivery Hero Japan | Note 4 | – | – | – | – |
| Independent director | ROC | Chang, Feng-Kan | M<br>61–70 | 2024.7.18 | 2024.7.18 | 3 | – | – | – | – | – | – | – | – | M.S. in Accounting and Taxation, State University of New York at Albany<br>Director of Forvis Mazars Taiwan | Note 5 | – | – | – | – |
| Independent director | ROC | Chen, Hsu-Lun | F<br>51–60 | 2024.7.18 | 2024.7.18 | 3 | – | – | – | – | – | – | – | – | M.B.A, Hofstra University, New York<br>General Manager of Horizon Venture Management Co., Ltd. | Note 6 | – | – | – | – |
| Independent director | ROC | Tao, Yun-Chih | M<br>41–50 | 2024.7.18 | 2024.7.18 | 3 | 13,780 | 0.06% | 13,780 | 0.05% | – | – | – | – | M.S. in Environmental Engineering, National Taiwan University<br>Chairperson of Pocket Securities Co., Ltd. | Note 7 | – | – | – | – |

Note 1: Chairperson of GrandTech C.G. Systems, Chairperson of Netcore Network Communication, director of DeepStone, director of Senco-Masslink Technology, director of Senco-Masslink Solutions, director of DPI, and director of BoniO Inc.

Note 2: Director of GrandTech C.G. Systems, director of DPI, director of Senco-Masslink Technology, and director of Senco-Masslink Solutions

Note 3: Director of Netcore Network Communication
Note 4: Chairperson of Dimes, Inc., director of Tablecross Inc., and director of MoveEz, Inc.
Note 5: Director of Forvis Mazars Consultant; director of Ulysse Nardin (Taiwan) Ltd.; responsible person in the Republic of China for the Taiwan branch of Insider Pte. Ltd.; representative of corporate director, Terra Two Taiwan Limited; and independent director of Innolux Corporation
Note 6: Independent director of Dafeng TV Ltd., director of Mutual-Pak Technology Co., Ltd., and director of Greenway Environment Technology Co., Ltd.
Note 7: Independent director of Gogolook Co., Ltd., director of Wellington Management Consultant Company, director of Wu Wei Education Technology Co., Ltd., director of GlobalMall, and partner of DMC & Partners, Inc.

(2) Major shareholders of corporate shareholders

Table 1: Major shareholders of corporate shareholders

April 30, 2026

| Corporate shareholder | Major shareholder | Shareholding (%) |
|---|---|---|
| GrandTech C.G. Systems Inc. | Minerva Capital Inc. | 9.79% |

Source: Department of Commerce, the Ministry of Economic Affairs

Table 2: Major shareholders of corporate shareholders in Table 1

| Major shareholders of corporate shareholders | Major shareholder | Shareholding (%) |
|---|---|---|
| Minerva Capital Inc. | Cheng, Chia-Hsing, Hsu, Wen-Hsin, Hsu, Wen-Jui | 91.9% |

Source: Department of Commerce, the Ministry of Economic Affairs

(3) Disclosure of directors' qualifications and independent directors' independence:

| Conditions / Name | Professional qualifications and experience | Independence status | Number of other public entities where the director serves concurrently as independent director |
|---|---|---|---|
| Hsu, Cheng-Chiang | With over 5 years' work experience required for the Company's businesses, currently serving as the Chairperson of the Company, and not involved in any situation stipulated in Article 30 of the Company Act | Not involved in any situation stipulated in in Article 30 of the Company Act | 0 |
| Ngoi, Miew-Huat | With over 5 years' work experience required for the Company's businesses, currently serving as the General Manager of GrandTech C.G. Systems, and not involved in any situation stipulated in Article 30 of the Company Act | | 0 |
| Li, Cheng-Hsiung | With over 5 years' work experience required for the Company's businesses, currently serving as the General Manager of the Company, and not involved in any situation stipulated in Article 30 of the Company Act | | 0 |
| Wei, Chia-Hung | With over 5 years' work experience required for the Company's businesses, currently serving as the CEO of Delivery Hero Japan, and not involved in any situation stipulated in Article 30 of the Company Act | | 0 |
| Chang, Feng-Kan | With over 5 years' work experience required for the Company's businesses, currently serving as the director of Forvis Mazars Taiwan, and not involved in any situation stipulated in Article 30 of the Company Act | Number and percentage of shares of the Company held by director, his/her spouse, or relatives within second degree of kinship (including those held through nominee) as of April 30, 2026: 0 shares, 0%<br>Other independence criteria met are shown in Note 1 | 1 |
| Chen, Hsu-Lun | With over 5 years' work experience required for the Company's businesses, currently serving as the General Manager of Horizon Venture Management Co., Ltd., and not involved in any situation stipulated in Article 30 of the Company Act | Number and percentage of shares of the Company held by director, his/her spouse, or relatives within second degree of kinship (including those held through nominee) as of April 30, 2026: 0 shares, 0%<br>Other independence criteria met are shown in Note 1 | 1 |

| | | | |
|---|---|---|---|
| Tao, Yun-Chih | With over 5 years' work experience required for the Company's businesses, currently serving as the Chairperson of Pocket Securities Co., Ltd., and not involved in any situation stipulated in Article 30 of the Company Act | Number and percentage of shares of the Company held by director, his/her spouse, or relatives within second degree of kinship (including those held through nominee) as of April 30, 2026: 13,780 shares, 0.05%<br>Other independence criteria met are shown in Note 1 | 2 |

Note 1: All members of the Board of Directors met the independence criteria, including but not limited to the following: whether the director, his/her spouse, or relatives within the second degree of kinship have served as a director, supervisor, or employee of the Company or its affiliates; the numbers and percentages of shares held by the director, his/her spouse, or relatives within the second degree of kinship (including those held through nominee); whether the director served as a director, supervisor, or employee of any entity having a specific relationship with the Company (as defined in subparagraphs 5 to 8, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); the amount of remuneration received from the Company or its affiliates for the most recent two years for business, legal, financial, or accounting services.

(4) Diversity and independence of the Board of Directors:

a. Diversity of the Board of Directors: The Company currently has a Board of Directors composed of seven members, including two non-executive directors, two male independent directors, one female independent director, and two executive directors (Chairperson Hsu, Cheng-Chiang and General Manager Li, Cheng-Hsiung). In addition to substantial experience in corporate governance and industry technology, the directors possess professional knowledge and skills across diverse areas, including industry, finance, accounting, technology, and management.

b. Independence of the Board of Directors: In accordance with the Company's Articles of Incorporation, a candidate nomination system has been adopted for both election and appointment of directors. During the nomination and selection process, relevant documents, including written declarations, were obtained from each director. There was no spousal or second-degree kinship relationship among the directors. They maintain independence within the scope of their duties and have no direct or indirect interest in the Company.

(5) Overall capabilities required by the board diversity policy and its implementation:

a. To strengthen corporate governance and promote the sound development of both the composition and structure of the Board of Directors, the Company has amended its "Board Diversity Policy" in accordance with Article 20 of the Corporate Governance Best Practice Principles. This policy states that the composition of the Board of Directors should take into account the Company's operational structure, business development direction, and future trends, and should consider various aspects of diversity, such as basic attributes (e.g., gender or age) and professional experience.

I. Board member diversity policy

The composition of the Board of Directors should reflect diversity, and an appropriate diversity policy should be formulated based on the Company's operations, business type, and development needs. The policy should include, but not be limited to, the following two key dimensions:

Basic attributes and values: Including gender, age, nationality, and culture.

Professional knowledge and skills: Including professional background (e.g., legal, accounting, industry, finance, marketing, or technology), professional expertise, and industry experience.

Members of the Board of Directors should generally possess the knowledge, skills, and competencies required to perform their duties. To achieve the goals of sound corporate governance, the Board of Directors as a whole should have the following capabilities:

Operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market insight, leadership, and decision-making abilities.

b. Implementation

The current Board of Directors consists of seven members, all of whom have held significant management positions as either directors or general managers of TWSE/TPEx-listed entities. In addition to their practical experience in business operation, all members possess leadership, decision-making capabilities, crisis management skills, and an international market perspective. Among the three independent directors, Chang, Feng-Kan holds a certified public accountant (CPA) qualification, Chen, Hsu-Lun is the General Manager of Horizon Venture Management Co., Ltd., and Tao, Yun-Chih is the Chairperson of Pocket Securities Co., Ltd., each possessing expertise in finance and accounting, legal practice, industry knowledge, and operational judgment.

The Company attaches importance to gender equality in the composition of its Board of Directors and aims to increase the proportion of female directors to 30% or more. Currently, male directors account for 86% (six members), while female directors account for 14% (one member). Moving forward, the Company will continue to actively recruit directors of different genders and professional backgrounds to enhance corporate governance and promote gender diversity on the Board of Directors.

Diversity of the Board of Directors is presented in the table below:

| Name \ Diversity core item | | Gender | Operation judgment | Accounting and financial analysis | Business management | Crisis handling | Industry knowledge | International market perspective | Leadership | Decision-making ability |
|---|---|---|---|---|---|---|---|---|---|---|
| Chairperson | GrandTech C.G. Systems Inc. Representative: Hsu, Cheng-Chiang | M | V | V | V | V | V | V | V | V |
| Director | GrandTech C.G. Systems Inc. Representative: Ngoi, Miew-Huat | M | V | | V | V | V | V | V | V |
| Director | Li, Cheng-Hsiung | M | V | | V | V | V | V | V | V |
| Director | Wei, Chia-Hung | M | V | | V | V | V | V | V | V |
| Independent director | Chang, Feng-Kan | M | V | V | V | V | V | V | V | V |
| Independent director | Chen, Hsu-Lun | F | V | V | V | V | V | V | V | V |
| Independent director | Tao, Yun-Chih | M | V | | V | V | V | V | V | V |

(6) Independence of the Board of Directors: In accordance with the provisions of the Company's Articles of Incorporation, a candidate nomination system has been adopted for the election of directors. During the nomination and selection of the Board members, relevant materials, including written declarations, have been obtained from each director, and there are no instances of spousal or within second-degree kinship relationships among the directors. There were no spousal or second-degree kinship relationships among the directors. All independent directors, their spouses, and second-degree relatives did not hold any shares in the Company and maintained their independence within the scope of their duties, with no direct or indirect conflicts of interest with the Company.

B. Profiles of the Company's general manager, vice presidents, assistant vice presidents, and the heads of all departments and branches

April 11, 2025

| Title | Name | Gender | Nationality | Date appointed | Shareholding | | Shares held by spouse and minor children | | Shares held through nominees | | Experience (Education) | Positions concurrently held in other entities | Managerial officers who are spouse or relatives within the second degree of kinship | | | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Shares | % | Shares | % | Shares | % | | | Title | Name | Relation-ship | |
| General Manager | Hsu, Cheng-Chiang | M | ROC | 2026.7.05 | 966,370 | 3.52% | 225,783 | 0.82% | – | – | M.S. in Computer Science, State University of New York<br>Chairperson of GrandTech C.G. Systems | (Note 1) | – | – | – | – |
| Vice President | Huang, Kuo-Feng | M | ROC | 2022.03.01 | 179,586 (Note 2) | 0.65% | – | – | – | – | M.B.A, National Taiwan University<br>Chief Investment Officer, Advantech Co., Ltd. | – | – | – | – | – |
| Vice President | Justin Tiew Senn | M | Malaysia | 2024.5.7 | – | – | – | – | – | – | Bachelor of Engineering / Bachelor of Computer Science, University of Melbourne, Australia<br>Regional General Manager of Beam Mobility | – | – | – | – | – |
| Financial Supervisor | Chang, Chiu-Hua | F | ROC | 2024.08.07 | 123,405 (Note 3) | 0.45% | – | – | – | – | Comprehensive Business Department, Shixin High School<br>Senior Financial Manager of GrandTech C.G. Systems Inc. | Supervisor of Netcore Network Communication | – | – | – | – |
| Assistant Vice President | Lin, Hsing-Chi | F | ROC | 2025.12.23 | 643 | 0.002% | – | – | – | – | Bachelor of International Business, Tunghai University, Taichung<br>Assistant Vice President of GrandTech C.G. Systems Inc. | – | – | – | – | – |
| Assistant Vice President | Ning, Hui-Ling | F | Malaysia | 2025.12.23 | – | – | – | – | – | – | SEGi College Kuala Lumpur<br>Chartered Institute of Management Accountants<br>Finance and Administration Manager of GrandTech Malaysia | – | – | – | – | – |
| Accounting Supervisor | Chiang, Pei-Hsun | F | ROC | 2026.7.05 | 2,000 | 0.01%- | – | – | – | – | M.S., National Yunlin University of Science and Technology<br>Audit Manager of KPMG Taiwan | – | – | – | – | – |

Note 1: Chairperson of GrandTech C.G. Systems, Chairperson of Netcore Network Communication, director of DeepStone, director of Senco-Masslink Technology, director of Senco-Masslink Solutions, director of DPI, and director of BoniO Inc.

Note 2: 5,600 shares are still under custody of the Employee Ownership Association's special account with CTBC Bank.

Note 3: 21,000 shares are still under custody of the Employee Ownership Association's special account with CTBC Bank.

Note 4: Where the chairperson and the general manager or person of an equivalent level (the chief executive officer) are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity, and measures in response thereto shall be explained: The Chairperson and the General Manager are the same person based on considerations of enhancing management efficiency and consistency in decision-making. The relevant personnel possess a high degree of command over the Company's business and strategies, which is conducive to the promotion of operations, thereby establishing its reasonableness and necessity. Furthermore, mechanisms such as the appointment of independent directors, strengthening the operation of the Board of Directors, and the implementation of the internal control system have been adopted to enhance supervision and mitigate potential risks of conflicts of interest, so as to ensure the sound operation of corporate governance.

2. Remuneration Paid to Directors (Including Independent Directors), Supervisors, General Manager, and Vice Presidents for the Most Recent Year

(1) Director remuneration (including independent directors)

Unit: NTD thousand

| Title | Name | Director remuneration | | | | | | | | A+B+C+D and the percentage of net profit after tax | | Compensation for serving concurrently as employee | | | | | | | | A+B+C+D+E+F+G and the percentage of net profit after tax | | Remuneration from non-subsidiary investees or from the parent company |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Reward (A) | | Retirement pay and pension (B) | | Director remuneration (C) | | Business execution expenses (D) | | | | Salary, bonuses, and allowances (E) | | Retirement pay and pension (F) | | Employee compensation (G) | | | | | | |
| | | | | | | | | | | | | | | | | The Company | | Group entities in consolidated financial statements | | | | |
| | | The Company | Group entities in consolidated financial statements | The Company | Group entities in consolidated financial statements | The Company | Group entities in consolidated financial statements | The Company | Group entities in consolidated financial statements | The Company | Group entities in consolidated financial statements | The Company | Group entities in consolidated financial statements | The Company | Group entities in consolidated financial statements | Amount in cash | Amount in shares | Amount in cash | Amount in shares | The Company | Group entities in consolidated financial statements | |
| Chairperson | GrandTech C.G. Systems Inc. Representative: Hsu, Cheng-Chiang | 0 | 0 | 0 | 0 | 1,201 | 1,266 | 0 | 0 | 1,201<br>1.17% | 1,266<br>1.23% | 1,945 | 1,985 | 0 | 0 | 0 | 0 | 0 | 0 | 3,146<br>3.06% | 3,251<br>3.16% | 8,510 |
| Director | GrandTech C.G. Systems Inc. Representative: Ngoi, Miew-Huat | | | | | | | | | | | | | | | | | | | | | |
| Director | Li, Cheng-Hsiung | | | | | | | | | | | | | | | | | | | | | |
| Director | Wei, Chia-Hung | | | | | | | | | | | | | | | | | | | | | |
| Independent director | Chang, Feng-Kan | 900 | 900 | 0 | 0 | 0 | 0 | 0 | 0 | 900<br>0.88% | 900<br>0.88% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 900<br>0.88% | 900<br>0.88% | 0 |
| Independent director | Chen, Hsu-Lun | | | | | | | | | | | | | | | | | | | | | |
| Independent director | Tao, Yun-Chih | | | | | | | | | | | | | | | | | | | | | |

Note 1: Director remuneration is paid to natural person representatives of corporate directors.

Note 2: The amount of employee compensation for 2025 (including cash and stock bonuses) is a proposed figure.

Note 3: Please describe the payment policy, system, structure, and standards for independent directors' remuneration, and explain its relevance to remuneration amount based on the responsibilities, risks, time of commitment, and other factors of each independent director: The Company handles this in accordance with its Articles of Incorporation and the Regulations Governing the Payment of Remuneration to Directors and Functional Committee Members. Independent directors' remuneration is paid regardless of profit or loss.

Note 4: Remuneration of the Company's directors for providing services to all group entities in financial statements (such as serving as non-employee consultants, etc.) for recent years, except as disclosed above: None.

Table of remuneration ranges

| Ranges of remuneration paid to the Company's directors | Names of directors | | | |
|---|---|---|---|---|
| | Sum of the first four remuneration items (A+B+C+D) | | Sum of the first seven remuneration items (A+B+C+D+E+F+G) | |
| | The Company | Group entities in consolidated financial statements | The Company | Group entities in consolidated financial statements |
| Under NT$1,000,000 | Hsu, Cheng-Chiang, Ngoi, Miew-Huat, Li, Cheng-Hsiung, Wei, Chia-Hung, Chang, Feng-Kan, Chen, Hsu-Lun, Tao, Yun-Chih | Hsu, Cheng-Chiang, Ngoi, Miew-Huat, Li, Cheng-Hsiung, Wei, Chia-Hung, Chang, Feng-Kan, Chen, Hsu-Lun, Tao, Yun-Chih | Hsu, Cheng-Chiang, Ngoi, Miew-Huat, Wei, Chia-Hung, Chang, Feng-Kan, Chen, Hsu-Lun, Tao, Yun-Chih | Hsu, Cheng-Chiang, Ngoi, Miew-Huat, Wei, Chia-Hung, Chang, Feng-Kan, Chen, Hsu-Lun, Tao, Yun-Chih |
| NT$1,000,000 (inclusive)–NT$2,000,000 (exclusive) | — | — | — | — |
| NT$2,000,000 (inclusive)–NT$3,500,000 (exclusive) | — | — | Li, Cheng-Hsiung | Li, Cheng-Hsiung |
| NT$3,500,000 (inclusive)–NT$5,000,000 (exclusive) | — | — | — | — |
| NT$5,000,000 (inclusive)–NT$10,000,000 (exclusive) | — | — | — | — |
| Total | 7 persons | 7 persons | 7 persons | 7 persons |

(2) Remunerations of general manager and vice presidents

| Title | Name | Salary (A) | | Retirement pay and pension (B) | | Bonuses and allowances (C) | | Employee compensation (D) | | | | A+B+C+D and the percentage of net profit after tax | | Remuneration from non-subsidiary investees or from the parent company |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | The Company | Group entities in consolidated financial statements | The Company | Group entities in consolidated financial statements | The Company | Group entities in consolidated financial statements | The Company | | Group entities in consolidated financial statements | | The Company | Group entities in consolidated financial statements | |
| | | | | | | | | Amount in cash | Amount in shares | Amount in cash | Amount in shares | | | |
| General Manager | Li, Cheng-Hsiung | 7,518 | 7,518 | 108 | 108 | 0 | 41 | 213 | 0 | 213 | 0 | 7,839<br>7.63% | 7,880<br>7.67% | – |
| Vice President | Huang, Kuo-Feng | | | | | | | | | | | | | |
| Vice President | Chang, Sheng | | | | | | | | | | | | | |

<u>Table of remuneration ranges</u>

| Ranges of remuneration paid to General Manager and vice presidents | Names of General Manager and vice presidents | |
|---|---|---|
| | The Company | Group entities in consolidated financial statements |
| Under NT$1,000,000 | — | — |
| NT$1,000,000 (inclusive)–NT$2,000,000 (exclusive) | Li, Cheng-Hsiung | Li, Cheng-Hsiung |
| NT$2,000,000 (inclusive)–NT$3,500,000 (exclusive) | Huang, Kuo-Feng, Chang, Sheng | Huang, Kuo-Feng, Chang, Sheng |
| NT$3,500,000 (inclusive)–NT$5,000,000 (exclusive) | — | — |
| NT$5,000,000 (inclusive)–NT$10,000,000 (exclusive) | — | — |
| Total | 3 persons | 3 persons |

(4) Names of managerial officers receiving employee compensation and the distribution

April 5, 2026; Unit: NTD Thousand

| Item | Title | Name | Amount in shares | Amount in cash | Total | Total amount as a percentage of net profit after tax (%) |
|---|---|---|---|---|---|---|
| Managerial officer | General Manager | Hsu, Cheng-Chiang | – | 721 | 721 | 0.7% |
| | Vice President | Huang, Kuo-Feng | | | | |
| | Vice President | Chang, Sheng | | | | |
| | Assistant Vice President | Lin, Hsing-Chi | | | | |
| | Assistant Vice President | Ning, Hui-Ling | | | | |
| | Financial Supervisor | Chang, Chiu-Hua | | | | |
| | Accounting Supervisor | Chiang, Pei-Hsun | | | | |

Note 1: The amount of employee compensation for 2025 (including cash and stock bonuses) is a proposed figure.

(5) Comparative analysis of total remunerations paid to directors, general managers, and vice presidents of both the Company and all group entities included in the consolidated financial statements as percentages of net profit after tax for the most recent two years, along with an explanation of remuneration policies, standards, structure, procedures for determining remuneration, and their correlation to operational performance.

A. Analysis of total remunerations paid to directors, general managers, and vice presidents of both the Company and all group entities in the consolidated financial statements for the most recent two years, as percentages of the net profit after tax in the parent-company-only or consolidated financial statements.

| Title | 2024 | | 2025 | |
|---|---|---|---|---|
| | The Company | Group entities in consolidated financial statements | The Company | Group entities in consolidated financial statements |
| Director | 1.99% | 1.99% | 2.04% | 2.11% |
| General Manager and vice presidents | 8.03% | 8.28% | 7.63% | 7.67% |

B. Remuneration policies, standards, packages, and determination procedures and the correlation with both operating performance and future risks

(1) The Company's director remuneration is distributed from the annual earnings in accordance with both the resolution of the Board of Directors and the Articles of Incorporation. However, independent directors are not included in the distribution of annual profit-based director remuneration. The fixed part-time remuneration for independent directors is determined in consideration of the Company's operational goals, financial condition, and the responsibilities of the directors. The remunerations for managerial officers, including the Chairperson, General Manager, and vice presidents, comprise salaries, bonuses, and employee compensation, and is determined based on their positions, responsibilities, and contributions to the Company, with reference to industry standards. The procedures for determining remunerations are established according to the Articles of Incorporation and the designated authority for approval. In determining remunerations for managerial officers, including directors, General Manager, and vice presidents, the Company also takes into account future operational risks and the positive correlation with business performance, linking remuneration to key performance indicators such as overall company performance, departmental performance, and individual performance, in order to achieve a balance between sustainable operation and risk management.

(2) The Company has established a Remuneration Committee to assist the Board of Directors in formulating remuneration policies for directors and managerial officers, as well as the Company's overall compensation and remuneration strategy. In accordance with the Articles of Incorporation and the functioning of the Remuneration Committee and the Board of Directors, the remuneration for directors and managerial officers is reviewed based on their level of involvement in the Company's operations and the value of their contributions, with the aim of minimizing potential future risks and their relevance, thereby seeking a balance between sustainable business operations and effective risk control.

## 3. Implementation of Corporate Governance

### A. Operation of the Board of Directors

A total of seven (A) Board meetings were held in the most recent year. The attendance of the directors was as follows:

| Title | Name | Attendance in person (B) | Attendance by proxy | Attendance rate in person (%) (B/A) | Note |
|---|---|---|---|---|---|
| Chairperson | GrandTech C.G. Systems Inc. Representative; Hsu, Cheng-Chiang | 7 | – | 100 | |
| Director | GrandTech C.G. Systems Inc. Representative: Ngoi, Miew-Huat | 7 | – | 100 | |
| Director | Li, Cheng-Hsiung | 7 | – | 100 | |
| Director | Wei, Chia-Hung | 7 | – | 100 | |
| Independent director | Chang, Feng-Kan | 7 | – | 100 | |
| Independent director | Chen, Hsu-Lun | 7 | – | 100 | |
| Independent director | Tao, Yun-Chih | 7 | – | 100 | |

Other information required to be disclosed:

1. If any of the following circumstances occur, the dates of the Board meetings, sessions, content of motions, all independent directors' opinions, and the Company's handling of those opinions shall be specified:
   (1) Matters listed in Article 14-3 of the Securities and Exchange Act: Not applicable. The Company has established an Audit Committee and therefore is applicable for Article 14-5 of the Securities and Exchange Act. Please refer to the explanation of the operation of the Audit Committee.
   (2) Other matters, excluding the aforementioned, that were resolved at Board meetings despite objections or reservations expressed by independent directors and recorded or stated in writing: None.
2. Regarding recusals of directors from voting due to conflicts of interest, the names of directors, content of motions, reasons for recusal, and their participation in voting shall be specified:

| Date | Names of directors | Content of motions | Reasons for recusal due to conflicts of interests | Participation in voting |
|---|---|---|---|---|
| 2025.5.6 | Li, Cheng-Hsiung | Proposal for the appointment of the Chief Sustainability Officer and the establishment of the Sustainable Development Committee of the Company | The Board of Directors appointed Li, Cheng-Hsiung, General Manager, to serve as the Chief Sustainability Officer. As Li, Cheng-Hsiung is also an attending director, he has a conflict of interest in this matter. | The director(s) listed on the left did not participate in the voting on this proposal. |

| | | | | |
|---|---|---|---|---|
| 2025.5.6 | Hsu, Cheng-Chiang, Li, Cheng-Hsiung, Ngoi, Mie Huat, Wei, Chia-Hung, Chang, Feng-Kan, Chen, Hsu-Lun, Tao, Yun-Chih | Proposal for the 2024 director remuneration and employee compensation distribution | The proposal for director remuneration involved a conflict of interest for all attending directors. | Voting was conducted separately, and recusals were made individually. |
| 2025.11.04 | Hsu, Cheng-Chiang, Ng Miew-Huat | Proposal for the acquisition of equity in Quan qi Co., Ltd. | Directors Hsu, Cheng-Chiang and Ngoi, Miew-Huat are directors of GrandTech and have a conflict of interest in this proposal. | The director(s) listed on the left did not participate in the voting on this proposal. |
| 2025.12.23 | Hsu, Cheng-Chiang | Proposal for the appointment of Acting General Manager | Director Hsu, Cheng-Chiang has a conflict of interest in this proposal. | The director(s) listed on the left did not participate in the voting on this proposal. |
| 2026.3.5 | Hsu, Cheng-Chiang | Proposal for the appointment of General Manager | Director Hsu, Cheng-Chiang has a conflict of interest in this proposal. | The director(s) listed on the left did not participate in the voting on this proposal. |

2. Objectives for Strengthening the Functionality of the Board of Directors in the Current and Most Recent Year (e.g., Establishment of the Audit Committee, Enhancement of Information Transparency), and Evaluation of Implementation:

a. Functionality objectives of the Board of Directors:

To implement corporate governance, improve supervisory functions, and strengthen management mechanisms, the Company, in accordance with Article 14-4 of the Securities and Exchange Act, has established an Audit Committee composed entirely of independent directors to enhance the functionality of the Board of Directors.

b. Evaluation of Implementation: The Company has established both a Remuneration Committee and an Audit Committee to assist the Board of Directors in fulfilling its responsibilities. Furthermore, in adherence to the principle of operational transparency, major announcements and related information are disclosed on the same day following the Board of Directors meeting in accordance with the Procedures of Taipei Exchange for Investigation and Public Handling of Material Information of TPEx Listed Companies via the Market Observation Post System (MOPS) to protect shareholders' rights and interests.

3. Implementation of Evaluation of the Board of Directors and Functional Committees:

The Company's internal performance evaluations of the Board of Directors and each functional committee are carried out by the Audit Office. The Company has established a "Board Performance Evaluation" mechanism, under which evaluations are conducted at the end of each year. The evaluations are quantified based on assessment indicators. The results must be finalized before the end of the first quarter of the next year and submitted to the Board of Directors. The evaluation results are as follows and were reported to the Board of Directors on March 5, 2026.

| Evaluation frequency | Evaluation period | Scope of evaluation | Evaluation method | Contents of evaluation | Evaluation result |
|---|---|---|---|---|---|
| Once per year | 2025/1/1–2025/12/31 | Board of Directors | Self-evaluation | Degree of participation in the Company's operations, enhancement of the quality of Board decisions, composition and structure of the Board, selection and continuing education of directors, and internal controls | Performance evaluation questionnaire: 4.92 (out of 5). |
| Once per year | 2025/1/1–2025/12/31 | Individual Board members | Self-evaluation | Understanding of the Company's goals and tasks, awareness of director responsibilities, degree of participation in the Company's operations, management and communication of internal relations, directors' professional development and continuing education, and internal controls | Performance evaluation questionnaire: 4.99 (out of 5). |
| Once per year | 2025/1/1–2025/12/31 | Audit Committee performance evaluation | Self-evaluation | Degree of participation in the Company's operations, awareness of the Audit Committee members' responsibilities, decision-making quality, composition and selection of members, and internal control | Performance evaluation questionnaire: 4.94 (out of 5). |
| Once per year | 2025/1/1–2025/12/31 | Remuneration Committee performance evaluation | Self-evaluation | Degree of participation in the Company's operations, awareness of the Remuneration Committee members' responsibilities, decision-making quality, composition and selection of members, and internal control | Performance evaluation questionnaire: 4.97 (out of 5). |

4. Objectives for the Strengthening of the Functionality of the Board of Directors for the Current Year and the Most Recent Year, and Evaluation of Implementation:

a. Strengthening corporate governance: The Company has already established a Remuneration Committee and an Audit Committee in accordance with relevant laws and regulations. These Committees evaluate and make suggestions on the remuneration policies for the directors and managerial officers of the Company, as well as on the corporate operation, from a professional and objective standpoint, so that the Board of Directors may use them as references for decision-making.

b. Enhancing information transparency: The Company adheres to the principle of operational transparency and, in accordance with regulations, releases major messages and discloses relevant information on the MOPS on the same day after the end of the Board meeting, in compliance with the Procedures for Investigation and Public Handling of Major Information of TPEx Listed Securities Companies, to safeguard shareholders' rights and interests.

## B. Implementation of the Audit Committee:

The Audit Committee of the Company consists of three independent directors and is responsible for the fair presentation of the Company's financial statements, the selection (or dismissal) of CPAs and assessment of their independence and performance, the effective implementation of the Company's internal control system, compliance with relevant laws, regulations, and rules, and the control of existing or potential risks.

A total of six (A) meetings of the Audit Committee were held in the most recent year. The attendance of the independent directors is as follows:

| Title | Name | Attendance in person (B) | Attendance by proxy | Attendance rate in person (%) (B/A) | Note |
|---|---|---|---|---|---|
| Independent director | Chang, Feng-Kan | 6 | 0 | 100 | |
| Independent director | Chen, Hsu-Lun | 6 | 0 | 100 | |
| Independent director | Tao, Yun-Chih | 6 | 0 | 100 | |

Other information required to be disclosed:

1. Professional qualifications and experience of the Audit Committee members

| Member | Professional qualifications and experience |
|---|---|
| Chang, Feng-Kan | CPA<br>Managing Partner of Forvis Mazars Taiwan<br>Partner of Tax Department, Deloitte & Touche |
| Chen, Hsu-Lun | General Manager of Horizon Venture Capital Co., Ltd.<br>General Manager of Horizon Venture Management Co., Ltd. |
| Tao, Yun-Chih | Chairperson of Pocket Securities Co., Ltd.<br>Director/General Manager of LINE/LINE PAY Taiwan |

2. The Audit Committee of the Company was established on July 18, 2024. Matters deliberated during the most recent year primarily include:
   (1) Annual financial statements signed or stamped by the Chairperson, a managerial officer, and the Accounting Supervisor, as well as annual financial statements audited by CPAs.
   (2) Establishment or amendment to the internal control system.
   (3) Assessment of the effectiveness of the internal control system.
   (4) Establishment or amendment to procedures for the acquisition or disposal of assets, engagement in derivatives trading, lending of funds to others, and provision of endorsements or guarantees for significant financial transactions.
   (5) Review of matters involving directors' personal interests.
   (6) Review of material asset or derivatives transactions.
   (7) Review of material lending of funds, endorsements, or provision of guarantees.
   (8) Review of the offering, issuance, or private placement of securities with equity characteristics.
   (9) Review of the appointment, dismissal, or remuneration of certified public accountants.
   (10) Review of the appointment or dismissal of financial, accounting, or internal audit officers.
   (11) Other significant matters as stipulated by the Company or required by regulatory authorities.
3. With regard to the operation of the Audit Committee, if any of the following circumstances occur, the date of the Audit Committee meeting, session, content of motions, independent directors' opposing opinions, reservations, or significant recommendations, the resolution results of the Audit Committee, and the Company's response to such opinions shall be specified.
   (1) Matters listed under Article 14-5 of the Securities and Exchange Act.
   (2) In addition to the above matters, other matters not approved by the Audit Committee but approved by two-thirds or more of all directors.

| Audit Committee | Content of motions and follow-ups | Matters listed under Article 14-5 of the Securities and Exchange Act | Matters not approved by the Audit Committee but approved by two-thirds or more of all directors |
|---|---|---|---|
| 2025.02.25 | 1. Proposal for the assessment of the effectiveness of the internal control system for 2024 and the Internal Control System Statement.<br>2. Proposal for the amendments to the Company's internal control system.<br>3. Proposal for the 2024 Financial Statements and Consolidated Financial Statements.<br>4. Proposal for the appointment of the CPAs. | ✓ | No |
| 2025.05.06 | 1.Proposal for the Consolidated Financial Statements for Q1 2025. | ✓ | No |

| | | | |
|---|---|---|---|
| 2025.08.05 | 1. Proposal for the Consolidated Financial Statements for Q2 2025. | ✓ | No |
| 2025.11.04 | 1. Proposal for the Consolidated Financial Statements for Q3 2025.<br>2. Proposal for the acquisition of equity in Quan qi Co., Ltd. | ✓ | No |
| 2026.03.05 | 1. Proposal for the assessment of the effectiveness of the internal control system for 2025 and the Internal Control System Statement.<br>2. Proposal for the amendments to the Company’s internal control system.<br>3. Proposal for the 2025 Financial Statements and Consolidated Financial Statements.<br>4. Proposal for the appointment of the CPAs. | ✓ | No |
| Audit Committee resolution results for the above proposals: The proposals were approved as submitted without objection by all attending committee members. | | | |
| The Company’s handling of the Audit Committee’s opinions: Submitted to the Board of Directors and unanimously approved by all attending directors. | | | |

4. Regarding the recusals of independent directors from voting due to conflicts of interest, the names of the independent directors, content of motions, reasons for recusal, and voting results shall be specified: There were no conflict-of-interest proposals in the most recent year; therefore, this is not applicable
5. Communication between independent directors and the internal audit officer and CPAs (should include significant matters, methods, and results of communication regarding the Company’s financial and business conditions).
   (1) At least four separate meetings are held every year with the CPAs and the internal audit officer.
   (2) The Company’s Audit Committee holds irregular meetings, during which the CPAs and internal auditors report on the audit plans for the Company’s financial statements and the operation of the internal control systems. This enables the Audit Committee to understand the Company’s operational status for proper supervision. In addition to convening Audit Committee meetings, the Audit Committee members also maintain communication and interaction with the CPAs and internal auditors through electronic means.
   (3) The CPAs report to the independent directors on the audit results of the Company and other matters required by relevant laws and regulations. Independent directors may raise questions promptly and receive timely responses. Therefore, communication between the Company’s independent directors and the CPAs is effective.
   (4) The communication between independent directors and the internal audit officer and CPAs has been disclosed on the Company’s website.

C. Corporate governance implementation and discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and reasons for such deviations

| Evaluation items | Implementation (Note) | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| 1. Has the Company formulated and disclosed corporate governance best practice principles as per the Corporat Governance Best Practice Principles for TWSE/TPEx Listed Companies? | ✓ | | The Company has taken into account the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and, considering its practical operations, has formulated its own "Corporate Governance Best Practice Principles." Furthermore, it complies with relevant regulations to properly execute and manage various information disclosures, in order to safeguard the rights and interests of investors, stakeholders, and employees. | None. |
| 2. Company's equity structure and shareholders' equity | | | | |
| (1) Has the Company established internal operating procedures to handle shareholders’ suggestions, concerns, disputes, and litigation, and does it implement these procedures accordingly? | ✓ | | (1) The Company has appointed a spokesperson and an acting spokesperson to handle shareholders’ suggestions or disputes in accordance with the Corporate Governance Best Practice Principles. The Company’s website provides a stakeholder communication mailbox and contact window to assist in handling such matters. Additionally, stock affairs personnel are responsible for shareholder-related issues. In the event of litigation, the Company’s legal personnel provide relevant legal consultation. | None. |
| (2) Does the Company maintain a list of major shareholders who have actual control over the Company, as well as the ultimate controllers of those major shareholders? | ✓ | | (2) The Company’s major shareholders are primarily members of the management team and long-term investors. The Company closely monitors the shareholding of major shareholders and directors at all times and regularly reports changes in the equity holdings of directors, managerial officers, and shareholders holding 10% or more. | None. |
| (3) Has the Company established and implemented a risk control and firewall mechanism between itself and its affiliated enterprises? | ✓ | | (3) The Company and its affiliated enterprises operate independently. Relevant controls have been established within the internal control systems under the “Operating Procedures for Group Enterprises, Specific Companies and Related Party Transactions and Financial Business” and the “Subsidiary Supervision Operating Procedures”. | None. |
| (4) Has the Company established internal regulations prohibiting insiders from trading securities using undisclosed market information? | ✓ | | (4) The Company has established the “Procedures for Handling Material Internal Information and Prevention of Insider Trading” and the “Code of Ethical Conduct,” requiring Company personnel to comply with laws related to the prevention of insider trading, as well as other securities regulations regarding stock trading and the handling of trade secrets. When in possession of material non-public information, personnel are prohibited from engaging in related securities transactions. | None. |
| 3. Composition and responsibilities of the Board of Directors | | | | |
| (1) Does the Board of Directors formulate a diversity policy with specific management objectives, and | ✓ | | (1) According to Article 24 of the Company’s Corporate Governance Best Practice Principles, members of the Board of Directors shall generally possess the | None. |

| Evaluation items | Implementation (Note) | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| implement them accordingly? | | | knowledge, skills, and character required to perform their duties, and the Board should reflect diversity and appropriately consider the benefits of a diverse composition. In line with this principle, the Company's seven directors have diverse operational experience across various industries. All excel in leadership and business management and possess industry-specific expertise, decision-making ability, and international market insight. They come from backgrounds in industry, auditing, and finance, forming a complementary and diverse Board.<br>The Board of Directors and management place great importance on inclusiveness and diversity in support of the Company's values. To achieve the ideal objectives of corporate governance, the overall capabilities and diversity of the Board of Directors are disclosed in the annual report and on the Company's website. Relevant regulations are also published on the MOPS. | |
| (2) In addition to the legally required Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees? | ✓ | | (2) The Company has established a Remuneration Committee and an Audit Committee in accordance with legal requirements but has not yet set up other functional committees. The establishment of such committees will be evaluated based on future Company needs. | The establishment of such committees will be evaluated based on the Company's future needs. |
| (3) Has the Company established a performance evaluation system and methodology for the Board of Directors, conducted evaluations annually and on a regular basis, reported the results to the Board of Directors, and used the results as a reference for individual directors' remuneration and nomination for reappointment? | ✓ | | (3) The Company has adopted the "Board of Directors Performance Evaluation Method" through a resolution of the Board of Directors and conducts performance evaluations of the Board annually on a regular basis. | None. |
| (4) Does the Company regularly assess the independence of the CPAs? | ✓ | | (4) The Company's appointed CPAs are not directors, managerial officers, employees, or shareholders of the Company or its affiliated enterprises. Their independence has been confirmed in accordance with the criteria set by the regulatory authority (see Note 1 for the CPA independence and competency assessment form).<br>In 2025, the Company assessed the independence and qualification of the CPAs based on 13 Audit Quality Indicators (AQIs) provided by the CPAs. The evaluation results for the most recent year were approved by the Board of Directors on May 6, 2025. | None. |

| Evaluation items | Implementation (Note) | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| 4. Does the Company appoint an appropriate number of qualified personnel and designate a chief corporate governance officer to be responsible for corporate governance matters (including, but not limited to, providing directors and supervisors with the information necessary to perform their duties, assisting directors and supervisors in complying with laws and regulations, handling matters related to Board and Shareholders' Meetings in accordance with the law, and preparing minutes of such meetings)? | ✓ | | The Company appointed Chang, Chiu-Hua as the Chief Corporate Governance Officer on October 30, 2024, as approved by the Board of Directors. She will be jointly responsible with relevant units for matters related to corporate governance, including handling affairs related to each Board of Directors and Shareholders' Meeting in accordance with the law, preparing meeting minutes for the Board of Directors and Shareholders' Meetings, providing directors with the necessary information to perform their duties, and arranging continuing education courses for directors. | In compliance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. |
| 5. In line with the Corporate Governance Best Practice Principles, has the Company established communication channels with stakeholders (including, but not limited to, shareholders, employees, customers, and suppliers), created a dedicated stakeholder section on its website, and appropriately responded to significant corporate social responsibility issues raised by stakeholders? | ✓ | | The Company values effective communication and interaction with stakeholders. In addition to establishing a dedicated stakeholder section on the Company's website, it has assigned relevant departments, such as procurement, human resources, and shareholder services, to establish dedicated communication channels with stakeholders based on the category and significance of the issues of concern. | None. |
| 6. Does the Company appoint a professional shareholder services agency to handle shareholder affairs? | ✓ | | The Company has appointed a professional shareholder services agency, the Shareholder Services Department of Yuanta Securities Co., Ltd., to assist with various shareholder affairs. | None. |
| 7. Information transparency | | | | |
| (1) Does the Company have a corporate website to disclose financial and corporate governance information? | ✓ | | (1) The Company has established a corporate website to disclose financial and corporate governance information and has legally announced and filed relevant information on the MOPS. | None. |
| (2) Does the Company adopt other methods of information disclosure (e.g., establishing an English-language website, appointing designated personnel to collect and disclose information, implementing a spokesperson system, posting investor conference materials on the Company website, etc.)? | ✓ | | (2) The Company has dedicated personnel responsible for collecting information and discloses relevant information in a timely and appropriate manner in accordance with regulations.<br>a. The Company has implemented a spokesperson and acting spokesperson system in accordance with regulations and discloses their names and contact information on the Company's website. The Company also holds investor conferences on an irregular basis each year to promote information transparency.<br>b. The Company discloses investor conference information on its website and on the MOPS. Video recordings of these conferences are made available on both platforms. | None. |

| Evaluation items | Implementation (Note) | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| (3) Does the Company announce and file its annual financial statements within two months after the end of the fiscal year, and announce and file its first, second, and third quarter financial statements and monthly operating results ahead of the deadlines stipulated by regulations? | | ✓ | (3) The Company discloses its financial statements and monthly operating results on the MOPS and on the Company's website in compliance with regulations. | None. |
| 8. Does the Company have any other important information that helps to enhance understanding of its corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' rights, directors' and supervisors' continuing education, implementation of risk management policies and risk assessment criteria, customer policy implementation, and the purchase of liability insurance for directors and supervisors)? | ✓ | | 1. Employee rights and welfare: The Company has established publicly disclosed work rules that comply with labor laws and regulations. Additionally, it has created an internal website to disseminate corporate information, facilitate employee communication, and enhance employees' sense of unity and cohesion within the organization.<br>2. Investor relations, supplier relations, and stakeholder rights: The Company has long upheld positive, interactive, and cooperative relationships with investors, suppliers, and stakeholders, guided by the principle of shared prosperity. It provides effective communication channels and information sharing to support long-term cooperation and a sustainable operational model. The Company has established an "Investor Section" on its website and promptly announces required disclosures on the MOPS to provide timely and relevant information to investors.<br>3. Continuing education of directors: See Note 2.<br>4. Implementation of risk management policies and evaluation standards: The Company focuses on its core business operations while promoting and implementing various policies in accordance with relevant regulations. The processes of identifying, assessing, monitoring, and reporting risks are adaptable to changes in the business environment and operational activities. These efforts aim to reduce or avoid risks that could harm the Company's interests and to ensure personnel safety. The Company's Audit Office conducts audits based on an annual audit plan developed through risk assessments, thereby enforcing the supervisory mechanism.<br>5. Implementation of customer relations policies: The Company's business department personnel are responsible for conducting periodic communications and coordination with customers. They respond to demands for customizations, provide quality service, and address customer issues effectively.<br>6. Liability insurance for directors and key personnel: The Company has purchased liability insurance for its directors and key personnel. The insured amount, coverage, and insurance premium rate were reported to the Board of | None. |

| Evaluation items | Implementation (Note) | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| | | | Directors on November 4, 2025. | |
| 9. Please describe the improvements made based on the most recent corporate governance evaluation results released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation, and for areas not yet improved, list priority enhancement items and measures: The Company was traded on the Taipei Exchange since July 2025 and was not among the evaluated companies, therefore this is not applicable. | | | | |

Note 1:

| **Evaluation items** | Yes | No |
|---|---|---|
| **I. Independence assessment items** | | |
| 1. Not employed in a regular position by the Company or its subsidiaries, not receiving a fixed salary, and not serving as a director. | ✓ | |
| 2. Has not served as a director, supervisor, or managerial officer of the Company or its subsidiaries, or as an employee who had a significant impact on audit matters, and has left such a position less than two years. | ✓ | |
| 3. There are no relationships by marriage or blood between the responsible persons or managerial officers of the Company or its subsidiaries and the CPA, including spouses, direct blood relatives, direct in-laws, or collateral blood relatives within the second degree of kinship. | ✓ | |
| 4. The CPA himself or herself, or their spouse and minor children, have no investment or financial interest relationship with the Company and its subsidiaries. | ✓ | |
| 5. The CPA, his/her spouse, or minor children have no lending or borrowing relationships with the Company or its subsidiaries. | ✓ | |
| 6. The execution of management consulting or other non-audit services does not affect the CPA’s independence. | ✓ | |
| 7. The CPA complies with the relevant regulations of the competent authority regarding accountant rotation, acting on behalf of others in accounting affairs, or any other circumstances that may affect independence. | ✓ | |
| **II. Suitability assessment items** | | |
| 1. The same CPA has not served as the Company’s auditor for seven consecutive years. | ✓ | |
| 2. No instances have been found of the CPA being sanctioned by regulatory authorities. | ✓ | |
| 3. No circumstances have been identified that impaired the CPA’s independence. | ✓ | |
| 4. The CPAs were approved and recognized by Securities and Futures Commission. | ✓ | |

Note 2: Continuing education of directors, supervisors, and managerial officers:

| Title | Name | Organizer | Course | Training hours | Training date |
|---|---|---|---|---|---|
| Chairperson | Hsu, Cheng-Chiang | Taiwan Corporate Governance Association | IFRS 18: Revolutionizing the Traditional Understanding of Financial Statements | 3 | 2025.11.07 |
| Chairperson | Hsu, Cheng-Chiang | Taiwan Corporate Governance Association | Cross-border M&A Practices: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part I) | 3 | 2025.11.21 |
| Chairperson | Hsu, Cheng-Chiang | Taiwan Corporate Governance Association | Cross-border M&A Practice: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part II) | 3 | 2025.11.21 |
| Director | Ngoi, Miew-Huat | Taiwan Corporate Governance Association | IFRS 18: Revolutionizing the Traditional Understanding of Financial Statements | 3 | 2025.11.07 |
| Director | Ngoi, Miew-Huat | Taiwan Corporate Governance Association | Cross-border M&A Practices: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part I) | 3 | 2025.11.21 |
| Director | Ngoi, Miew-Huat | Taiwan Corporate Governance Association | Cross-border M&A Practice: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part II) | 3 | 2025.11.21 |
| Director | Li, Cheng-Hsiung | Taiwan Corporate Governance Association | Cross-border M&A Practices: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part I) | 3 | 2025.11.21 |
| Director | Li, Cheng-Hsiung | Taiwan Corporate Governance Association | Cross-border M&A Practice: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part II) | 3 | 2025.11.21 |
| Director | Wei, Chia-Hung | Taiwan Corporate Governance Association | Cross-border M&A Practices: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part I) | 3 | 2025.11.21 |
| Director | Wei, Chia-Hung | Taiwan Corporate Governance Association | Cross-border M&A Practice: Practical Analysis of Target Company Pricing and Important Terms and | 3 | 2025.11.21 |

| Title | Name | Organizer | Course | Training hours | Training date |
|---|---|---|---|---|---|
| | | | conditions (Part II) | | |
| Independent director | Chang, Feng-Kan | Corporate Operating and Sustainable Development Association | Protection of Trade Secrets and Response Measures | 3 | 2025.07.31 |
| Independent director | Chang, Feng-Kan | Taiwan Corporate Governance Association | Cross-border M&A Practices: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part I) | 3 | 2025.11.21 |
| Independent director | Chang, Feng-Kan | Taiwan Corporate Governance Association | Cross-border M&A Practice: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part II) | 3 | 2025.11.21 |
| Independent director | Chen, Hsu-Lun | Taiwan Corporate Governance Association | Cross-border M&A Practices: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part I) | 3 | 2025.11.21 |
| Independent director | Chen, Hsu-Lun | Taiwan Corporate Governance Association | Cross-border M&A Practice: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part II) | 3 | 2025.11.21 |
| Independent director | Tao, Yun-Chih | Taiwan Project Management Association | Case Analysis of Corporate Digital Transformation | 3 | 2025.10.03 |
| Independent director | Tao, Yun-Chih | Taiwan Project Management Association | Integrated Applications of Generative AI | 3 | 2025.10.07 |
| Accounting Supervisor | Weng, Chao-Fen | Accounting Research and Development Foundation | Professional Training Course for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges | 30 | 2025.03.12–2025.03.21 |
| Audit Officer | Huang, Hsiu-O | The Institute of Internal Auditors, R.O.C. | Key Considerations and Impacts of IFRS S1/S2 on Internal Control and Internal Audit That You Should Know | 6 | 2025.10.17 |
| Audit Officer | Huang, Hsiu-O | The Institute of Internal Auditors, R.O.C. | Generative AI for Image Extraction and Intelligent Analysis: A Practical Course | 6 | 2025.11.20 |
| Corporate Governance Officer | Chang, Chiu-Hua | Accounting Research and Development Foundation | Analysis of Regulations Related to Sustainability and Financial Reporting | 6 | 2025.04.11 |
| Corporate Governance Officer | Chang, Chiu-Hua | Taiwan Institute of Directors | Impact of Climate Change on Financial Reports | 3 | 2025.04.17 |
| Corporate Governance | Chang, Chiu-Hua | Taipei Bar Association | Corporate Governance of Related Party | 3 | 2025.10.27 |

| Title | Name | Organizer | Course | Training hours | Training date |
|---|---|---|---|---|---|
| Officer | | | Transactions and Material Transactions | | |
| Corporate Governance Officer | Chang, Chiu-Hua | Taiwan Corporate Governance Association | Cross-border M&A Practices: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part I) | 3 | 2025.11.21 |
| Corporate Governance Officer | Chang, Chiu-Hua | Taiwan Corporate Governance Association | Cross-border M&A Practice: Practical Analysis of Target Company Pricing and Important Terms and conditions (Part II) | 3 | 2025.11.21 |

D. Composition, duties, and operations of the Remuneration Committee:

1. To assist the Board of Directors in enhancing the performance and remuneration system for directors, supervisors, and managerial officers, and to implement corporate governance, the Company established a Remuneration Committee in March 2024 and, in accordance with the Remuneration Committee Charter, appointed members with professional qualifications to serve on the current Committee.

| Position | Conditions<br>Name | Professional qualifications and experience | Independence status | Number of other public entities where the director serves concurrently as independent director |
|---|---|---|---|---|
| Convener, Independent director | Chang, Feng-Kan | With over 5 years' work experience required for the Company's businesses, currently serving as the director of Forvis Mazars Taiwan, and not involved in any situation stipulated in Article 30 of the Company Act | Number and percentage of shares of the Company held by director, his/her spouse, or relatives within second degree of kinship (including those held through nominee) as of April 30, 2026: 0 shares, 0%<br>Other independence criteria met are shown in Note 1 | 0 |
| Independent director | Chen, Hsu-Lun | With over 5 years' work experience required for the Company's businesses, currently serving as the General Manager of Horizon Venture Management Co., Ltd., and not involved in any situation stipulated in Article 30 of the Company Act | Number and percentage of shares of the Company held by director, his/her spouse, or relatives within second degree of kinship (including those held through nominee) as of April 30, 2026: 0 shares, 0%<br>Other independence criteria met are shown in Note 1 | 1 |
| Independent director | Tao, Yun-Chih | With over 5 years' work experience required for the Company's businesses, currently serving as the Chairperson of Pocket Securities Co., Ltd., and not involved in any situation stipulated in Article 30 of the Company Act | Number and percentage of shares of the Company held by director, his/her spouse, or relatives within second degree of kinship (including those held through nominee) as of April 30, 2026: 13,780 shares, 0.05%<br>Other independence criteria met are shown in Note 1 | 2 |

2. Responsibilities of the Remuneration Committee:

The function of the Remuneration Committee is to professionally and objectively evaluate the remuneration policies and systems for directors and managerial officers of the Company, and to make recommendations to the Board of Directors as a reference for its decision-making.

3. Implementation

(1) The Company's Remuneration Committee consists of three members.

(2) Term of office of the current Committee members: During the most recent year up to the printing date of the annual report, the Remuneration Committee held six meetings (A). The qualifications and attendance of the members are as follows:

| Title | Name | Attendance in person (B) | Attendance by proxy | Attendance rate in person (%) (B/A) | Note |
|---|---|---|---|---|---|
| Convener | Chen, Hsu-Lun | 6 | – | 100 | Appointed on March 21, 2024 |
| Member | Chang, Feng-Kan | 6 | – | 100 | Appointed on March 21, 2024 |
| Member | Tao, Yun-Chih | 6 | – | 100 | Appointed on May 15, 2024 |

Other information required to be disclosed:

1. The powers and responsibilities of the Remuneration Committee mainly include:
   (1) Periodically reviewing the Company's remuneration policies and proposing amendments.
   (2) Establishing and periodically reviewing the performance objectives and the remuneration policies, systems, standards, and structure for the directors and managerial officers of the Company.
   (3) Periodically evaluating the achievement of performance objectives by the Company's directors and managerial officers, as well as the evaluation results.
2. If the Board of Directors does not adopt or amends the recommendations of the Remuneration Committee, it shall specify the date and session of the Board meeting, the content of the proposal, the resolution result, and how the Company handled the Remuneration Committee's opinions (if the remuneration approved by the Board is more favorable than that recommended by the Remuneration Committee, the differences and reasons shall be explained): None.
3. If any member of the Remuneration Committee expressed objections or reservations regarding any resolution, and such opinions were recorded or submitted in writing, the date and session of the meeting, the content of motions, all members' opinions, and the handling of those opinions shall be specified: None.
4. Implementation status of the Remuneration Committee:

| Remuneration Committee | Content of motions, resolution results, and follow-ups |
|---|---|
| 2025.2.25 | 1. Discussion of the distribution of 2024 director and supervisor remuneration and employee compensation. |
| 2025.5.6 | 1. Discussion of the amounts for the distribution of 2024 director and supervisor remuneration and employee compensation. |
| 2025.6.4 | 1. Discussion of the procedures for employee subscription for the 2025 cash capital increase.<br>2. Discussion of matters related to the employee share allocation for the cash capital increase in connection with the initial TPEx listing. |
| 2025.8.5 | 1. Proposal for the salary adjustments of senior executives. |
| 2025.12.23 | 1. Proposal for the appointment of Acting General Manager.<br>2. Proposal for the appointment of managerial officers.<br>3. Proposal for the promotion and salary review of senior executives.<br>4. Proposal for the appointment of the Chief Information Security Officer.<br>5. Proposal for the appointment of the Chief Sustainability Officer. |
| 2026.3.5 | 1. Proposal for the appointment of the General Manager.<br>2. Proposal for the appointment of the Accounting Supervisor.<br>3. Proposal for the distribution of 2025 director remuneration and employee compensation. |
| Remuneration Committee's resolution results for the above proposals: All attending members unanimously approved. | |
| The Company's handling of the Remuneration Committee's opinions: Submitted to the Board of Directors and unanimously approved by all attending directors. | |

E. Implementation status of sustainable development promotion, deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and reasons for such deviations:

| Promotion Items | Implementation | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| 1. Has the Company established a governance structure to promote sustainable development, set up a dedicated (or concurrent) unit for promoting sustainable development, authorized senior management by the Board of Directors to handle related matters, and ensured supervision by the Board of Directors? | ✓ | | On May 6, 2025, the Company's Board of Directors resolved to establish the Sustainable Development Committee, with Chang, Chiu-Hua, Assistant Vice President, serving as the Chief Sustainability Officer. The Sustainable Development Committee serves as a cross-departmental communication platform for vertical integration and horizontal connection. The Corporate Finance and Operations Support Division is responsible for promoting sustainable development matters, identifying sustainability issues relevant to the Company's operations and of concern to stakeholders, formulating corresponding strategies and work guidelines, planning and executing annual programs, and tracking execution effectiveness to ensure that sustainable development strategies are fully implemented in the Company's daily operations.<br>The 2024 Sustainability Report has been issued. The implementation status of relevant operations will be reported to the Board of Directors in future. | None. |
| 2. Does the Company conduct risk assessments on environmental, social, and corporate governance (ESG) issues related to its operations based on the principle of materiality, and has it established corresponding risk management policies or strategies? | ✓ | | The Board of Directors of the Company approved the "Management Procedures for Sustainability Information" on February 25, 2025, and approved the appointment of members of the Sustainable Development Committee and the adoption of the Sustainable Development Committee Charter on May 6, 2025. In coordination with existing internal operating procedures, including the "Procedures for Handling Material Internal Information and Prevention of Insider Trading" and others, the Company identifies and responds to risks related to the operating environment, employee safety, customers, suppliers, and various stakeholders through the continuous operation of various management procedures. Although the Company has not yet established formal risk management policies or strategies, it continuously monitors and evaluates risks related to ESG issues relevant to its operations. | Future implementation will be carried out in accordance with relevant regulations. |
| 3. Environmental Issues<br>(1) Has the Company established an appropriate environmental management system based on the characteristics of its industry? | ✓ | | The Company operates in the cloud services industry, which is characterized by low hardware infrastructure requirements. Nonetheless, to reduce environmental impact, the Company refrains from using prohibited substances and raw materials, conserves energy, and prevents environmental pollution. | None. |

| Promotion Items | Implementation | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| (2) Does the Company strive to improve energy efficiency and use renewable materials with low environmental impact? | ✓ | | The Company encourages employees to practice resource separation, enhance recycling efforts, and reduce consumption. Environmental awareness and advocacy efforts are promoted during monthly meetings to reduce environmental impact and improve energy efficiency. | None. |
| (3) Has the Company assessed the potential risks and opportunities posed by climate change to its current and future operations, and taken relevant responsive measures? | ✓ | | (3) On April 21, 2023, the Company's Board of Directors approved the "Sustainable Development Best-Practice Principles", and on May 6, 2025, the Board of Directors resolved to establish the Sustainable Development Committee to continue to implement and promote the importance of environmental protection and the assessment of potential impacts of climate change, so as to achieve the goal of strengthening environmental protection. | None. |
| (4) Has the Company recorded its total greenhouse gas emissions, water consumption, and waste output over the past two years, and developed policies for reducing greenhouse gas emissions, conserving water, or managing other waste? | | ✓ | (4) Due to the nature of its industry, the Company is not required to establish an environmental management system. It has formed a carbon inventory task force to carry out relevant tracking and conducts regular workplace assessments, and voluntarily completed a greenhouse gas inventory report on March 31, 2026, to create an environment that is suitable for employees' work. | Future implementation will be carried out in accordance with relevant regulations. |
| 4. Social Issues<br>(1) Has the Company formulated appropriate management policies and procedures in accordance with relevant regulations and international human rights conventions? | ✓ | | (1) The Company has formulated "Work Rules" in accordance with the Labor Standards Act and related regulations to protect employees' lawful rights and interests. There are no restrictions based on race or gender in recruitment and promotion, ensuring equal opportunity. Additionally, to prevent incidents of sexual harassment, the Company has established a "Prevention Plan for Unlawful Infringement During Duty Execution" to handle related complaints. | None. |
| (2) Has the Company established and implemented reasonable employee welfare measures (including compensation, leave, and other benefits), and appropriately reflected its operating performance or results in employee compensation? | ✓ | | (2) The Company has established work rules and personnel management regulations in accordance with the Labor Standards Act and has implemented reasonable employee benefit measures. For employee remuneration, in accordance with the Company's Articles of Incorporation, 2% to 5% of the pre-tax profit, excluding employee and director remuneration and after covering any losses, is allocated to employee compensation, thereby appropriately reflecting the Company's operating performance in employee remuneration. The Company has also established an Employee Welfare Committee to plan and provide high-quality benefits for employees, such as employee travel subsidies, birthday vouchers, wedding allowances, childbirth allowances, funeral allowances, and more. In | None. |

| Promotion Items | Implementation | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| | | | addition, the Company provides employees with benefits such as free health checkups. | |
| (3) Does the Company provide employees with a safe and healthy working environment and conduct regular safety and health education? | ✓ | | The Company provides a safe and healthy work environment for its employees and establishes safety and health management plans and work rules in accordance with relevant occupational safety and health regulations. In addition to offering health checkups and group insurance, the Company also conducts regular self-inspections of fire safety equipment to ensure personnel safety. No workplace safety incidents, such as fires, occurred at the Company in 2025. | None. |
| (4) Has the Company established effective career development and training programs for employees? | ✓ | | The Company offers a variety of training and education programs, including new employee training, advanced professional training, and management training. It also encourages employees to participate in external training programs and provides career planning support, allowing employees to fully develop their talents and improve work efficiency. | None. |
| (5) Regarding issues such as customer health and safety, customer privacy, marketing, and labeling of products and services, does the Company comply with relevant regulations and international standards, and establish policies and complaint procedures to protect consumer or customer rights and interests? | ✓ | | The Company provides products and services in accordance with relevant regulations. It adheres to a service-first approach to ensure continuous customer satisfaction in both quality and service. The technical consulting/business units are responsible for handling customer complaints and grievances, providing channels through which customers can express opinions and submit complaints. | None. |
| (6) Has the Company established supplier management policies requiring suppliers to comply with relevant standards on environmental protection, occupational safety and health, and labor rights, and how is the implementation status? | ✓ | | Suppliers are important partners in the Company’s ongoing growth. To enhance supply chain management, the Company has established a "Procurement and Payment Cycle" as the basis for supplier management. The Company’s suppliers are all well-known, large listed companies, both domestic and international. In addition to strictly complying with the relevant laws and regulations in their respective countries, these suppliers also actively implement corporate social responsibility policies and uphold issues related to environmental protection and human rights. | None. |
| 5. Has the Company, with reference to internationally recognized reporting standards or guidelines, prepared sustainability reports to disclose its non-financial information? Have these reports been certified or assured by a third-party | | ✓ | The Company issued the 2024 Sustainability Report and completed the platform filing in August 2025, and also voluntarily completed the Greenhouse Gas Inventory Report on March 31, 2026. The Company's sustainability-related information has not yet been verified by a third party; a verification mechanism will be gradually introduced in the future depending on the regulations of the competent authorities and the Company's development. | None. |

| Promotion Items | Implementation | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| verification body? | | | | |
| 6. If the Company has established corporate social responsibility principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies, describe the implementation and any discrepancies:<br>The Company completed the establishment of its Sustainable Development Best-Practice Principles, which were approved by the Board of Directors on April 21, 2023. Each department is responsible for promoting and implementing these principles in areas such as corporate governance, environmental sustainability, social welfare, and corporate sustainability information disclosure. | | | | |
| 7. Other important information to facilitate a better understanding of the Company's corporate social responsibility practices:<br>(1) The Company issued the 2024 Sustainability Report on August 25, 2025, and voluntarily completed the Greenhouse Gas Inventory Report on March 31, 2026. Through the inventory report, emission reduction targets were set and effective measures were implemented, such as optimizing production processes and promoting energy-saving technologies, reflecting the commitment to environmental responsibility. Furthermore, the Company is continuously carrying out the preparation work for the compilation of the 2025 Sustainability Report, planning to collect information on electricity consumption, water consumption, and waste, and evaluating the engagement of a third-party verification institution to conduct verification, with verification and confirmation to be performed by an external professional firm to ensure the accuracy and transparency of the data.<br>(2) The Company has maintained profitability for more than four consecutive years and has distributed both cash and stock dividends, sharing actual business performance with all shareholders.<br>(3) The Company encourages employees to participate in manufacturer technical training and obtain relevant certifications, providing subsidies to support these efforts. It actively cultivates talent and promotes career development opportunities; offers diverse promotion pathways; nurtures young employees; and implements an annual salary adjustment policy, with a strong focus on enhancing employees' economic well-being.<br>(4) In the face of a rapidly changing global market and various challenges, the Company has upheld the philosophy of "transparency and integrity" since its founding. It values every customer and actively fosters meaningful partnerships. The Company continues to support its partners' business development and has taken proactive actions regarding ESG, firmly believing that corporate success stems not only from economic performance but also from comprehensive support for customers and suppliers. | | | | |

F. Implementation status of ethical corporate management and any deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and reasons for such deviations

| Evaluation Items | Implementation (Note) | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| 1. Establishment of ethical corporate management policies and programs<br>(1) Has the Company established ethical corporate management policies approved by the Board of Directors, and clearly stated its policies and practices in internal regulations and external documents, along with the commitment of the | ✓ | | (1) The Company has consistently committed to conducting all business activities with integrity, and has established the "Ethical Corporate Management Best Practice Principles", the "Procedures and Guidelines for Ethical Corporate Management", and the "Code of Ethical Conduct", all of which have been approved by the Board of Directors to ensure sound | None. |

| Evaluation Items | Implementation (Note) | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| Board and senior management to actively implement these policies? | | | operations. The Company's ethical management policies, as well as the commitment of the Board of Directors and senior management to actively implement them, are described in the annual report and on the Company's website. | |
| (2) Has the Company established a risk assessment mechanism for unethical conduct, regularly analyzed and assessed business activities within its operations that pose a higher risk of unethical behavior, and developed corresponding prevention programs that at least include the preventive measures listed in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies? | ✓ | | (2) The Company's "Code of Ethical Conduct" and "Ethical Corporate Management Best Practice Principles" stipulate that employees shall not request, promise, deliver, or receive any form of gifts, kickbacks, bribes, or other benefits. A dedicated reporting channel has been established to allow employees and related personnel to report any improper conduct. In addition, before establishing business relationships with others, the Company will first assess the legality and ethical records of the transaction counterparty to ensure that their business operations are fair, transparent, and free from requests for, offers of, or acceptance of bribes. | None. |
| (3) Does the Company specify procedures, conduct guidelines, disciplinary measures for violations, and grievance mechanisms in its unethical conduct prevention programs, and ensure their effective implementation, with regular review and revision of such programs? | ✓ | | (3) The Company has published relevant regulations on its internal website for employees to consult at any time, and promotes the Company's management philosophy and requirements through education and training and internal meetings, so that employees fully understand and comply with them. | None. |
| 2. Fulfillment of ethical corporate management<br>(1) Does the Company evaluate the ethical records of counterparties and include ethics-related clauses in contracts with them? | ✓ | | (1) The Company has established the "Ethical Corporate Management Best Practice Principles" and the "Procedures and Guidelines for Ethical Corporate Management," and has disclosed them on the Company's website.<br>Before signing contracts with customers, the legal affairs department must be consulted to provide opinions on the contract terms signed with transaction counterparties. The accounting department conducts annual evaluations of customer credit ratings to avoid transactions with parties who have a record of unethical conduct. | None. |
| (2) Has the Company established a dedicated unit under the Board of Directors to promote ethical corporate management, and does it report at least annually to the Board on the implementation of ethical management policies, prevention programs, and the supervision of their execution? | ✓ | | (2) The Company's governance officer concurrently serves as the head of the unit responsible for promoting ethical corporate management, providing advocacy to committee members during functional committee meetings, and emphasizing the importance of ethical management to employees through various internal meetings. | None. |
| (3) Has the Company formulated a policy to prevent conflicts of interest, provided appropriate reporting channels, and | ✓ | | (3) The Company's "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct" stipulate that when employees | None. |

| Evaluation Items | Implementation (Note) | | | Discrepancies from the Principles and reasons |
|---|---|---|---|---|
| | Yes | No | Description | |
| effectively implemented the policy? | | | encounter matters involving conflicts of interest while performing their duties, they should voluntarily recuse themselves. Violators shall be dealt with in accordance with Company regulations. | |
| (4) Has the Company established effective accounting and internal control systems to support ethical corporate management, and does the internal audit unit, based on the assessed risks of unethical behavior, formulate audit plans and conduct audits accordingly, or commission CPAs to do so? | ✓ | | (4) The Company has always placed emphasis on ensuring the accuracy and completeness of its financial reporting processes and controls. It has established effective accounting and internal control systems for business activities with potentially high risks of unethical conduct. Internal audits are conducted based on the annual audit plan formulated in accordance with risk assessment results, and audit reports are prepared and submitted to the Board of Directors. | None. |
| (5) Does the Company regularly conduct internal and external training on ethical corporate management? | ✓ | | (5) The Company promotes such awareness through employee training or during employee assemblies and meetings at various levels on an irregular basis. | None. |
| 3. Operation of the whistleblowing system<br>(1) Has the Company established a specific whistleblowing and reward system, and set up convenient whistleblowing channels, as well as designated appropriate personnel to handle reported cases? | ✓ | | (1) The Company has established the "Ethical Corporate Management Best Practice Principles", "Code of Ethical Conduct", and "Work Rules". All personnel are responsible for complying with these regulations and related provisions. Each unit supervisor shall make every effort to implement and ensure that their subordinate employees understand, accept, and strictly comply with the relevant regulations. Employees should remain vigilant regarding any violations of professional ethics. When in doubt, or upon discovering any behavior in violation of laws, regulations, or these rules, they may report or file complaints through their supervisor, relevant departments, or the complaint mailbox. After a report is investigated and confirmed by the responsible unit, unless the case is of a serious nature and should be submitted to the Board of Directors, disciplinary action shall be taken directly in accordance with the Company's "Work Rules". If the case involves a violation of the law, legal proceedings may also be initiated. If the violator is below the level of managerial officers and believes that disciplinary measures related to their personal situation are unlawful or improper and have harmed their rights and interests, they may submit specific facts and attach relevant information to file a complaint with the responsible unit. If the violator is at the level of managerial officers (inclusive) or above, the complaint shall be handled in accordance with the complaint procedures specified in the | None. |

<table>
<tr><th rowspan="2">Evaluation Items</th><th colspan="3">Implementation (Note)</th><th rowspan="2">Discrepancies from the Principles and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td></td><td></td><td></td><td>Company’s "Code of Ethical Conduct".<br>There were no major internal or external whistleblowing incidents in 2025.</td><td></td></tr>
<tr><td>(2) Has the Company established standard operating procedures for handling reported cases, follow-up actions to be taken after investigations, and relevant confidentiality mechanisms?</td><td>✓</td><td></td><td>(2) The Company will provide appropriate protection for employees and related personnel who report illegal conduct or participate in the investigation process to prevent them from being subjected to unfair treatment or retaliation.</td><td>None.</td></tr>
<tr><td>(3) Has the Company adopted measures to protect whistleblowers from improper treatment due to their whistleblowing?</td><td>✓</td><td></td><td>(3) The Company has stipulated in the "Ethical Corporate Management Operating Procedures and Conduct Guidelines" and relevant regulations that the identity of whistleblowers shall be kept confidential, and that whistleblowers shall be protected from improper treatment as a result of their reporting.</td><td>None.</td></tr>
<tr><td>4. Strengthening information disclosure<br>Does the Company disclose the contents of its established Ethical Corporate Management Best Practice Principles and the results of their implementation on its website and the MOPS?</td><td>✓</td><td></td><td>The Company has clearly disclosed its management philosophy on its website and has made ethical corporate management regulations available for internal and external parties to access at any time.</td><td>None.</td></tr>
<tr><td colspan="5">5. If the Company has established its own Ethical Corporate Management Best Practice Principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe the implementation and any discrepancies:<br>The Company has referred to the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and taken into account the practical operations of the Company. On April 21, 2023, the Board of Directors approved the establishment of the "Procedures and Guidelines for Ethical Corporate Management". and the Company implements ethical corporate management in accordance with relevant regulations to regulate matters that personnel of the Company should observe while performing business.</td></tr>
<tr><td colspan="5">6. Other important information to facilitate a better understanding of the Company’s ethical corporate management practices: (such as the Company’s review and amendment to its established Ethical Corporate Management Best Practice Principles)<br>The Company’s management actively implements ethical corporate management. A summary of the relevant systems, measures, and implementation status is as follows:<br>To establish a culture of integrity and strengthen corporate governance and risk control, the Company specifies in the "Procedures and Guidelines for Ethical Corporate Management" that the Company’s directors, managerial officers, and employees must comply with legal requirements and prevent unethical conduct in order to foster a sound operating environment. In addition, the Company promotes its management philosophy and requirements through internal education and training and internal meetings.</td></tr>
</table>

G. Other important information to facilitate a better understanding of the Company's corporate governance: The Company continually allocates resources to strengthen corporate governance operations and discloses material information in a timely manner to protect the rights of investors and shareholders.

H. Implementation of the internal control system

The Company has filed the 2025 Internal Control System Statement and the CPA audit report on the internal control system reviewed by the engaged CPA with the MOPS. (URL: https://mops.twse.com.tw > Single Company > Corporate Governance > Company Regulations > Internal Control / Internal Control System Statement Announcement). Please input the year and company code to search for the announcement on the Internal Control System Statement.

I. Major resolutions of the Shareholders' Meeting and Board of Directors during the most recent year and up to the printing date of the annual report

Implementation of resolutions adopted at the 2025 Shareholders' Meeting:

| Matters for Adoption/Discussions/Election | Implementation |
|---|---|
| Discussion on the proposal to amend certain provisions of the Company's Articles of Incorporation<br>Resolution status: The proposal was approved as submitted by vote. | The Company intended to amend certain provisions of the Articles of Incorporation to meet practical needs. |
| Proposal for the distribution of cash dividends from capital surplus<br>Resolution status: The proposal was approved as submitted without objection after the chairman consulted all attending shareholders. | August 1, 2025 is the ex-rights (ex-dividend) record date, and the distribution of cash dividends was completed on August 22, 2025. |

Major resolutions of the Board of Directors as of the printing date of the annual report:

| **Date** | **Major resolutions (excerpts)** |
|---|---|
| 2025/2/25 | Proposal 1: Approval of 2025 Operating Plan. |
| | Proposal 2: Approval of the distribution of 2024 director and supervisor remuneration and employee compensation. |
| | Proposal 3: Approval of 2024 Financial Statements and Consolidated Financial Statements. |
| | Proposal 4: Approval of 2024 Business Report. |
| | Proposal 5: Approval of 2024 earnings distribution. |
| | Proposal 6: Distribution of cash dividends from capital surplus. |
| | Proposal 7: Appointment of CPAs. |
| | Proposal 8: Amendments to certain provisions of the Company's Articles of Incorporation. |
| | Proposal 9: Scheduling of the Company's 2025 Annual Shareholders' Meeting (time, venue, and agenda). |
| | Proposal 10: Determination of the period and location for accepting shareholder proposals. |
| | Proposal 11: Assessment of the effectiveness of the internal control system for 2024 and the Internal Control System Statement. |
| | Proposal 12: Amendments to the Company's internal control system. |
| | Proposal 13: Amendments to the Company's "Table of Authority". |
| | Proposal 14: Adoption of the Company's "Procedures for Management of Sustainability Information". |
| | Proposal 15: Liability insurance for directors and key employees. |
| 2025/5/6 | Proposal 1: Approval of the consolidated financial statements for Q1 2025. |
| | Proposal 2: The 2025 CPA audit fees and independence assessment. |
| | Proposal 3: The list of non-assurance services expected to be provided by KPMG Taiwan and its affiliates in 2025. |
| | Proposal 4: Adoption of the Company's Sustainable Development Committee Charter. |

| | |
|---|---|
| | Proposal 5: Proposal for the appointment of the Chief Sustainability Officer and the establishment of the Sustainable Development Committee of the Company. |
| | Proposal 6: The amounts for the distribution of 2024 director and supervisor remuneration and employee compensation. |
| 2025/6/4 | Proposal 1: Intended cash capital increase through issuance of new shares for public underwriting prior to initial TPEx listing. |
| | Proposal 2: Adoption of the Company's "Procedures for Employee Subscription for the 2025 Cash Capital Increase". |
| | Proposal 3: Matters relating to the employee share allocation for the cash capital increase in connection with the initial TPEx listing. |
| 2025/6/16 | Proposal 1: Determination of matters related to the 2025 cash dividends record date of the Company. |
| 2025/8/5 | Proposal 1: Approval of the consolidated financial statements for Q2 2025. |
| 2025/11/4 | Proposal 1: Approval of the consolidated financial statements for Q3 2025 |
| | Proposal 2: Proposal for the acquisition of equity in Quan qi Co., Ltd. |
| | Proposal 3: Formulation of the 2026 Audit Plan. |
| | Proposal 4: Liability insurance for directors and key employees. |
| 2026/3/5 | Proposal 1: Appointment of the General Manager. |
| | Proposal 2: Appointment of the Accounting Supervisor. |
| | Proposal 3: Approval of the 2026 Operating Plan. |
| | Proposal 4: Distribution of 2025 director remuneration and employee compensation. |
| | Proposal 5: Approval of 2025 Financial Statements and Consolidated Financial Statements. |
| | Proposal 6: Approval of the 2025 Business Report. |
| | Proposal 7: Approval of 2025 earnings distribution. |
| | Proposal 8: Issuance of new shares through capitalization of earnings. |
| | Proposal 9: Distribution of cash dividends from capital surplus. |
| | Proposal 10: Intended authorization for the investment in the equity of Senco-Masslink Technology Limited. |
| | Proposal 11: Lending of funds to a subsidiary. |
| | Proposal 12: Authorization to invest in high-quality preferred shares and financial bonds within the authorized limit. |
| | Proposal 13: By-election of an independent director. |
| | Proposal 14: Nomination for and review of independent director candidates by the Board of Directors. |
| | Proposal 15: Amendments to certain provisions of the Company’s “Procedures for the Appointment of Directors and Independent Directors”. |
| | Proposal 16: Release of the non-compete restriction on directors. |
| | Proposal 17: Amendments to the Company's internal control system. |
| | Proposal 18: Amendments to certain provisions of the Company’s Articles of Incorporation. |
| | Proposal 19: Scheduling of the Company’s 2026 Annual Shareholders’ Meeting (time, venue, and agenda). |
| | Proposal 20: Determination of the period and location for accepting shareholder proposals and nomination rights. |
| | Proposal 21: Assessment of the effectiveness of the internal control system for 2025 and the Internal Control System Statement. |

J. Any dissenting opinion expressed by a director or independent director with respect to a major resolution passed by the Board of Directors during the most recent year and up to the printing date of the annual report, where said dissenting opinion has been recorded or prepared as a written declaration: None.

4. CPA Professional Fees:

A. Information on CPA professional fees

Unit: NTD Thousand

<table>
<tr><th>Accounting firm</th><th>CPA</th><th>Audit period</th><th>Audit fee</th><th>Non-audit fee</th><th>Total</th><th>Note</th></tr>
<tr><td rowspan="2">KPMG Taiwan</td><td>Chiang, Chia-Chi</td><td>2025.01.01–2025.12.31</td><td rowspan="2">1,800</td><td rowspan="2">150</td><td rowspan="2">1,950</td><td rowspan="2">Note</td></tr>
<tr><td>Kuan, Chun-Hsiu</td><td>2025.01.01–2025.12.31</td></tr>
</table>

Note: Non-audit fees refers to profit-seeking enterprise income tax audit and attestation fees

B. If the Company changed its accounting firm and the audit fees paid for the year during which the change occurred were lower than those paid for the previous year, the amount, percentage, and reasons for the reduction in audit fees shall be disclosed: None.

C. If audit fees for the year decreased by 10% or more compared to the previous year, the amount, percentage, and reasons for the reduction in audit fees shall be disclosed: None.

5. Replacement of CPAs:

| Successor CPA | Former CPA | Description |
|---|---|---|
| Chao, Min-Ju | Kuan, Chun-Hsiu | In coordination with KPMG Taiwan internal job adjustments on February 25, 2025 |

6. Whether the Chairperson, General Manager, or any Managerial Officer Responsible for Financial or Accounting Affairs of the Company Held any Position at the CPAs' Accounting Firm or its Affiliates Within the Most Recent Year: None.

7. Changes in Equity Transfer and Pledge by Directors, Supervisors, Managerial Officers, and Shareholders Holding More Than 10% of Shares During the Most Recent Year and up to the Printing Date of the Annual Report

A. Changes in equity holdings by directors, supervisors, managerial officers, and major shareholders:

Please refer to the MOPS, 【URL: https://mops.twse.com.tw > Summary Reports > Equity Changes/Securities Issuance > Directors, Supervisors, and Major Shareholders' Holdings/Pledges/Transfers > Remaining Shareholdings of Directors, Supervisors, Managerial Officers, and Major Shareholders > Summary Table】, select "TPEx-listed" as the market category, "Digital and Cloud Services" as the industry category, and input the relevant year and month to search.

B. Information where the counterparty to the equity transfer is a related party: None.

C. Information where the counterparty to the share pledge is a related party: None.

8. Top 10 Shareholders Who Are Related Parties, Spouses, or Relatives within Second Degree of Kinship to Each Other

Information on related party relationships among the top ten shareholders.

April 5, 2026; Unit: shares

| Name | Shares held in person | | Shares held by spouse and minor children | | Shares held through nominees (total) | | Names of and relationships among top 10 shareholders who are related parties as specified in Statement of Financial Accounting Standards No. 6, or who are spouses or relatives within second degree of kinship | | Note |
|---|---|---|---|---|---|---|---|---|---|
| | Shares | % | Shares | % | Shares | % | Name | Relation -ship | |
| GrandTech C.G. Systems Inc. | 16,692,801 | 60.86% | – | – | – | – | – | – | – |
| GrandTech C.G. Systems Inc. Representative: Hsu, Cheng-Chiang | 966,370 | 3.52% | 225,783 | 0.82% | – | – | Cheng, Chia-Hsing | Spouse | – |
| | | | | | | | Hsu, Wen-Hsin | Daughter | – |
| Hsu, Pei-Tzu | 1,363,000 | 4.97% | – | – | – | – | – | – | – |
| President Securities Corp. derivatives hedging account | 1,157,000 | 4.22% | – | – | – | – | – | – | – |
| Hsu, Cheng-Chiang | 966,370 | 3.52% | 225,783 | 0.82% | – | – | Cheng, Chia-Hsing | Spouse | – |
| | | | | | | | Hsu, Wen-Hsin | Daughter | |
| Cheng, Chun-Chung | 820,000 | 2.99% | – | – | – | – | – | – | – |
| Hsu, Hsiu-Mei | 796,000 | 2.90% | – | – | – | – | – | – | – |
| Li, Cheng-Hsiung | 249,660 | 0.91% | 5,128 | 0.02% | – | – | – | – | – |
| Hsu, Wen-Hsin | 233,406 | 0.85% | – | – | – | – | Hsu, Cheng-Chiang | Father and daughter | – |
| | | | | | | | Cheng, Chia-Hsing | Mother and daughter | |
| Cheng, Chia-Hsing | 225,783 | 0.82% | 966,370 | 3.52% | – | – | Hsu, Cheng-Chiang | Spouse | – |
| | | | | | | | Hsu, Wen-Hsin | Daughter | |
| Ko, Hui-Wen | 199,131 | 0.73% | – | – | – | – | – | – | – |

9. Numbers of Shares Held by the Company, its Directors, Supervisors, Managerial Officers, and Entities Directly or Indirectly Controlled by the Company in the Same Investees, and Their Combined Shareholding:

Unit: Shares; %

| Investee company | Investment by the Company | | Investment by directors, supervisors, managerial officers, and entities directly or indirectly controlled by the Company | | Total investment | |
|---|---|---|---|---|---|---|
| | Shares | Shareholding (%) | Shares | Shareholding (%) | Shares | Shareholding (%) |
| GrandTech Cloud Services (HK) Ltd. | 9,000,000 | 100% | 0 | 0 | 9,000,000 | 100% |
| Netcore Network Communication Technology Corp. | 3,902,525 | 63.25% | 46,275 | 0.75 | 3,948,800 | 64% |
| GrandTech Cloud Services Japan Co., Ltd. | 1,000 | 100% | 0 | 0 | 1,000 | 100% |

# III. Fundraising

1. Capital and Shares

A. Sources of capital

| Year/ Month | Issue price (NTD) | Authorized capital | | Paid-in capital | | Note | | |
|---|---|---|---|---|---|---|---|---|
| | | Shares | Amount | Shares | Amount | Sources of capital | Capital paid in by assets other than cash | Effective (approval) date and document number |
| 2017.10 | NT$10 | 5,000,000 | 50,000,000 | 2,900,000 | 29,000,000 | Initiate incorporation | No | Note 1 |
| 2018.7 | NT$10 | 10,000,000 | 100,000,000 | 6,000,000 | 60,000,000 | Cash capital increase | No | Note 2 |
| 2020.06 | NT$12.5 | 20,000,000 | 200,000,000 | 7,500,000 | 75,000,000 | Employee stock options | No | Note 3 |
| 2021.04 | NT$25 | 20,000,000 | 200,000,000 | 10,500,000 | 105,000,000 | Cash capital increase | No | Note 4 |
| 2021.07 | NT$10 | 20,000,000 | 200,000,000 | 12,000,000 | 120,000,000 | Capitalization of earnings and capital surplus | No | Note 5 |
| 2022.04 | NT$10 | 20,000,000 | 200,000,000 | 15,600,000 | 156,000,000 | Capitalization of earnings | No | Note 6 |
| 2022.07 | NT$80 | 20,000,000 | 200,000,000 | 16,800,000 | 168,000,000 | Cash capital increase | No | Note 7 |
| 2023.07 | NT$10 | 50,000,000 | 500,000,000 | 20,160,000 | 201,600,000 | Capitalization of earnings | No | Note 8 |
| 2024.03 | NT$56 | 50,000,000 | 500,000,000 | 20,380,000 | 203,802,000 | Employee stock options | No | Note 9 |
| 2024.04 | NT$10 | 50,000,000 | 500,000,000 | 23,404,000 | 234,040,000 | Capitalization of earnings | No | Note 10 |
| 2024.07 | NT$41.4 | 50,000,000 | 500,000,000 | 23,626,000 | 236,260,000 | Employee stock options | No | Note 11 |
| 2025.07 | NT$96 | 50,000,000 | 500,000,000 | 27,426,000 | 274,260,000 | Cash capital increase | No | Note 12 |

Note 1: The incorporation with a capital of NT$29,000 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 10659310000 dated October 11, 2017.

Note 2: The cash capital increase of NT$31,000 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 10757432200 dated December 24, 2018.

Note 3: The conversion of employee stock option certificates into NT$15,000 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 10954089330 dated December 18, 2020.

Note 4: The cash capital increase of NT$30,000 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 11048093810 dated April 7, 2021.

Note 5: The capitalization of earnings and capital surplus of NT$15,000 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 11051295810 dated July 20, 2021.

Note 6: The capitalization of earnings of NT$36,000 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 11147985000 dated April 11, 2022.

Note 7: The cash capital increase of NT$12,000 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 11150968900 dated July 8, 2022.

Note 8: The capitalization of earnings of NT$33,600 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 11250868500 dated July 13, 2023.

Note 9: The conversion of employee stock option certificates into NT$2,200 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 11347761310 dated April 11, 2024.

Note 10: The capitalization of earnings of NT$30,240 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 11348218800 dated April 22, 2024.

Note 11: The conversion of employee stock option certificates into NT$2,220 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No. 11350557110 dated July 3, 2024.

Note 12: The cash capital increase of NT$38,000 thousand was approved per the Taipei City Government Letter Chan-Ye-Shang-Zi No.

11451496510 dated August 13, 2025.

| Type of shares | Authorized capital | | | Note |
|---|---|---|---|---|
| | Outstanding shares (TPEx-listed) | Unissued shares | Total | |
| Registered ordinary shares | 27,426,000 | 22,574,000 | 50,000,000 | OTC-listed stock |

B. List of major shareholders

Names, number of shares held, and shareholding percentages of shareholders holding 5% or more of shares, or ranking among the top ten shareholders

April 05, 2026

| Name of major shareholders | Number of shares held | Shareholding (%) |
|---|---|---|
| GrandTech C.G. Systems Inc. | 16,692,801 | 60.86% |
| Hsu, Pei-Tzu | 1,363,000 | 4.97% |
| President Securities Corp. derivatives hedging account | 1,157,000 | 4.22% |
| Hsu, Cheng-Chiang | 966,370 | 3.52% |
| Cheng, Chun-Chung | 820,000 | 2.99% |
| Hsu, Hsiu-Mei | 796,000 | 2.90% |
| Li, Cheng-Hsiung | 249,660 | 0.91% |
| Hsu, Wen-Hsin | 233,406 | 0.85% |
| Cheng, Chia-Hsing | 225,783 | 0.82% |
| Ko, Hui-Wen | 199,131 | 0.73% |

C. Company dividend policy and implementation

a. According to the dividend policy established under the Articles of Incorporation:

The Company's dividend policy is aligned with current and future development plans, taking into account the investment environment, funding needs, and domestic and international competitive conditions, while also considering factors such as shareholder interests. Each year, at least 10% of the distributable profits will be allocated for shareholder dividends, which may be distributed in the form of shares or cash. To achieve a balanced and stable dividend policy, the Company shall ensure that cash dividends are not less than 10% of the total dividends distributed; However, if the Board of Directors resolves not to distribute dividends, and this is approved by the shareholders' meeting, this limit shall not apply. If the Company has no profits, it shall not distribute dividends or bonuses; however, based on considerations of the Company's financial, business, and operational factors, it may distribute all or part of the legal reserve and capital surplus in accordance with the law or regulations set by the competent authority.

b. Implementation:

The Company's distribution of cash dividends of NT$94,504,000, at NT$4 per share, was approved by a resolution of the shareholders' meeting on June 10, 2025.

D. The impact of the proposed stock dividend at this shareholders' meeting on the Company's operating performance and earnings per share: The Company is not required to disclose its financial forecast information as stipulated, therefore it is not applicable.

E. Employee compensation and director remuneration:

a. The Company should allocate 2% to 5% of the profits for the year as employee compensation and no more than 2% as director and supervisor remuneration. However, if the Company still has accumulated losses, the offset amount should be reserved in advance, and then employee compensation and director and supervisor remuneration should be appropriated according to the aforementioned ratio.

b. The basis for estimating the amount of employee and director remuneration for this period, the calculation basis for the number of shares distributed as stock dividends, and the actual distribution amounts differing from the estimates will be recognized as profit or loss for the actual distribution year.

c. The Board of Directors passed a resolution on the distribution of compensation and remuneration:

(1) Employee compensation and director remuneration distributed in cash or shares:

i. The Company's Board of Directors approved the proposal for the distribution of 2025 employee compensation and director and supervisor remuneration on March 5, 2026, to distribute, in cash, employee remuneration of NT$2,402,914 and director and supervisor remuneration of NT$1,201,457.

ii. If there are differences between the recognized expense amounts and the estimated amounts for the year, the differences, reasons, and handling thereof shall be disclosed: None.

(2) The ratio of the amount of employee compensation distributed in shares to the net profit after tax and the total amount of employee compensation in the parent company only or individual financial statements for the period: Not applicable.

d. The actual distribution of employee compensation and director remuneration in the previous year (including the number of shares distributed, amounts, and share prices), and any discrepancies with the recognized employee compensation and director remuneration should also specify the difference, reasons, and handling circumstances:

(1) The actual distribution of the Company's 2024 employee compensation and director remuneration is as follows:

i. Employee compensation was NT$2,293,762 and director and supervisor remuneration was NT$1,146,881.

(2) If there are differences between the above amounts and the recognized employee compensation and director remuneration, the difference amount, reasons, and handling situation should be stated: The Company's 2024 employee compensation and director remuneration are consistent with the estimated amounts.

F. Repurchase of shares by the Company: None.

2. Handling of Corporate Bonds: None.
3. Handling of Preferred Shares: None.
4. Handling of Global Depositary Receipts: None.
5. Handling of Employee Stock Options and Restricted Stock Awards: None.
6. Issuance of New Shares Due to Mergers or Acquisitions or with Acquisitions of Shares of Other Entities: None.
7. Implementation of Fund Utilization Plan: None.

# IV. Operation Overview

1. Contents of Businesses

The Company is a leading global multi-cloud value-added aggregator, which has long been deeply involved in new economy sectors such as mobile applications, video streaming, interactive gaming, new retail, and digital learning platforms. Leveraging deep insights into the startup ecosystem, the Company is not only committed to serving as the best strategic partner for startups, but has also constructed a business operation platform with cross-border and cross-regional capabilities. With "Empowering Customer Success" as its core mission, the Company assists enterprises in achieving high-efficiency digital transformation and business model innovation through cloud technology within the volatile global market.

As an Amazon (AWS) Managed Service Provider (MSP) Partner, a Google Cloud Premier Partner, and a key strategic ally of Microsoft Azure, the Company has passed the ISO 27001 Information Security Management System certification for several consecutive years, demonstrating excellence in information security governance capabilities. The Company provides one-stop solutions covering comprehensive consultancy, real-time cybersecurity monitoring, automated operations and maintenance, and SaaS application integration, aiming to assist enterprises in maximizing cloud resource allocation, precisely implementing cost governance (FinOps), and ensuring that their business models possess a high degree of flexibility and global scalability.

A. IaaS cloud infrastructure services

The Company and its subsidiaries focus on the architectural planning, resource sales, and system integration of the world's three major public clouds (AWS, GCP, Azure), providing on-demand computing, storage, and high-speed network resources. Through its self-developed ARMIN multi-cloud management platform, the Company provides key customers with real-time monitoring of GCP cloud traffic, cross-regional billing integration, and in-depth cost optimization recommendations. The ARMIN platform has successfully implemented AI predictive models to assist clients in achieving intelligent budgeting and dynamic resource adjustment, elevating cloud management from post-event analysis to the strategic level of pre-emptive warning.

B. Professional consultation services

The Company provides deep technical consultation services, offering customized solutions targeting clients' business pain points, assisting in the smooth migration (cloud migration) of complex applications to the cloud, and optimizing system elasticity. As the business environment stabilizes, the Company continues to conduct cost compliance audits and security compliance checks to ensure that customers achieve the highest return on investment (ROI) for their information technology (IT) expenditures, effectively shortening product development cycles and enabling them to respond rapidly to market fluctuations and end-user demands.

C. SaaS software services

The Company integrates diverse SaaS solutions, including Google Workspace (GWS), Microsoft 365, Adobe Creative Cloud, etc. Leveraging years of accumulated industry expertise, the Company provides high-quality services with practical experience in fields such as image processing, website development, game R&D, smart office, and customer support, assisting enterprises in establishing highly efficient and collaborative digital work environments to achieve the goal of operational excellence.

1. Percentages of revenues derived from main products

Benefiting from corporate AI transformation demand and overseas expansion, the consolidated revenue for the full year of 2025 reached NT$1.568 billion (a year-on-year increase of 9.7%). Among this, the percentage of revenue from cloud services further increased from 75.05% in 2024 to 78.70%, demonstrating the profitability momentum and high growth resilience of the core business.

Unit: NTD thousand; %

| Year | 2024 | | 2025 | |
|---|---|---|---|---|
| Main products | Operating revenue | Percentage of revenue | Operating revenue | Percentage of revenue |
| Network communication security | 356,642 | 24.95 | 334,010 | 21.30 |
| Cloud services | 1,073,047 | 75.05 | 1,234,336 | 78.70 |
| Total | 1,429,689 | 100 | 1,568,346 | 100 |

1) Planned development of new products (services)

| New products | New services |
|---|---|
| 1. Professional software and services (SaaS)<br>2. Cloud infrastructure and services (IaaS) and other products | 1. ARMIN multi-cloud management platform: Continuously optimizes UI/UX and introduce multi-language and multi-currency support, targeting the cross-border enterprise needs of the Japanese and Asia-Pacific regional markets to implement cross-national one-stop services.<br>2. Argus advanced cost-saving system: Supports multi-dimensional cost-saving schemes, enhances resource coverage through visualized cost analysis tools, and transforms FinOps into visualized operational value.<br>3. Subscription-based AI cost-saving engine: Introduces a subscription-based intelligent cost-saving recommendation system and innovative GCS specification plans, aiming to establish long-term stable and predictable recurring revenue. |

2) Industry overview

(1) Current status and development of the industry

A. Global cloud services industry

Generative AI (GenAI) has triggered a computing power arms race, and cloud capital expenditure has entered a qualitative change period. Since 2024, GenAI has fully evolved from the Proof of Concept (PoC) stage to the stage of large-scale commercial deployment. Enterprises' demand for AI computing infrastructure, large language model (LLM) training, and real-time inference has become the core engine driving the performance of the information software and cloud services market.

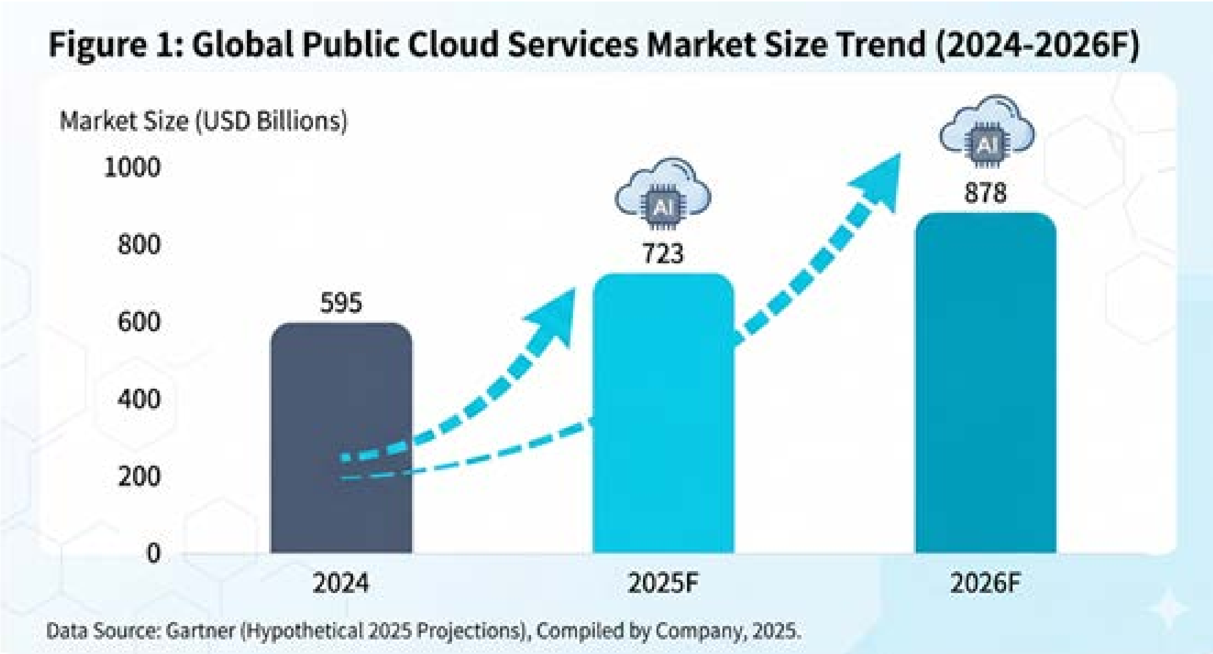
Global market momentum: According to Gartner's authoritative forecast, global end-user spending on public cloud services will reach US$723.4 billion in 2025, with the annual growth rate maintaining a strong momentum of 21.5%. Looking forward to 2026, as corporate AI applications deepen and data center capital expenditures continue to climb, the market size is estimated to exceed US$870 billion.

Optimization of expenditure structure: Total global IT expenditure in 2025 is estimated to climb to US$5.55 trillion, representing a significant increase of 10.3% compared with 2024. As cloud hyperscalers continue to deploy AI-specific data centers, the production value of the cloud ecosystem is further driven upward.

B. Regional market observations

The Asia-Pacific region demonstrates excellent momentum for digital transformation in 2025. In particular, investment momentum from Taiwanese enterprises in AI transformation and cybersecurity resilience is deepening. According to surveys, the average annual cloud expenses of Taiwanese enterprises have grown by 38% compared to three years ago, and the proportion of applications migrated to the cloud has exceeded 22%. For information service providers capable of providing localized professional support and cross-border integration capabilities, a critical market dividend period is emerging.

Figure 1: Global Public Cloud Services Market Size Trend




Source: Gartner (updated in Q4 2025), compiled by the Company.

2. Future industry development trends: From Cloud Native to AI Native

(1) GenAI drives the application transformation of AI Native

The proliferation of Generative AI (GenAI) has not only significantly increased the fundamental demand for underlying computing power, but has also triggered a paradigm shift in enterprises from Cloud Native to AI Native applications. As independent software vendors (ISVs) successively launch software services with embedded AI functions, such applications have extremely high requirements for massive data processing and real-time inference analysis. This trend will prompt enterprises to deepen their reliance on cloud infrastructure and platform services (CIPS), thereby seeking cloud environments with high performance and dynamic scalability to support AI innovation.

(2) Integration of cybersecurity resilience under multi-cloud and hybrid cloud architectures

As the cloud ecosystem matures, the proportion of enterprises adopting multi-cloud or hybrid cloud configurations has significantly surpassed the 20% mark. However, accounting fragmentation and cross-environment access between heterogeneous platforms are also accompanied by complex cybersecurity risks. The awakening of cybersecurity awareness has made "cyber resilience as a service" a standard requirement for digital transformation; how to implement unified identity authentication and threat detection in multi-cloud environments has become the primary focus of corporate architecture optimization.

(3) FinOps cloud financial management has evolved from an operational tool into a corporate necessity

As the scale of enterprise cloud adoption continues to expand, cloud cost management (FinOps) has officially ascended from a peripheral technical issue to a core corporate operational strategy. According to the latest 2026 forecast by Gartner, as GenAI enters deep-water applications, global public cloud end-user spending in 2026 is projected to exceed US$878 billion (with the annual growth rate remaining at approximately 21%), while total global IT spending is estimated to climb to US$6.1 trillion, driven by the continuous pull of AI computing power infrastructure.

In the Taiwan market, the momentum of cloud digitalization is even more significant. The average annual cloud expenditure of enterprises has grown from NT$6.43 million in 2020 to NT$8.86 million in 2023, an increase of as much as 38%. Looking ahead to 2026, with the proportion of internal applications on the cloud crossing the 25% threshold and multi-cloud and hybrid cloud architectures becoming standard for large enterprises, although public cloud giants such as AWS, Azure, and GCP all provide native monitoring tools (such as AWS Cost Explorer), their functions remain limited to a single platform and are not yet able to support integrated billing control under heterogeneous cloud environments. This has become the greatest pain point for corporate financial transparency in the multi-cloud era.

Looking ahead, the International Data Corporation (IDC) predicts that 2026 will be a pivotal year for FinOps transformation. As cloud spending reaches a record high as a percentage of IT budgets, the challenges faced by enterprises have evolved from the lack of transparency in cross-cloud billing, to the substantive erosion of profits caused by resource over-provisioning. It is expected that over the next two years, the market will highly rely on professional SaaS platforms (e.g., the Company’s self-developed ARMIN) featuring cross-cloud integrated monitoring and AI-driven automated cost optimization functions.

Furthermore, the IDC pointed out that by the end of 2026, over 40% of organizations will be required to strictly re-examine their AI ROI due to the massive scale of AI investment. This move will further expand the depth of value within the FinOps ecosystem, extending the management scope from cost saving to value maximization, while simultaneously driving high market demand for professional MSPs possessing deep consultancy capabilities.

B. Current situation and development of the information and communication technology industry

The information and communication technology (ICT) industry is based on information and communication technology, covering areas such as computer hardware and software, network communications, telecommunication services, and digital content. The following is an analysis of the current situation and future development trends of the ICT industry:

(A) Network communication technology

A survey by the Taiwan Institute of Economic Research indicates that the network communications equipment industry completed inventory destocking by the end of 2024. Starting from 2025, benefiting from digital transformation opportunities and AI computing power demand, data centers and cloud service providers have strong demand for upgrades to 400G/800G high-end switches and high-speed networking modules. Although growth in traditional consumer electronics remains flat, the willingness of the enterprise and industrial sectors to invest in high-bandwidth and low-latency network environments has recovered significantly, driving the overall production value back onto a growth trajectory.

IDC and DIGITIMES predict that 2025 will be the first year to witness the commercial explosion of Wi-Fi 7 (802.11be). With flagship smartphones such as iPhone 16 and AI PCs featuring Wi-Fi 7 technology as a standard specification, market penetration is expected to climb rapidly from 6% in 2024 to 15%–20% in 2025, with some high-end application sectors even reaching as high as 40%. This will drive global corporate and household users into a 3–5 year equipment replacement cycle, particularly in application scenarios requiring ultra-high-speed wireless networks, such as AR/VR, smart factories, and medical imaging.

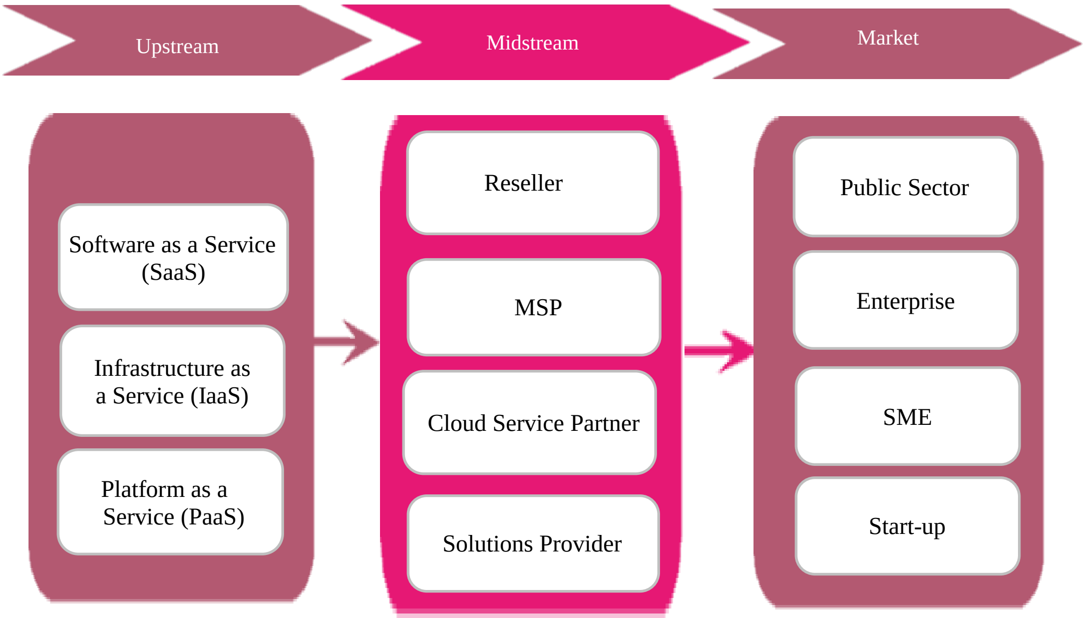
(B) Information security

According to a Gartner report, global information security spending is expected to exceed US$250 billion in 2025. As hackers utilize AI to launch more sophisticated attacks, the focus of corporate defense has shifted from perimeter protection to identity and access management (IAM) and cloud security. In the Taiwan market, benefiting from the "Information Security is National Security" policy and regulatory requirements, corporate demand for integrated information security hardware and software services has become a necessary strategic deployment; information security budgets are no longer limited to technical issues but have been elevated to the level of corporate operational resilience.

According to the latest estimates for 2025 from Ministry of Economic Affairs and Market Intelligence & Consulting Institute, the output value of Taiwan's cybersecurity industry is expected to exceed NT$80 billion in 2025 and move toward the NT$100 billion milestone in 2026. Among them, Internet of Things (IoT) security protection and managed security services provider (MSSP) will maintain a high growth rate of over 15%. Future trends will focus on AI-driven automated security detection, software supply chain security management, and one-stop managed services that assist mid-market enterprises in achieving cybersecurity compliance.

3) Relationship between products and the upstream, midstream, and downstream of the industries

A. Interrelation among the upstream, midstream, and downstream sectors of the cloud industry




a. Diagram of the upstream and downstream distribution channels

The Company occupies a core position in the cloud industry value chain, serving as a strategic hub for MSP. With the evolution of cloud computing technology and the explosion of AI applications, the Company has transformed through its core competencies to construct a one-stop value-added service system, converting upstream IaaS and SaaS resources into digital enablement services with commercial value.

The cloud industry is interconnected through upstream, midstream, and downstream segments, forming a highly collaborative and dynamically interactive ecosystem:

(A) Upstream: Cloud service providers (CSPs/hyperscalers)

The upstream is primarily composed of leading international manufacturers providing IaaS, such as Amazon (AWS), Google (GCP), and Microsoft (Azure). Leveraging their vast global data center resources, they provide on-demand computing, storage, and network virtualization services, serving as the foundational pillars of the cloud ecosystem. In addition, traditional telecommunications operators (e.g., Chunghwa Telecom, Chief Telecom, Far EasTone, and Taiwan Mobile) also provide regional cloud services through the deployment of internet data centers. The technical reliability and high-performance computing (HPC) capabilities of upstream suppliers directly determine the efficiency and stability of midstream and downstream operations.

(B) Midstream: MSP and technology developers

Midstream operators utilize the infrastructure provided by the upstream to develop software applications (SaaS) and platform tools (PaaS) with industrial depth. The Company and its subsidiaries are situated at this key strategic core, serving in the role of technology translator. The mission of midstream enterprises lies in utilizing upstream resources to provide downstream users with customized solutions and automated operation and maintenance. In the course of industrial evolution, operators with high-level certifications may also serve as strategic partners for major international companies, assisting in the implementation of digital transformation within vertical industries.

(C) Downstream: Cloud service end users, covering startups, video streaming, interactive gaming, corporate clients, public sector, and individual users.

Downstream users rely on partners with professional integration capabilities (such as the Company) to resolve operational pain points such as fragmentation of multi-cloud billing and information security compliance, ensuring business continuity and the security of digital assets.

Core strategic position of GrandTech Cloud and 2025 Operational resilience

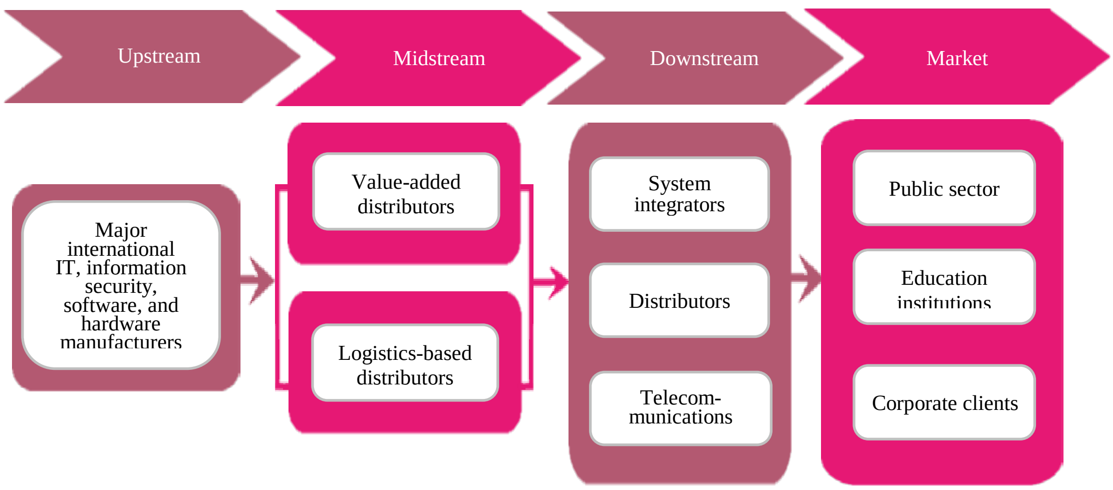
The resilience of the cloud industry value chain is manifested in the deep collaboration between upstream and downstream sectors. In this ecosystem, midstream MSPs play a crucial role in connecting the technical and application ends. Occupying this core position, the Company transforms original manufacturer technologies into solutions with commercial value.

Technological moat and authoritative certifications: The Company has established extremely high barriers to market entry, being one of the few partners in the Asia-Pacific region to obtain the AWS MSP certification. It also possesses authorized training qualifications and multiple professional domain certifications, while having passed the ISO 27001 Information Security Management System certification. This technology barrier, combined with professional human capital, ensures a high degree of compliance and security in the service process.

Overseas markets and Japan momentum: In 2025, the Company demonstrated strong growth momentum in the Japanese market, successfully exporting the business model of GrandTech Cloud across borders, driving a significant increase in the proportion of overseas revenue. This regional expansion strategy not only strengthens the diversity of the revenue structure, but further enhances the Company's strategic influence within the global cloud value chain.

Operational resilience and long-term competitiveness: With the self-developed ARMIN value-added operation platform, the Company has established extremely high stickiness with downstream customers. Even in the face of fluctuations in the external environment, the Company is still able to maintain steady growth by virtue of its indispensable integrated position and platform-enabling value, demonstrating resilient profitability and long-term competitive advantages.

B. Interrelation among the upstream, midstream, and downstream sectors of the ICT industry



The existing channel structure in the ICT industry consists primarily of internationally renowned hardware and software manufacturers at the upstream level. Under regional market management mechanisms, local agents, either logistics-type distributors or value-added distributors, are entrusted with local channel management in each regional market. Downstream, there are system integrators, distributors, specialty stores, and information consulting firms engaged in selling ICT-related products. Upstream manufacturers focus on the research, development, and production of professional ICT products, and use cloud services to provide marketing and consulting services to end users. Midstream entities are value-added channel providers whose primary business objectives are to promote the market and establish marketing channels. These providers are divided into value-added distributors, who offer professional services to downstream distributor partners, and logistics-type distributors, who focus solely on the buying and selling of products, with little provision of professional services.

With the rise of the cloud services industry, the borderless channel model is gradually overcoming regional development limitations. As enterprises undergo digital transformation, the methods of procuring or building information hardware and software are changing, still requiring intermediary service providers to offer consulting and implementation services. The channel model is now integrated into a model of value-added service providers and system service providers, continuing to deliver professional services to end enterprises and other users.

4) Various development trends and competition for products (services)

As cloud computing and the IoT enter a stage of mature application, although international public cloud giants (hyperscalers) possess the capability to directly serve end users, they still rely heavily on professional partners for in-depth operations in the face of the complexity and differentiated needs of regional markets. Enterprise procurement models have shifted from traditional hardware and software buyouts to a service model of access on demand and subscription on demand, further driving the restructuring of the cloud industry value chain.

A. Various development trends and competition in the cloud services management industry

1. Industry development trends: Paradigm Shift from digital transformation to AI value-driven.

As cloud technology enters a mature stage, the global cloud industry is undergoing profound transformations in 2026:

GenAI becomes the core of corporate investment: According to the latest Gartner 2026 report forecast, global public cloud spending will continue to climb, and is expected to exceed US$878 billion in 2026. Up to 98% of enterprises have incorporated AI spending into normalized management, and the focus of investment has shifted from infrastructure migration to the deep application of cloud high-performance computing and AI model inference.

FinOps (cloud financial management) scope expands comprehensively: According to the FinOps Foundation's State of FinOps 2026 Report, FinOps has evolved from simple cost savings into technology value management for proactive decision-making. It aims to quantify AI return on investment through unit economics, assisting enterprises precisely control costs and maximize profits amidst massive AI expenditures.

ESG sustainable governance and supply chain resilience: Cloud services have become a critical path for the manufacturing industry to achieve carbon neutrality goals. Real-time carbon footprint verification and energy optimization through cloud-native tools have become important indicators of global supply chain resilience in 2026.

2. Market Competition: Shifting from red ocean price war to cross-platform value war. At this stage, competition in the cloud management market is becoming increasingly fierce. Traditional telecommunications operators and major hardware manufacturers are entering the managed services market, causing MSPs that only possess resource resale capabilities to fall into a red ocean price war. As corporate workloads are distributed across multi-cloud and on-premises environments, challenges such as out-of-control cross-cloud billing, excessive egress fees, and security vulnerabilities in AI models have prompted customers to turn to partners who can provide maximize cross-platform value. Although native tools from CSPs continue to expand, their inability to provide cross-platform monitoring has created a new "from competition to co-opetition" landscape for third-party platform providers with independent R&D capabilities, becoming the sole solution in multi-cloud environments.

3. The Company's competitive advantages and core strategies: In response to the explosive growth in demand for cloud cost optimization (FinOps) among global enterprises, the Company, from the perspective of a cloud aggregator, utilizes professional cost management strategies to enhance corporate operational efficiency:

   Technological barrier of self-development: With the one-stop cross-border multi-cloud management platform ARMIN as its core engine, the Company has built a technological barrier that far exceeds those of traditional managed services. ARMIN not only enables the synchronized monitoring and analysis of the usage status of global public clouds such as AWS and GCP, but also utilizes AI-driven data prediction models to precisely assist enterprises in mastering sales trends, consumer habits, and financial transparency, thereby constructing the foundation of operational resilience. Unique operator business model and “AI First” strategy: Unlike general resource resellers, the Company demonstrates superior competitiveness by virtue of its unique operator business model. Furthermore, the Company has fully implemented the "AI First" core strategy, which not only deeply integrates AI technology into product research and development, but also actively promotes the internal AI literacy training program for all employees to achieve the automation and intelligence of service processes.

   Global scale expansion niche: The Company has successfully brought its mature operational experience from the Taiwan market over to Hong Kong and Southeast Asia. Particularly since entering the Japanese market, breakthrough results have been achieved within the local startup ecosystem in a short period of time. Looking ahead, the Company will accelerate the implementation of the "localized business development, centralized platform" strategy and actively develop key global markets. Leveraging a diverse customer base spanning games, video, new retail, and startups, the Company aims to establish a solid niche for the next stage of global large-scale expansion.

B. Various development trends and competition in the network communication industry

As data and services become cloud-based, users become more mobile, and access devices diversify, the traditional network perimeter based on segmentation and trust has revealed cybersecurity shortcomings, making it difficult to meet the needs of new work models. In the past, firewalls could effectively block known types of attacks. However, as technology develops, the cost of hacking has continuously decreased, and the overall methods of attack have become increasingly complex:

(A) Cyber attack trends

Check Point Research, the threat intelligence division of Check Point Software Technologies Ltd., has released the Cyber Attack Trends: Mid-Year Cybersecurity Report 2023, revealing the following major trends and behaviors in cyber attacks:

a. Attack methods are upgrading: Ransomware organizations are continuously improving their attack techniques, exploiting common vulnerabilities in enterprise software, and shifting their strategies from data encryption to data theft.

b. USB has once again become a major source of threat: State-sponsored ransomware organizations and cybercriminals are using USB devices as a means to infect global organizations.

c. The rise of hacktivism: Ransomware organizations driven by political motives are launching attacks on specific targets.

d. Increased abuse of AI: GenAI tools are being used to create phishing emails, keyloggers, and basic ransomware code, making it necessary to implement stronger regulatory measures.

(B) Information security development trends

While technological advancements are progressing rapidly, they also bring about more complex cyberattacks, significantly increasing enterprises' focus on information security. Companies are actively investing in cybersecurity technologies to establish resilience against various security threats, driving two major trends in 2024: the implementation of continuous threat exposure management and the integration of cybersecurity measures into corporate network infrastructure. Gartner predicts that by 2026, enterprises that implement the CTEM program to identify priority investment areas in security will reduce security vulnerabilities by two-thirds. Currently, the management of cybersecurity threats faced by enterprises mainly focuses on incident response, which is not the best solution in the long term. How to prevent cyber threats has become an issue that enterprises need to continuously develop and adjust according to the environment. In the face of increasingly sophisticated attack methods, ensuring the resilience of data and systems is crucial for enterprises.

With the rapid evolution of internet applications, the variety of products is increasing day by day. Most manufacturers, in order to enhance competitiveness and reduce costs, are increasingly adopting specialized value-added distributors to distribute their products, leading to intense price competition among distributors. The Company integrates various types of network communication products, providing professional technical consulting and services, while focusing on channel sales and offering the best solutions to various system integrators.

3. Overview of technology and R&D

(1) Technical levels and R&D of the business

A. Technical level of cloud service management business: With the vigorous development and widespread application of cloud services, cloud technology management has become a key pivot for enterprises to achieve security, efficiency, and value maximization. Its management scope covers core areas such as resource allocation, information security governance, cost optimization, performance monitoring, and compliance management. The Company's technical service team aims to ensure the stable operation and continuous optimization of customers' cloud environments.

First, cloud resource management presents high technical challenges, involving the precise allocation and operation and maintenance of resources to maximize performance utilization. As corporate demand increases day by day, management tools are also continuously evolving, among which cost management (FinOps) is an indispensable link. As cloud computing adopts an on-demand billing model, the Company assists enterprises in auditing and optimizing cloud expenditures through professional tools and platforms to ensure that resource utilization complies with budget controls.

Secondly, security management and compliance are the top priorities of cloud operations. As sensitive data migrates to the cloud on a large scale, information security protection involves aspects such as data encryption, identity authentication, threat detection, and vulnerability management. The Company, supported by a professional consultant team, works with clients to review the current environmental status, evaluate and report on compliance status, and enhance the security level of clients. In the event of technical obstacles, customers may submit requests through the next-generation customer service support platform system developed by the Company, whereby the Company shall utilize professional knowledge to conduct troubleshooting and implementation of systematic solutions to ensure obstacle removal and smooth deployment.

B. R&D and implementation of one-stop cross-border multi-cloud management platform: IaaS cloud services are generally divided into three categories: implementation, managed, and hosting services. Since its inception, the Company has positioned itself as an IaaS & SaaS cloud value-added service operator, investing significant R&D resources into professional service platforms. The Company has established dedicated research and development and technology development units to provide customers using cloud services with a forward-looking, usage-based intelligent cost-saving and operations management platform (ARMIN), achieving intelligent and automated management and significantly reducing the burden of self-operation and maintenance for enterprises.

C. 2025 R&D progress and business model transformation: The Company's business model focuses on higher-value hosting services, with the goal of transforming from an agent into the role of a cloud operator, assisting itself and its customers in achieving cost optimization through aggregation.

ARMIN platform upgrade: The Company has launched more comprehensive cost forecasting functions for the ARMIN platform, providing a multi-dimensional cost estimation system and introducing cost alerting operations at an organizational level. In 2025, AI-driven data prediction models will be further deepened to assist enterprises in real-time mastery of sales trends and financial transparency.

Automated processes and cloud-native solutions: The Company continues to refine its internal automated operational processes and has incorporated multiple verification mechanisms to ensure the accuracy and integrity of such automation. At the same time, cloud-native technology solutions are developed for actual customer scenarios, and professional technical consulting services are provided to shorten the exploration period of customers' digital transformation.

Looking ahead, the Company shall continue to invest in research and development budgets to strengthen the artificial intelligence applications of the ARMIN platform, widen the gap with competitors, and consolidate its long-term leading position in the global market.

D. Technical level of the business of network communications products

The Company's subsidiary, Netcore Network Communication, primarily engages in representing world-renowned network communication products and focuses on the management of distribution channels for network communication products, with the business objective of becoming a complete integration of network communication products and professional technical consulting and services.

Netcore Network Communication is a premium agent for A10, FireMon, Juniper, Pulse Secure, Peplink, and LogRhythm, and officially became the authorized agent for Peplink in Taiwan (Balance Max full product line) in 2015. Currently, it has multiple professional technicians who have obtained advanced certifications from the original manufacturers, providing a full range of services including pre-sales planning, installation services, and after-sales warranty.

(2) RD personnel and their education and experience

Unit: Persons; %

| Year / Education | 2024 | | 2025 | | April 30, 2026 | |
|---|---|---|---|---|---|---|
| | Persons | Percentage | Persons | Percentage | Persons | Percentage |
| PhD | 0 | 0 | 0 | 0 | 0 | 0 |
| Master's | 0 | 0 | 0 | 0 | 0 | 0 |
| University/College | 6 | 100 | 8 | 100 | 5 | 100 |
| High school and below | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 6 | 100 | 8 | 100 | 5 | 100 |

(3) R&D expenses invested annually over the last five years

Unit: %; NTD thousand

| Year / Education | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| RD expenses (A) | 4,248 | 4,243 | 5,104 | 4,999 | 11,141 |
| Net operating revenue (B) | 671,593 | 876,206 | 1,051,781 | 1,429,689 | 1,658,346 |
| R&D expenses as a percentage of net operating revenue (A)/(B) | 0.63% | 0.48% | 0.49% | 0.35% | 0.67% |

(4) Technologies or products successfully developed in the last five years

The Company continues to strengthen its R&D capabilities and has developed a one-stop cross-border multi-cloud FinOps management platform (ARMIN), which is an embodiment of the Company's core technical competitiveness. ARMIN provides customers with comprehensive services such as real-time monitoring of cloud traffic, cost governance and optimization, and cross-regional billing management, and effectively simplifies the procurement process for switching between different cloud solutions and products. Under the trend of enterprises procuring multi-cloud services, customers can query electronic invoices and accounting reports for each period through the ARMIN platform, which also fully supports flexible options for multiple languages and multiple currencies.

A. Advanced cost analysis and system performance optimization: ARMIN's built-in advanced Cost Explorer module can deeply analyze monthly cloud usage, serving as a core tool to assist customers in making cost-saving decisions and optimizing management. The module includes cost and usage report views and provides forward-looking cost optimization recommendations to assist customers in maximizing the cost-effectiveness of their cloud resources, as well as properly planning and forecasting cost drivers, reasonably allocating expenditures, and benchmarking operational efficiency. In addition, customers may also simultaneously inquire about bonus points provided by the original manufacturer and the Company on the ARMIN platform.

   Regarding the enhancement of system performance, the Company has completed the optimization settings for relevant services provided by the public cloud original equipment manufacturer, aiming to improve report processing performance; meanwhile, through structural changes to the architecture, the efficiency of inquiry operations has been significantly enhanced. In addition, the customer behavior analysis system embedded in ARMIN can provide multi-dimensional behavior reports and analysis, serving as an important reference basis for the Company to continuously enhance customer satisfaction and service quality.

B. Accounting automation and compliant procurement mechanism: ARMIN has constructed a complete accounting automation process, significantly enhancing overall operational efficiency and empowering customers with real-time data inquiry and in-depth analysis functions. The platform includes a procurement mechanism with online B2B ordering volume commitments, which can seamlessly integrate with the client's internal control system and meet the high requirements of modern automated processes.

In terms of internal operational management, the Company has deeply integrated its accounting processes with the Enterprise Resource Planning system, driving a dual improvement in internal operational efficiency and accuracy, significantly reducing manual operations and the risk of human error, and continuously maintaining the Company's competitive edge in the cloud value-added services market.

C. Information security and information security governance resilience: In response to global information security requirements, the Company has passed ISO 27001 certification for several consecutive years. During the system revision process, the Company strictly executes vulnerability scanning and detection to prevent potential loopholes and completes patching in a timely manner, continuously strengthening the security protection resilience of ARMIN to ensure a high level of protection for customer data. For customers with special operational needs, the Company may, upon completion of a feasibility analysis, produce and test various customized reports to satisfy the specific management requirements of the customers.

Integrating the above technical achievements, ARMIN provides customers with a more agile and integrated cloud management experience, enabling them to focus on core business development. The Company is committed to ensuring that customers can effectively achieve "Customer Success" through the products provided by the Company, thereby enhancing the Company's customer lifetime value and establishing a niche for long-term growth.

4. Long-term and short-term business development plans

(1) Cloud service management business

A. Short-term business development plan

(A) Deepen the new economy empowerment platform: Focus on the expansion of the cloud services business and strive to become the best empowerment platform for the new economy and startup ecosystem. Targeting high-growth sectors such as mobile applications, video and gaming, new retail, digital learning, and startups to provide customers with professional and globalized multi-cloud integrated billing systems. Assist enterprises in achieving digital transformation and cross-industry collaboration through technological empowerment, thereby enhancing user stickiness and driving steady growth in annual recurring revenue (ARR).

(B) Regional market penetration and expansion: Continuously strengthen operations in the Hong Kong and Southeast Asian markets, and increase the market penetration rate of cloud and SaaS products. In addition to expanding the local new economy commercial market, the Company has also deeply cultivated applications in the education market, achieving steady growth of the enterprise user base in both Taiwan and Hong Kong and optimizing operational efficiency.

(C) Large-scale strategic alliances: Establish a large-scale strategic customer alliance symbiosis model to accelerate the expansion of market territories in various regions through partnerships.

(D) Deepen the presence in the Japanese market: Expand the regional development plans and marketing strategies in Japan, and strengthen the links with the local new economy and startup communities. Continuously deepen cooperation with local venture capital firms, Taiwanese businesses, and business agency service providers to accelerate business advancement and drive revenue momentum.

B. Long-term business development plan:

The Company has been engaged in public cloud professional services since 2017, and its self-developed one-stop multinational multi-cloud FinOps management platform (ARMIN) has successfully replicated its experience in Taiwan to Hong Kong, Southeast Asia, and Northeast Asia. In the future, the Company will gradually expand its overseas presence, exporting its successful experience in Asia to the global market to further widen the gap with its competitors.

In addition, with respect to long-term development, the Company is actively promoting the “2 to the 4th Power” multi-dimensional growth strategy:

1st power (Ecosystem Empowerment): Deeply integrating into global ecosystems, including startups, venture capital, accelerators, and incubators, to connect new economy customers with business opportunities and drive client success.

2nd power (Strategic Cooperation): Strengthening collaboration with major strategic clients across various regions and establishing strategic partnerships, to create diversified growth opportunities.

3rd power (Global Regional Expansion): Leveraging a proven track record in the Japanese market to validate the scalability of the business model. The Company plans to accelerate expansion into Asian countries such as Thailand, South Korea, Australia, and New Zealand, while evaluating entry into the United States—the world’s largest cloud market..

4th power (External Growth Strategy): Actively capturing vast business opportunities and growth catalysts in the cloud market through external expansion initiatives, such as strategic investments and joint ventures.

In addition, cloud GPU demand driven by GenAI will become another key growth driver for the Company. Cloud GPUs allow customers to lease high-performance computing resources for applications such as deep learning, machine learning, and video rendering. The Company has commenced the deployment of its cloud GPU business, aiming to construct the Company's "second growth flywheel" through this initiative.

The Company provides global technical support and local market insights at each of its operating sites to ensure that services precisely align with local needs, and provides forward-looking products and strategic recommendations. The Company will continue to expand its global footprint in the future to provide the best cloud service solutions for global customers and consolidate its long-term competitive advantages.

(2) Network communications products business

A. Short-term business development plan:

(A) Increase agency brands and provide comprehensive cybersecurity solutions: In response to market demand and customer requirements, the Company will introduce cutting-edge network communication products to leverage synergies and provide customers with comprehensive network communication product solutions. The goal is to become a one-stop service provider for distributors and customers, including SDWAN network optimization, SaaS cloud cybersecurity solutions, and intelligent management of wired/wireless networks, to meet the diverse needs of different customers.

(B) Technical training and talent development: Invest in training teams or merge with other specialized teams (such as cloud security) to enhance the professional level of technical personnel and overall service capacity. Understanding and mastering new technologies will enable the technical team to provide professional and competitive technical support in the market.

B. Long-term business development plan:

(A) AI field: Strengthen the promotion of Juniper and its wireless network product MIST, and integrate them with the overall artificial intelligence network management solutions following the future integration of Juniper and HP, becoming a professional agent for AI products. Furthermore, expand the scope to include more AI-related network management and cybersecurity products, seek agency rights, and integrate them with existing products. The goal is to provide customers with a one-stop solution to manage their cybersecurity and networks through artificial intelligence, simplifying network management and reducing the risk of unforeseen crises, thereby improving the Company's operational efficiency.

(B) Cloud field: The trend of hybrid cloud is becoming increasingly evident, with many customers seeking comprehensive solutions that can manage complex information environments involving private clouds, public clouds, and on-premises infrastructure. Therefore, on top of existing agency products, Netcore, in collaboration with original manufacturers, will gradually expand new products capable of managing various hybrid cloud environments. The Company will also move towards representing other cloud management and cybersecurity products to help customers better handle complex IT environments, thereby enhancing overall management efficiency and security.

(C) Mergers and acquisitions: We have now entered an era where industry boundaries are increasingly blurred. Only by seizing opportunities for new products and emerging technologies, and by adopting a merger and acquisition strategy involving both horizontal and vertical integration to develop a comprehensive cross-sector layout, can we truly understand the market ecosystem and leverage synergistic effects. The Company intends to accelerate the expansion of new products, brands, technologies, channels, and talent through mergers and acquisitions over the long term, in order to increase overall economies of scale and efficiency, boost revenue, and reduce operational costs. This strategy will also enable the Company to enter different customer segments or engage in cross-industry collaboration, thereby creating synergies and enhancing corporate competitiveness.

2. Market, Production, and Sales

A. Market analysis

(1) Sales of main products (services) by region

Unit: NTD thousand; %

| Sales region | | 2024 | | 2025 | |
|---|---|---|---|---|---|
| | | Amount | Percentage | Amount | Percentage |
| Domestic sales | | 877,789 | 61.40% | 827,554 | 52.77% |
| Export sales | Hong Kong | 474,963 | 33.22% | 548,101 | 34.95% |
| | Japan | 76,937 | 5.38% | 192,691 | 12.28% |
| | Subtotal | 551,900 | 38.60% | 740,792 | 47.23% |
| Total | | 1,429,689 | 100.00% | 1,568,346 | 100.00% |

(2) Market share

In view of the extremely broad scope of the cloud services and storage products industry, the fact that business scopes vary with technological evolution, and the prevalence of cross-domain business models in the current market. At present, for the specific business segments in which the Company primarily operates, no third-party institution has provided credible and valid statistical figures; therefore, there is no fair and objective market share data available.

(3) Supply and demand conditions and growth potential of the market in the future

A. Future supply, demand and growth potential of the cloud services industry

"Industry Cloud" drives vertical integration dividends: According to recent research by Gartner, "Industry Cloud" is significantly driving the expansion of hyperscale and enterprise-grade data center markets. It is estimated that 70% of enterprises globally will adopt industry cloud solutions by 2027, representing significant room for growth compared to 15% in 2023.

Unlike traditional "General Purpose Clouds" that provide horizontally consistent services, "Industry Clouds" are tailor-made for the needs of specific industries (such as sensitive industries like finance and healthcare), covering a one-stop service from computing resources, APIs, and data models to standardized processes. This trend can assist enterprises in accurately complying with industrial regulations of various countries, achieving higher operational efficiency, and bringing deeper levels of technical consulting and integration value to the Company.

Optimization of global IT spending structure and digital transformation momentum: According to S&P Global forecasts, as digital transformation opportunities materialize and AI and IoT applications gain traction, the growth rate of global IT spending is driven to reach 9.0% in 2025. Despite the global economy exhibiting a trend of stable low growth, the information software services industry is in a favorable operating environment, benefiting from the inelastic demand for emerging technologies. This momentum is expected to further contribute to the expansion of the domestic information services market, creating a solid business foundation for the Company.

The Asia-Pacific market enters a high-speed growth trajectory: Between 2024 and 2026, the market size of the Asia-Pacific cloud services market is estimated to be approximately US$107.6 to 178.8 billion, with a compound annual growth rate (CAGR) of 29%, outperforming the global average.

This is primarily due to the shift in IT spending focus among Asia-Pacific enterprises from single cloud environments to multi-cloud and hybrid cloud applications. In addition, the three major public cloud providers are actively establishing data centers in the Asia-Pacific region. Combined with the popularization of GenAI and cybersecurity requirements, enterprises' willingness to migrate to the cloud and their reliance on value-added services have significantly increased, thereby driving the value of the Company's role as a critical cloud service provider.

Global vision and growth potential in key regions: According to Gartner's forecast, the compound annual growth rate of the global cloud services market from 2023 to 2027 will reach 22%, with the scale doubling from US$559.7 billion to US$1.16 trillion.

Japan market: The compound annual growth rate from 2023 to 2027 is expected to reach 27%, with the scale growing from US$14.5 billion to US$37.8 billion.

U.S. market: As the world's largest cloud market, the compound growth rate is expected to be 18%, and the scale will increase to US$583.2 billion. Leveraging its multinational operational capabilities, the Company has successfully expanded from Southeast Asia into the Japanese market, and further plans to enter the U.S. market, the world's largest, in the future to actively capture vast blue ocean opportunities.

Startup economy drives the core vitality of the cloud economy: According to data from HG Insights, among the customer type distribution of AWS, the global public cloud leader, startup customers account for as high as 76%, and their growth rate reaches 22%, which is significantly higher than other customer types. This data verifies that the startup ecosystem is the most important growth engine for the cloud economy and is also the core customer group that the Company has long cultivated. As demand for AI computing power and FinOps from startups continues to explode, the Company will further leverage the value of its enablement platform to achieve a win-win situation of customer success and operational growth.

B. Supply, demand and growth potential of the ICT industry in the future

(A) Network communication technology

In the global market, although global economic growth expectations for 2024 remain low, the demand for emerging technology applications such as the Internet of Things, blockchain, and cloud computing services is increasing. In addition, governments around the world are actively promoting national broadband initiatives, such as the U.S.

government's Broadband Equity, Access, and Deployment (BEAD) program and the "Gigabit Infrastructure Act" of European countries. These initiatives are driving demand for broadband infrastructure and promoting the continued development of markets such as 5G and Wi-Fi 6/6E. Demand for network communication equipment such as fiber optics, fixed wireless access devices, and switches is expected to continue to grow.

(B) Information security

Due to the continuous expansion of the emerging technology application market, particularly in areas such as artificial intelligence, cloud services, high-performance computing, IoT, and blockchain, there is increasing demand for connectivity, which in turn is promoting the trend of network upgrades. The ongoing development of emerging technologies has also diversified and complicated hacking methods, thereby increasing the difficulty of tracking, defense, and countermeasures. Enterprises are thus compelled to continually seek smarter and more automated cybersecurity solutions to cope with evolving risks and to address the technical gap caused by the shortage of professional cybersecurity talent. At the same time, cybersecurity service providers are actively optimizing their products and expanding into various areas such as financial payments, hardware-software integration, cloud security, and AIoT applications, in order to provide comprehensive cybersecurity solutions. Governments are also continuing to promote related programs and subsidy policies. These factors will further stimulate the demand for cybersecurity services from both enterprises and consumers, thereby injecting growth momentum into the cybersecurity market.

(4) Competitive niche

A. Niche of the cloud services industry

(A) High-growth "Operator" business model: With the flourishing development of cloud computing applications, the IaaS innovation model has become fully popularized across the new economy and startup industries. The Company has developed a new multi-cloud value-added operational model, providing users with deep value such as real-time monitoring, data analysis and optimization, and consulting services. The Company has broken away from the traditional business model of the cloud industry, utilizing its unique positioning as an "operator" and its innovative business model of cloud aggregation and cloud sharing to break through regional restrictions through headquarters operations and achieve rapid penetration of international markets. This model has driven the steady accumulation of recurring revenue, achieving an outstanding track record of continuous growth for over 21 consecutive quarters.

(B) Self-developed ARMIN platform: Realizing one-stop cross-border multi-cloud finops management. The Company has accurately grasped the global trends of cross-cloud integration and one-stop service, and has self-developed the ARMIN cross-border multi-cloud FinOps management platform. The platform assists key clients implement cloud traffic monitoring, cost management, and cross-regional billing management. Regardless of the industry or region in which a customer is located, they can operate smoothly on a single platform and utilize the advantages of different public clouds instantly and freely, providing customers with the most competitive solutions.

(C) Excellence in operational automation efficiency: The Company is committed to leading in accounting automation efficiency, utilizing process automation to rapidly complete complex accounting processing. This move not only saves significant labor costs and avoids the risk of human error, but also enhances overall corporate operational efficiency, strengthening the Company's profit resilience compared to traditional information service providers.

(D) Highly focused "new economy client" business principles: The Company is highly focused on the new economy and startup industries, adhering to the core value proposition of "Friend to Startup", empowering high-quality startup clients to obtain precise resources at different growth stages. The Company aims to achieve symbiosis and win-win with clients, and is committed to promoting their success. Compared to competitors, this valuable asset not only establishes high customer stickiness but also significantly enhances revenue predictability, thereby driving the optimization of the profit structure.

(E) Rapid overseas expansion and proven scalability: The Company has provided professional cloud services since 2017, its management model of "headquarters management and local service" ensures the advantages of fast speed, low cost and high success rate in entering new markets. At present, the Company has successfully replicated its experience in Taiwan to the Hong Kong and Japanese markets, with business covering the Greater China region, Southeast Asia, and Northeast Asia. Particularly in the face of the relatively culturally conservative Japanese market, the Company achieved breakthrough results within a short period, once again verifying the high scalability of the Company's business model. Leveraging global technical support and local market insights, the Company will continue to expand its overseas presence, widen the gap with competitors, and replicate its successful experience in Asia to major global markets, thereby consolidating its position as the preferred choice for global customers.

B. Future competitive niche of the network communications security industry

Netcore focuses on the channel management of cybersecurity and network communication products, providing customers with comprehensive integration of cybersecurity and network communication products, as well as professional technical consulting and services. In addition, Netcore, as a value-added distributor of network equipment, assists its distributors in achieving their business objectives, creating a win-win situation between the Company and its distributors. The Company’s competitive niche can be described in the following aspects:

(A) Complete cybersecurity and network communication products and solutions

Netcore provides customers with a full range of cybersecurity and network communication products and solutions, and cooperates with various system integrators to tailor necessary solutions for clients in different industries. The brands it represents are all leading companies in their respective fields, enjoying significant recognition and reliability in the market.

(B) Professional technical services

Netcore has multiple professional technicians who hold advanced certifications from original manufacturers, providing professional technical services to both distributors and customers. These services include end-to-end support such as technical consulting for professional network planning, installation services, warranty maintenance, and spare parts services, assisting distributors in meeting customer needs and creating a win-win-win situation during the sales process.

(C) Conducting education and training seminars

Netcore regularly conducts educational training and seminars for its partner distributors and engineers, offering instruction related to products and technologies. This enables distributors to provide their customers with the most effective technical support, thereby gaining customer trust.

(5) Favorable and unfavorable factors of the development prospects and corresponding countermeasures

A. Future development prospects of the cloud services industry

(A) Favorable factors

a. ICT market demand is driven by cloud applications and continues to grow: With the flourishing development of cloud services, enterprises are accelerating the adoption of forward-looking technologies such as AI, big data, cloud computing, and IoT. Optimizing business processes, reducing operating costs, and enhancing industrial competitiveness through cloud technology have become the keys to corporate transformation. The rigid demand for cloud computing from government agencies and enterprises has driven the growth of related software development and products, and market opportunities hold significant potential.

b. Industry characteristics of high stickiness: The implementation of information services by enterprises involves high initial investment of manpower and capital, and is prone to technical dependency and organizational usage habits after implementation. Considering system stability and cybersecurity protection, enterprises switching service providers must bear significant finance costs and the risk of re-educating the organization. Therefore, information decision-makers generally tend to maintain long-term and stable cooperative relationships, providing service providers with extremely high customer stickiness.

c. Recurring revenue business model: The Company is committed to establishing long-term partnerships with customers, breaking the framework of single transactions and shifting towards the establishment of recurring dynamic relationships. Customers adopt a monthly pay-as-you-go model, achieving savings on one-time expenditures and the immediacy of automated deployment.

This business model possesses the characteristics of stability, repeatability, and continuous growth. As customers migrate more workloads to the cloud, the revenue contributed by them will increase accordingly. The Company's client base spans diverse sectors, including gaming, video, new retail, and startups. Through one-stop cross-border multi-cloud managed services, the Company assists customers in strengthening operational efficiency and enhancing innovation energy.

d. Market pioneer’s advantages: The Company started early and has accumulated a substantial customer base, and is a partner supported and recommended by major international cloud service providers. By serving diverse industries, the Company is able to accurately gain insight into user needs and optimize services ahead of competitors. The Company has currently successfully replicated its experience in Taiwan to the Hong Kong and Southeast Asian (Singapore, Malaysia, Indonesia, etc.) and Northeast Asian markets, and continues to raise the entry barriers for competitors by virtue of numerous large-scale successful cases and overseas expansion experience.

(B) Unfavorable factors and countermeasures

a. Intense MSP competition: The growth potential of the cloud market has attracted a large number of service providers and traditional information service providers to enter the market successively, leading to increasingly fierce market competition.

Countermeasures: With the business model of a cloud operator, the Company focuses on serving cloud-native startups. This type of customer emphasizes optimization and has high price elasticity. The Company predicts customer usage based on data analysis and pre-purchases cost-saving plans from suppliers to reduce costs, sharing the saved costs with customers to enhance price competitiveness. In addition, the Company has actively expanded its overseas presence, increasing coverage through strategic distributors and its Japanese subsidiary (GrandTech Cloud Services Japan Co., Ltd. ). Revenue from Japan in 2025 has grown significantly, yielding remarkable results.

b. Concentration risk of purchases: The global public cloud market is an oligopoly, with the top three providers (AWS, Microsoft Azure, Google Cloud) accounting for a combined market share of over 66%. Due to the significant differences in architecture among various providers, cloud agents typically centralize on a single brand to reduce management complexity and costs, resulting in the industry characteristic of concentrated procurement.

Countermeasures: Startup customers of the Company's IaaS products prefer to use services with powerful data analysis functions, resulting in a concentration of purchases. To mitigate the impact, the Company is actively expanding its SaaS service portfolio (e.g., Google Workspace, Adobe, and Microsoft 365) and introducing advanced network security products (e.g., SD-WAN and cloud security solutions) to provide comprehensive solutions, thereby appropriately diversifying the weight of single procurement sources through business diversification.

c. Competition for recruitment of technological talent: The vigorous development of the domestic technology and information service industries, coupled with the attractiveness of the semiconductor industry for talent, has resulted in increased costs for recruitment and talent retention.

Countermeasures:

(A) Establish a competitive compensation and benefits structure and provide comprehensive promotion channels.

(B) Implement bonus and reward systems and issue employee stock options to incentivize outstanding talent.

(C) Establish professional training and certification programs to assist employees in skill enhancement.

(D) Provide professional certification subsidies and incentives to implement investment in human capital.

B. Favorable and unfavorable factors for the future development of the network communications security industry and corresponding strategies

(A) Favorable factors

a. Demands: In response to the rapidly increasing demand for network communications from enterprises, government agencies, and financial institutions, the overall output value of the network communications industry shows strong potential for future development. Netcore acts as an agent for basic networks, core networks, and wireless networks, all of which are essential for various types of customers. Furthermore, with the continuous evolution of network attack techniques, the construction of security defenses has become a necessary condition for enterprises. Facing a vast demand market, Netcore currently sees substantial sales opportunities across all its product lines.

b. Solutions: Currently, various needs arising from 5G and AI have already been applied to different types of network equipment and management. Netcore, which acts as an agent for 5G equipment, has a large client base. Juniper, moreover, has developed a comprehensive solution centered on AI, which is expected to be in high demand from customers in the future.

c. Supply chain: With the general end of the pandemic, the supply chain is no longer a major issue. In addition, Taiwan’s large-scale network communication manufacturing industry serves as strong support, which can help shorten delivery times for certain customer demands.

d. Comprehensive cybersecurity defense: Cybersecurity has shifted from simply securing data centers to defending against various types of attacks. Cybersecurity defense must now be implemented at every endpoint. Netcore currently represents Ivanti and Tenable, both of which provide cybersecurity solutions for a wide range of endpoint devices and IoT, offering customers comprehensive protection.

(B) Unfavorable factors and countermeasures

a. Public cloud market: In recent years, cloud computing has become an inevitable development trend, and many customers are gradually migrating part of their software to the cloud, affecting their investment in local data centers. Netcore will leverage the advantages of GrandTech Cloud in understanding public cloud to provide customers with hybrid cloud (hyper cloud) solutions, increasing differentiation in technology and solutions compared to other agents.

b. Professional competence enhancement: In response to the rapidly evolving network communications and cybersecurity technologies, talent training is a critical issue for every network communications company. Netcore will establish a testing lab through manufacturer-provided education and internal training programs, allowing for more comprehensive staff training. This will be supported by relevant company benefits and incentive measures to retain talent. At the same time, it is also expanding recruitment in the northern, central, and southern regions to build its own competitiveness.

c. Comprehensive cybersecurity defense: In response to the diversity of cybersecurity attacks, there is currently almost no vendor that can provide customers with a complete solution. As various cybersecurity products are rapidly evolving, along with the continuous launch of new products, Netcore will strengthen the product department's market data collection and communication with overseas manufacturers, to be ready at any time to act as an agent for different types of cybersecurity products and provide customers with more comprehensive solutions.

B. Uses and production processes of main products

The Company is in the cloud services industry; therefore, this is not applicable. The Company's subsidiary, Netcore Network Communication, primarily engages in the agency of world-renowned network communication product brands, providing complete integration of network communication products and professional technical consulting and services; therefore, it is not applicable.

C. Supply of main raw materials:

The Company is in the cloud services industry and does not belong to the manufacturing sector; therefore, this is not applicable. The Company's subsidiary, Netcore Network Communication, primarily engages in the agency of world-renowned network communication product brands, providing complete integration of network communication products and professional technical consulting and services; therefore, it is not applicable.

D. List of major customers contributing to sales

(1) Names of customers that accounted for 10% or more of net sales in any of the most recent two years, including sales amounts, percentage, and explanation for changes:

Unit: NTD thousand

| Item | 2024 | | | | 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | Name | Amount | Percentage of total net sales for the year | Relationship with the issuer | Name | Amount | Percentage of total net sales for the year | Relationship with the issuer |
| 1 | Others | 1,429,689 | 100.00 | No | Others | 1,568,346 | 100.00 | No |
| | Net sales | 1,429,689 | 100.00 | - | Net sales | 1,568,346 | 100.00 | - |

The Group's customers were not concentrated. In 2025 and 2024, there were no customers contributing to 10% or more of total sales revenue in the consolidated income statement.

(2) Names of suppliers that accounted for 10% or more of net purchases in in any of the most recent years, including purchase amounts, percentage, and explanation for changes:

Unit: NTD thousand

| Item | 2024 | | | | 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | Name of supplier | Net purchase | Percentage of total net purchase for the year | Relationship with the issuer | Name of supplier | Net purchase | Percentage of total net purchase for the year | Relationship with the issuer |
| 1 | A01 | 725,071 | 60.44 | No | A01 | 868,422 | 64.98% | No |
| 2 | A02 | 147,601 | 12.30 | No | A02 | 147,708 | 11.05% | No |
| 3 | A03 | 129,583 | 10.80 | No | A03 | 88,178 | 6.60% | No |
| 4 | Others | 197,394 | 16.46 | No | Others | 232,160 | 17.37% | No |
| | Net purchase | 1,199,649 | 100.00 | – | Net purchase | 1,336,468 | 100.00 | – |

Explanation for changes:

The Group's revenue for 2025 increased compared with 2024, primarily due to the continuous growth in operational momentum of the Group's overseas subsidiaries in Japan and Hong Kong. While expanding its scale, the Group maintained supply chain stability and operational efficiency, implementing a rational growth strategy.

## 3. Employee Information for the Most Recent Two Years

Unit: Persons; %

| Year | | 2024 | 2025 | April 30, 2026 |
|---|---|---|---|---|
| Number of employees | Managerial officers | 6 | 7 | 5 |
| | Sales | 19 | 14 | 10 |
| | Marketing | 6 | 2 | 3 |
| | Others | 43 | 40 | 29 |
| Total | | 74 | 63 | 47 |
| Average age | | 40 | 40 | 39 |
| Average years of service | | 2.91 | 4.77 | 4.09 |
| Education level distribution and ratio | PhD | 0.00% | 0.00% | 0.00% |
| | Master's | 14.86% | 11.94% | 20.73% |
| | University/College | 75.68% | 83.33% | 78.34% |
| | Senior high school | 9.46% | 4.72% | 0.93% |
| | Below senior high school | 0.00% | 0.00% | 0.00% |

Note: “Others” includes personnel in finance, accounting, administrative management, and assistants.

## 4. Environmental Protection Expenditures

The Company is primarily engaged in the sale of cloud software services and is not a factory-type entity; therefore, no environmental pollution has occurred.

## 5. Labor Relations

A. List the Company’s various welfare measures, continuing education, training, retirement system and the implementation thereof, as well as the agreements between labor and management and the measures for safeguarding employee interests.

(1) Employee compensation

The Company's year-end bonus system guarantees one month’s salary to ensure that all employees work together toward the Company’s goals. Employee compensation is determined in accordance with the Articles of Incorporation and is calculated based on at least 2% of the Company's annual profit.

(2) Employee benefits

The Company’s management regulations and work rules are based on the Labor Standards Act and are to be followed by all employees. The Company pays attention to employee livelihood and welfare and provides reasonable compensation. In terms of benefits, the Company complies with labor regulations by enrolling employees in various labor insurance programs and making monthly pension contributions in accordance with the law. The Company has also established an Employee Welfare Committee that offers birthday gifts, wedding and funeral subsidies, and hospitalization allowances, thereby providing a sound welfare system and ensuring employees' stability.

(3) Workplace diversity and equality

The Company upholds the principle of equal pay for equal work and equal promotion opportunities for men and women, and maintains more than 20% of management positions filled by women to promote sustainable and inclusive economic growth. In 2025, the average proportion of female employees was 49%, and the average proportion of female managers was 43%.

(4) Reflection of operating performance in employee compensation

The Company participates in annual market compensation surveys and adjusts salaries based on market levels, economic trends, and individual performance to maintain overall compensation competitiveness. In 2025, the Company’s average annual salary adjustment in Taiwan, for both managerial and non-managerial positions, was 4%, with the highest individual adjustment reaching 8%.

(5) Measures assuring a safe and healthy work environment for employees, and education policies for employees, and implementation status

Adhering to disaster prevention and disaster control as the core concept, the Company uses appropriate management tools, mature technologies, and available resources to address occupational safety and health issues in the entire office area, proposes effective countermeasures, and continuously promotes occupational safety culture. In addition, the Company strengthens the protective management of workers and invests resources to enhance occupational disease prevention in order to create a zero-disaster environment.

(6) Number of employee occupational incidents in the year, number of employees involved, the percentage to the total number of employees, and relevant improvement measures

In 2025, the number of disabling injuries was zero; and the number of occupational incidents was zero. The Company values workplace safety and lifesaving protocols, initiates supervisor care to monitor employees' physical and mental conditions, and ensures employee safety during work hours.

(7) Work safety education, training, and awareness promotions conducted by the Company in the past two years

| Year | Number of participants in | education and training person- |
|---|---|---|
| 2024 | 40 | 80 |
| 2025 | 33 | 66 |

(8) Education and training measures

The Company provides diversified training and comprehensive on-the-job training. This includes new employee orientation, on-the-job learning and development courses, professional training, group training, as well as various overseas assignments and domestic institution training courses related to job duties. Through professional instruction and employee interaction and exchange, not only can employees' professional qualifications and capabilities be enhanced, but their potential can also be stimulated and talents nurtured.

| Category of | Duration (hour) | Number of | Total sessions | Total costs (NTD) |
|---|---|---|---|---|
| Internal trainings | 495 | 152 | 4 | 123,948 |
| External trainings | 79.5 | 11 | 11 | 47,490 |

(9) Retirement mechanism

In accordance with the Labor Pension Act, the Company allocates 2% of the total monthly salaries to a pension reserve account at the Bank of Taiwan, and contributes 6% of each employee's salary to the individual labor pension account managed by the Bureau of Labor Insurance.

(10) Labor agreements: No labor disputes have occurred.

B. Losses arising from labor disputes in the most recent year and as of the printing date of the annual report, as well as estimated future amounts and countermeasures:

(1) Losses in the most recent year and as of the printing date of the annual report: No significant labor disputes have occurred.

(2) Estimated future amounts and countermeasures: In addition to complying with labor laws and enhancing welfare measures, the Company also reinforces the establishment of communication and grievance channels to foster a warm and harmonious corporate culture. The likelihood of future losses due to labor disputes is estimated to be extremely low.

6. Cybersecurity Management

A. Describe the cybersecurity risk management framework, cybersecurity policy, specific management solutions, and the resources invested in cybersecurity management:

(1) Cybersecurity risk management framework: The Company's cybersecurity operations are currently planned and executed by the Information Services Division.

(2) Cybersecurity Policy: The Company's network infrastructure is protected by firewalls and further segmented through domain separation to reduce the risk of infection across different services and networks. For example, servers and user endpoints are divided using separate

network segments. In addition, all servers and user endpoints are equipped with centrally managed antivirus software that automatically updates virus definitions. Cloud-based servers are also configured with backup and redundancy mechanisms, and full operation logs are maintained. All employees are required to update their domain account passwords every three months, using high-security settings. This setup aims to build comprehensive cybersecurity defense capabilities and raise employees' awareness of information security. Going forward, the Company will continue to refine its information security governance and enhance its defensive capabilities.

(3) Specific management solutions: To protect the Company’s internal IT asset data from power anomalies or potential natural disasters, daily backups of database data are performed, with off-site storage completed simultaneously. Program code and important files are backed up weekly and also stored off-site. For virtual hosts, image file backups are created and stored at a remote location. To ensure the integrity of backup data, the Company conducts quarterly recovery tests of database backups. Cloud-based servers are similarly equipped with backup and redundancy configurations, and full operation logs are maintained. All employees must update their domain account passwords every three months using high-security settings, to establish comprehensive cybersecurity defenses and enhance employees’ awareness of information security. The Company will continue to improve its cybersecurity governance system and strengthen its defense capabilities.

(4) Resources invested in cybersecurity management: The Company’s network structure not only employs firewalls for host protection but also uses domain separation settings to reduce the risk of infection by configuring different services and networks. The Company has chosen internet data center’s managed server by Chief Telecom, with a 24-hour, year-round maintenance and operation center for monitoring. The air conditioning system includes temperature and humidity monitoring functions, and the system is equipped with a 99.999% power backup system, as well as fire early warning and suppression systems. These measures ensure that server equipment is stored in a high-quality environment that complies with ISO27001.

B. List any losses suffered by the Company in the most recent year and up to the printing date of the annual report due to significant cybersecurity incidents, the possible impact thereof, and the measures being or to be taken; If a reasonable estimate cannot be made, an explanation of why shall be provided: None.

## 7. Significant Contracts

| Name of contract | Counterparty | Commencement and expiry dates | Main content | Restrictive clauses |
|---|---|---|---|---|
| AWS Solution Provider Pricing Addendum | Amazon Web Services, Inc. | Effective since May 1, 2022 (May 1, 2022 to April 30, 2025) | Authorize GrandTech Cloud Services Inc. to sell AWS services to downstream distributors or customers | Confidentiality clause |
| Google Cloud Partner Advantage Program Agreement | Google LLC | From August 2020 until either party issues a termination notice 30 days in advance | Became a partner of Google | Confidentiality clause |
| ARMIN Strategy Partner Strategic Distribution Agreement | KDAN Japan Co., Ltd. | From August 20, 2024 until either party issues a termination notice | Authorize KDAN Japan to act as a strategic distributor partner for cloud services, to jointly promote cloud services within the designated distribution regions | Limited to the Japan and South Korea regions. |
| ARMIN Strategy Partner Strategic Distribution Agreement | KDAN SINGAPORE PTE. LTD | From August 20, 2024 until either party issues a termination notice | Authorize KDAN Singapore to act as a strategic distributor partner for cloud services, to jointly promote cloud services within the designated distribution region | Limited to the Southeast Asia region |
| ARMIN Strategy Partner Strategic Distribution Agreement | KDAN Mobile Software America, Inc. | From August 20, 2024 until either party issues a termination notice | Authorize KDAN America to act as a strategic distributor partner for cloud services, to jointly promote cloud services within the designated distribution regions | Limited to the United States and Canada regions |
| Bank Facility Agreement | Hua Nan Commercial Bank, Ltd. | 2025/5~2026/5 | Total limit: NT$80 million | – |
| Bank Facility Agreement | Yuanta Commercial Bank Co., Ltd. | 2025/10–2026/10 | Total limit: NT$50 million | – |
| Bank Facility Agreement | DBS Bank (Taiwan) Ltd. | 2025/7~2026/7 | Total limit: NT$50 million | – |
| Bank Facility Agreement | Cathay United Bank | 2025/7~2026/7 | Total limit: NT$100 million | – |
| Bank Facility Agreement | Taishin International Bank | 2025/11–2026/11 | Total limit: NT$50 million | – |
| Bank Facility Agreement | Bank of Taiwan | 2025/12–2026/12 | Total limit: NT$50 million | – |

# V. Review and Analysis of Financial Position, Operating Results, and Risks

1. Financial Position

A. Comparative analysis

Unit: NTD thousand

| Item \ Year | 2024 | 2025 | Difference | |
|---|---|---|---|---|
| | | | Amount | % |
| Current assets | 729,261 | 1,203,343 | 474,082 | 65.01% |
| Property, plant and equipment | 5,686 | 4,404 | (1,282) | (22.55%) |
| Intangible assets | 1,422 | 813 | (609) | (42.83%) |
| Other assets | 200,875 | 88,203 | (112,672) | (56.09%) |
| Total assets | 937,244 | 1,296,763 | 359,519 | 38.36% |
| Current liabilities | 388,542 | 273,862 | (114,680) | (29.52%) |
| Non-current liabilities | 7,898 | 6,908 | (990) | (12.53%) |
| Total liabilities | 396,440 | 280,770 | (115,670) | (29.18%) |
| Equity attributable to owners of parent | 505,975 | 980,056 | 474,081 | 93.70% |
| Share capital | 236,260 | 274,260 | 38,000 | 16.08% |
| Capital surplus | 150,716 | 572,531 | 421,815 | 279.87% |
| Retained earnings | 114,566 | 131,383 | 16,817 | 14.68% |
| Other equity | 4,433 | 1,882 | (2,551) | (57.55%) |
| Treasury shares | 0 | 0 | 0 | 0 |
| Non-controlling interests | 34,829 | 35,937 | 1,108 | 3.18% |
| Total shareholders' equity | 540,804 | 1,015,993 | 475,189 | 87.87% |

Analysis of changes exceeding 20% over the most recent two years, with a change amount of more than NT$10 million:

(1) Reasons for changes and impact:

1. Increase in total current assets: Primarily due to cash capital increase, operational growth, and expansion of business scale, which affected and increased cash and accounts receivable.
2. Decrease in property, plant and equipment and intangible assets: Due to the recognition of depreciation and amortization over time.
3. Decrease in other assets: Due to the amortization over time of long-term commitment usage for prepaid purchases of IaaS products and services.
4. Decrease in current liabilities: Primarily due to the repayment of short-term borrowings.
5. Increase in capital surplus: Primarily due to share premium arising from cash capital increase.
6. Decrease in other equity: Due to changes in exchange differences on translation of foreign financial statements.

(2) Response plan: The above changes did not have a material impact on the Company.

2. Financial Performance

A. Comparative analysis of operating results

Unit: NTD thousand

| Item \ Year | 2024 | 2025 | Increase (Decrease) amount | Change (%) |
|---|---|---|---|---|
| Operating revenue | 1,429,689 | 1,568,346 | 138,657 | 9.70% |
| Gross profit from operations | 230,040 | 231,878 | 1,838 | 0.80% |
| Operating profit (loss) | 120,191 | 120,150 | (41) | (0.03%) |
| Non-operating income and expenses | 7,158 | 9,340 | 2,182 | 30.48% |
| Net profit before tax | 127,349 | 129,490 | 2,141 | 1.68% |
| Current net income from continuing operations | 102,822 | 110,520 | 7,698 | 7.49% |
| Loss from discontinued operations | 0 | 0 | 0 | 0 |
| Current net income (loss) | 102,822 | 110,520 | 7,698 | 7.49% |
| Other comprehensive income (loss) (net of tax) | 3,100 | (2,551) | (5,651) | (182.29%) |
| Total comprehensive income (loss) | 105,922 | 107,969 | 2,047 | 1.93% |
| Net profit attributable to owners of parent | 95,465 | 102,792 | 7,327 | 7.68% |
| Net profit attributable to non-controlling interests | 7,357 | 7,728 | 371 | 5.04% |
| Total comprehensive income (loss) attributable to owners of parent | 98,565 | 100,241 | 1,676 | 1.70% |
| Total comprehensive income (loss) attributable to non-controlling interests | 7,357 | 7,728 | 371 | 5.04% |
| Earnings per share | 4.07 | 4.04 | (0.03) | (0.74%) |

B. Main reasons for significant changes in operating income, net operating income, and net income before tax in the most recent two years:

(1) Mainly due to the continued growth of operating revenue in 2025 compared to 2024, resulting in increases in gross profit from operations, net operating income, net profit before tax, net income for the period, and earnings per share, all contributing to profit growth compared to 2024.

(2) The increase in non-operating income was primarily due to the increase in interest income after the cash capital increase.

C. Analysis of changes in gross profit: None (the change in gross profit margin had not reach 20%).

3. Cash Flows

Consolidated financial statements of the Company and its subsidiaries:

Unit: NTD Thousand

| Opening balance of cash (1) | Net cash flow from operating activities for the year (2) | Total cash outflow for the year (3) | Amount of cash surplus (deficit) (1)+(2)-(3) | Remedial measures for cash deficit | |
|---|---|---|---|---|---|
| | | | | Investment plan | Financial management plan |
| 179,357 | 310,913 | -250,078 | 740,348 | — | — |

A. Analysis of changes in cash flows in the year

Cash flows generated from operating activities was approximately NT$310,913 thousand: Primarily due to decrease in prepayments, accounts receivable, and inventories.

Cash flows used in investing activities was approximately NT$12,043 thousand: Primarily due to the acquisition of financial assets.

Cash flows generated from financing activities was approximately NT$264,668 thousand: Primarily due to the cash capital increase.

B. Plan for improvement of inadequate liquidity and liquidity analysis: There was no inadequate cash liquidity.

C. Cash liquidity analysis for the next year: The Company is not required to publicly disclose financial forecast information in accordance with regulations, therefore this is not applicable.

4. Effect of Material Expenditures on Finance and Businesses for the Most Recent Year

A. Material expenditures and sources of funds: There were no material capital expenditures in 2025, therefore this is not applicable.

B. Effect on finance and businesses: Not applicable.

5. Investment Policies for the Most Recent Year, the Main Reasons for Profit or Loss, Improvement Plans, and Investment Plan for the Next Year:

The Company recognized investment income of NT$24,430 thousand for 2025, mainly because all reinvestments were long-term strategic investments that effectively integrated resources from various regions to reduce costs and enhance value-added benefits and enterprise competitiveness. The Group will continue to prudently evaluate investments to improve the overall profitability of the Group, considering financial risks and return on investment.

6. Risk Management and Assessment for the Most Recent Year and as of the Printing Date of the Annual Report

A. Impact of interest rate and exchange rate fluctuation and inflation on the Company’s profitability for the most recent year and as of the printing date of the annual report, and future countermeasures:

(1). Impact of fluctuations in interest rates, exchange rate and inflation on the Company’s profitability, and future countermeasures:

a. Currency risk: The Group’s foreign exchange gains in 2025 amounted to NT$2,782 thousand. Since the Group operates internationally, it is exposed to exchange rate risks arising from various currencies. Following a conservative and prudent approach, the Group closely monitors information on exchange rate fluctuations, tracks exchange rate trends in real time, and adjusts foreign currency assets and liabilities as appropriate based on the global economy, exchange rate trends, and future capital needs. This is done to mitigate the impact of exchange rate fluctuations on the Group's revenue and profitability.

b. Interest rate risk: The Group has no borrowings in 2025. In the future, it will continue to monitor changes in interest rates in the financial markets and adjust its capital usage as necessary, and maintain good relationships with banks to secure preferential interest rates. Therefore, interest rate fluctuations are not expected to have a material impact on the Group's profit or loss.

c. Inflation: To date, inflation has not had a material impact on the Group's profit or loss. In addition to closely monitoring market price fluctuations, the Group maintains good relationships with customers and suppliers, allowing for appropriate adjustments to product prices and inventory levels. This approach is expected to effectively reduce the impact of inflation on the Group.

B. Policies for engaging in high-risk and high-leverage investments, lending capital to others, endorsement guarantees, and derivatives trading, main reasons for profits or loss, and future responsive measures:

(1). The Group has not engaged in high-risk and high-leverage investments based on the principle of conservatism and prudence. It has also established procedures for the acquisition or disposal of assets for standardized management.

(2) The Group has engaged in lending capital to others and endorsement guarantees based on its operational needs. Additionally, it has established procedures for lending capital to other parties and providing endorsements/guarantees for standardized management.

C. Future R&D plans and estimated expenditures:

Since its establishment, the Company has focused on operating cloud services, initially investing in the research and development of a professional service platform for corporate clients. It has set up relevant research and development units and developed a one-stop multinational multi-cloud integrated value-added service platform (ARMIN). This platform provides customers with services such as real-time monitoring of cloud traffic, cost control and optimization, and cross-regional account management.

D. Impact of significant policies and legal changes at home and abroad on the Company's financial performance and businesses during the most recent year, and measures to be taken in response:

There have been no significant changes in important policies or laws at home or abroad that have affected the Group's financial operations during the most recent year and as of the printing date of the annual report. However, the Group will continue to monitor changes in the operating environment and consult with relevant professionals to take appropriate response measures.

E. Impact of technological changes and industrial changes on the Company's financial performance and countermeasures during the most recent year:

The Group adjusts its operating strategies as needed and introduces relevant talented individuals to improve its competitiveness, thereby reducing the impact of technological changes and industrial shifts on the Group's financial performance and businesses.

F. Impact of changes to the Company's corporate image on its crisis management, and countermeasures:

The Company focuses on its core business operations, adhering to the principles of steadiness and integrity. It aims to return its operating results to shareholders and fulfill its corporate social responsibilities. The Company places importance on its corporate image and risk control, striving to implement various corporate governance requirements, and consulting relevant experts in a timely manner to mitigate both the occurrence and impact of risks.

G. Expected benefits and possible risks associated with any merger or acquisitions, and countermeasures: None.

H. Expected benefits and possible risks associated with any plant expansion, and countermeasures: None.

I. Risks associated with the concentration of purchases and sales:

The Company is a professional cloud service operator, primarily engaging in the sales of IaaS services of the three major public cloud services providers (Amazon Web Services, Google Cloud, and Azure). This includes cloud platform usage, various information application software, various computing, storage, and network resources, as well as information infrastructure, maintenance services, and related application software, all provided in an on-demand service format through the Internet, offering customers a one-stop cloud service solution. The customers of the Company's IaaS products are mostly start-ups, primarily concentrated in diverse industries such as media, digital education, e-commerce, gaming, technology, and the Internet of Things. For start-up companies, data extraction, structuring, and storage are crucial. AWS has extensive data analytics integration capabilities that assist start-ups in achieving end-to-end control, making it the preferred choice for the Company's clients. This has led the Company to concentrate its purchases on AWS. If AWS experiences supply shortages or price adjustments, it may affect the Company’s costs and services.

J. Impact, risks, and countermeasures of material transfers or changes in equity interests of directors, supervisors, or major shareholders holding more than 10% of shares: None.

K. Impact of changes in managerial power on the company, risks, and countermeasures: None.

L. Litigation or non-litigation events:

(1) If the results of the Company’s concluded or pending litigations, non-litigations, or administrative litigations in the last 2 years and as of the printing date of the annual report might have a material effect on the shareholders’ equity or securities price, then the facts of dispute, value of claim, commencement date of litigation, main parties involved, and current handling shall be disclosed: None.

(2) Concluded or pending litigations, non-litigations, or administrative litigations that involved the Company’s directors, supervisors, general managers, substantial person in charge, major shareholders with a shareholding exceeding 10% and subordinate entities and might have a material effect on the shareholders’ equity or securities price in the most recent two years and as of the printing date of the annual report: None.

(3) Involvement of directors, supervisors, managerial officers and major shareholders with a shareholding exceeding 10% in events specified in Article 157 of the Securities and Exchange Act in the most recent two Years and as of the printing date of the annual report: None.

M. Other major risks and countermeasures:

(1) Risk management policies

The Company enhances its corporate risk management in accordance with the latest internal audit standards, with the aim of achieving effective risk control and increasing shareholder value.

(2) Organizational structure of risk management

| Organization name | Scope of authority |
|---|---|
| Board of Directors and Risk Management Committee | Establish risk management policies, ensure the effectiveness of the risk management system, and allocate resources |
| Senior management (General Manager, Vice Presidents, Assistant Vice Presidents) | Implement the Board's risk management decisions, coordinate cross-departmental communication on risk management, and be responsible for the planning of business decisions. |
| Audit Office | Periodically verify whether each department effectively implements risk control in accordance with the Company's internal control and audit plans, and prepare audit reports based on the actual audit findings. |

| Significant risk evaluation matters | Risk control unit | Risk review and control | Board of Directors and Audit Office |
|---|---|---|---|
| Changes in interest rates and exchange rates | Corporate Finance and Operations Support Division | General Manager | Board of Directors: Final decision-making unit<br><br>Audit Office: Risk tracking |
| High-risk and high-leverage investments, lending capital to other parties, endorsements/ guarantees, and derivatives trading | | | |
| Changes in significant domestic and international policies and laws | Corporate Finance and Operations Support Division | | |
| Technological changes and industry shifts | Chairperson's Office | | |
| Changes in corporate image | Chairperson's Office | | |
| Mergers and acquisitions | Corporate Finance and Operations Support Division | General Manager | |
| Concentration of purchases or sales | Corporate Finance and Operations Support Division | | |
| Equity transfer by directors, supervisors, or major shareholders | Corporate Finance and Operations Support Division | General Manager | |
| Changes in management authority | Corporate Finance and Operations Support Division | | |
| Litigation or non-litigation events | Corporate Finance and Operations Support Division | General Manager | |

7. Other Significant Matters: None.

# VI. Special Disclosure

1. Information on Affiliates

The Company has submitted the three reports on affiliates (Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises) for 2025 to the MOPS, [Website: https://mops.twse.com.tw > Single Company > Electronic Document Download > Three Reports on Affiliates]. Enter the company code to query information related to affiliated companies.

2. Private Placement of Securities in the Most Recent Year and as of the Printing Date of the Annual Report: None.
3. Holding or Disposal of Shares in the Company by Subsidiaries in the Most Recent Year and as of the Printing Date of the Annual Report: None.
4. Other Matters Requiring Supplementary Explanations: None.
5. Events Having a Material Impact on Shareholders' Equity or the Market Price of Securities as Specified in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act for the Most Recent Year and as of the Printing Date of the Annual Report: None.

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