

Stock Code : 3511



**Simula Technology Inc.**

Annual General Shareholders' Meeting  
**Handbook 2026**

May 28, 2026

# Simula Technology Inc.

## Meeting Agenda of 2026 Annual Shareholders' Meeting

Time: 9:00 am, Thursday, May 28, 2026.

Place: No.300, Sec. 1, Zhuangjing Rd., Taoyuan Dist., Taoyuan City 330, Taiwan  
(R.O.C.) Monarch Plaza Hotel

Method of Convening the Meeting: Physical shareholders' meeting

### Agenda

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#### II. Recognition and Discussion Items

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- (2) To recognize the 2025 Loss Appropriation Plan..... 2

#### III. Election Item:

- To elect seven directors (including three independent directors) ..... 3

#### IV. Other Item:

- To lift non-competition restrictions on newly elected directors  
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# I. Report Items

## Item I

**Subject:** To report the business of 2025

**Explanation:** The 2025 Operation Report of the Company, please refer to Attachment 1 (pages 4~6).

## Item II

**Subject:** The Audit Committee's Review Report.

**Explanation:** The Audit Committee's Review Report, please refer to Attachment 2 (page 7).

# II. Recognition and Discussion Items

## Proposal I

(Proposed by the Board of Directors)

**Subject:** To recognize the 2025 Financial Statements and Business Report.

### Explanation:

1. The Fiscal Year 2025 Financial Statements and Business Report of the Company have been approved by the resolution of the Board of Directors. And the Financial Statements were audited by the independent auditors, CPA Chen, Guo- Shuai and Lin, Cheng-Wei of EY-Taiwan. And it has been reviewed completely by the Audit Committee and issued a review report on record.
2. For the year 2025 Annual Business Report, Independent Auditors' Report, and the Financial Statements, please refer to Attachment 1 (pages 4~6) and Attachment 3 (pages 8~28). Approval is respectfully requested.

### Resolution:

Proposal II

(Proposed by the Board of Directors)

**Subject:** To recognize the 2025 Loss Appropriation Plan

**Explanation:**

- The Company's Loss Appropriation Statement for 2025 has been approved by the Board of Directors and reviewed by the Audit Committee. Please refer to the table below for details and approval is respectfully requested.

Simula Technology Inc.  
 Proposal for the 2025 Loss Appropriation Plan

Unit : NT\$

Item	Amount
<b>Beginning accumulated deficit.</b>	<b>(93,350,788)</b>
Less: Disposal of financial assets at fair value, through other comprehensive income (FVOCI) by investment accounted for using the equity	(3,631,996)
Less: Net loss for the current period (after tax).	(94,216,454)
Add: Items of OCI reclassified to retained earnings – Remeasurements of defined benefit plans.	1,154,731
<b>Accumulated deficit as of 2025.</b>	<b>(190,044,507)</b>
Appropriation Items :	
Legal reserve	108,289,133
Capital surplus	81,755,374
<b>Accumulated deficit at the end of the period.</b>	<b>0</b>

Chairman:  
 Huang, Han-Cho



President:  
 Hu, Jo-Yao



Accounting Manager:  
 Chien, Wan-Yi



**Resolution:**

### III. Election Item

**Subject:** To elect seven directors (including three independent directors). (Proposed by the Board of Directors)

**Explanation:**

1. The term of office of the Company's Directors will expire on June 8, 2026. In accordance with the Company's Articles of Incorporation, it is proposed to elect seven (7) Directors (including three (3) Independent Directors). The term of office for the newly elected Directors (including Independent Directors) shall be three (3) years, commencing from the date of election at the 2026 Annual General Meeting, from May 28, 2026 to May 27, 2029.
2. In accordance with the Company's Articles of Incorporation and Article 192-1 of the Company Act, the election of Directors (including Independent Directors) adopts the candidate nomination system. The list of candidates has been reviewed and approved by the Board of Directors. Shareholders shall elect Directors from the list of candidates. Please refer to Appendix 4 (pages 28~29) for the list of Director candidates.

**Election Results:**

### IV. Other Item

**Subject:** To lift non-competition restrictions on newly elected directors and their representatives. (Proposed by the Board of Directors)

**Explanation:**

1. In accordance with Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business shall explain to the shareholders' meeting the essential contents of such an act and obtain its approval.
2. As certain directors of the Company may invest in or manage other companies with business scopes identical or similar to those of the Company, this proposal is hereby submitted to the shareholders' meeting for approval in accordance with the law.
3. For the details of the non-compete restrictions to be released for directors at the 2026 Annual General Meeting, please refer to Attachment 5 (page30). This proposal is hereby submitted for discussion.

**Resolution:**

### V. Extemporary Motion

### VI. Meeting Adjourned

## Attachment I

### **Simula Technology Inc.** **To report the business of 2025.**

Reviewing 2025, the global economy was characterized by fluctuations and continued macroeconomic uncertainty, influenced by adjustments in U.S. tariff policies, divergent growth momentum among major economies, and ongoing investments in Artificial Intelligence (AI). While the U.S. economy remained relatively robust, domestic demand in the Eurozone and Mainland China was weak, and Japan leveraged policy measures to support its internal market. Overall, the global economy maintained a growth trajectory in 2025, albeit with limited momentum; shifts in the external environment continued to impact corporate operations.

A summary of the Company's 2025 operating results and outlook is provided below:

#### **I. Report on operating results for the year 2025.**

##### **(1) Implementation Results of Business Plans.**

During the current year, shipments of automotive products, wearable devices, and docking stations maintained a steady scale. The consolidated revenue for 2025 totaled NT\$ 1,752,255 thousand, a slight decrease of 0.93% compared to NT\$ 1,768,710 thousand in the previous year. However, due to adjustments in product structure and the shipping mix, the consolidated net loss for 2025 was NT\$ 129,964 thousand, an improvement compared to the net loss of NT\$ 149,941 thousand in the previous year. The loss was reduced by NT\$ 19,977 thousand, resulting in a loss per share (EPS) of NT\$ -1.18.

##### **(2) Financial Status and Profitability Analysis.**

Please refer to the attached financial statements and relevant notes for detailed information regarding the Company's financial performance and profitability for the fiscal year 2025.

##### **(3) Research and Development (R&D) Status.**

The Company's R&D expenses for 2025 totaled NT\$ 84,763 thousand. We continued to invest in deepening technical capabilities and optimizing designs for high-frequency connectors and cables, as well as high-reliability products for automotive, medical, and industrial applications. Simultaneously, aligning with industry technology trends, we have begun strategic positioning in connectors, cables, and modular products required for emerging applications such as AI Servers and AIoT to strengthen our cross-domain R&D capabilities.

Regarding R&D organization, we continue to enhance the professional expertise of our existing teams and adjust manpower allocation based on

project requirements to support subsequent product development and market introduction.

## II. Future Outlook.

### (1) Management Principles.

Adhering to a customer-centric and design-based philosophy, the Company focuses on the R&D of niche products. We are committed to deepening core technologies and actively expanding into new technologies and application fields. By increasing product value-add and the completeness of our product lines, we aim to strengthen overall competitiveness and meet the diverse, evolving needs of our customers.

### (2) Expected Sales Volume and Basis.

The sales forecast for 2026 is primarily based on two key factors: (a) actual sales performance in 2025 and (b) the impact of trade agreements between the U.S. and other major markets. First, based on 2025 data, we observed steady growth across major product series in American, European, and Asian markets—particularly in fleet management, drones, and medical smart wearables. Actual shipment and order volumes exceeded original estimates, establishing a solid foundation for growth.

Second, the gradual implementation of trade agreements between the U.S. and multiple nations helps reduce tariff barriers and supply chain friction, enhancing the price competitiveness and procurement appeal of our products in key markets. Combining 2025 sales trends, terminal market growth, and favorable trade policy effects, we expect total sales in 2026 to increase further compared to 2025, with the most significant growth momentum coming from the U.S. and European markets.

### (3) Key Production and Marketing Policies.

Our policies will center on "Customer Cultivation, Industry Focus, and Process Optimization."

a. Marketing Strategy: We will continue to deepen relationships with our top ten key customers. By participating early in their new product development and enhancing our customization and system integration capabilities, we aim to strengthen long-term order stability and customer stickiness. Furthermore, we will focus on high-growth industries—including automotive electronics, drones, and humanoid robots—to expand our presence in high-value-added markets.

b. Production Strategy: In line with adjustments to our sales and product mix, we will continue to drive process optimization and improve capacity allocation. By strengthening automation and efficiency management, we aim to improve yields, reduce unit costs, and shorten lead times, ensuring production flexibility and quality stability.

The Company's business environment is influenced by global macroeconomic conditions, international political and trade policy shifts, and rapid technological evolution. In recent years, the restructuring of global supply chains and stricter regulations regarding tariffs, rules of origin, and compliance have challenged manufacturing costs and lead-time management. Moreover, rising demand for performance, reliability, and ESG (Environmental, Social, and Governance) compliances such as carbon emission management—has become a critical factor for international customers when selecting suppliers.

Facing these changes, the Company will continue to strengthen supply chain resilience, enhance process efficiency, and proactively respond to regulatory trends to mitigate external volatility and ensure steady, sustainable development.

We thank all shareholders for your long-term support and trust. The Company will continue to strive for excellence in management performance and enhance corporate value to meet the expectations of our shareholders.

Chairman:

Huang, Han-Chou



President:

Hu, Jo-Yao



Accounting Manager:

Chien, Wan-Yi



## Attachment 2

### **Simula Technology Inc. Audit Committee's Review Report**

The Board of Directors has prepared and submitted the Company's 2025 Financial Statements (including Consolidated Financial Statements), which have been audited and certified by certified public accountants Kuo-Shuai Chen and Cheng-Wei Lin of Ernst & Young.

These financial statements, along with the Business Report and the Proposal for Deficit Compensation, have been reviewed and verified by the Audit Committee. We find no discrepancies in these documents. In accordance with Article 219 of the Company Act, we hereby submit this report for your review and perusal.

Sincerely,

2026 Annual Shareholders' Meeting

**Simula Technology Inc.**

Audit committee convener: Yeh, Hui-Hsin

February 24, 2026.

A handwritten signature in black ink, appearing to be the name 'Yeh Hui-Hsin' in a stylized, cursive script.

## **Attachment 3**

### **Independent Auditors' Report and 2025 Financial Statements**



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#### **English Translation of Consolidated Financial Statements and a Report Originally Issued in Chinese**

### **INDEPENDENT AUDITORS' REPORT**

To: The Board of Directors and Shareholders of  
Simula Technology Inc.

#### **Opinion**

We have audited the accompanying consolidated balance sheets of Simula Technology Inc. and its subsidiaries as of December 31, 2025 and 2024, the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including the summary of significant accounting policies (together referred as “the consolidated financial statements”).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2025 and 2024, and its consolidated financial performance and cash flows for the years then ended, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

#### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Revenue recognition

We determine that revenue recognition is one of the key audit matters. The Company's consolidated revenue amounting to NT\$1,752,255 thousand for the year ended December 31, 2025 is a significant account to the Company's consolidated financial statements. The Company has conducted these sale activities in multi-marketplace, including Taiwan, China, Europe, USA, etc. Furthermore, the timing of fulfilling performance obligation needs to be determined based on varieties of sale terms and conditions enacted in the main sale contracts or sale orders. Our audit procedures therefore include, but not limit to, evaluating the properness of accounting policy for revenue recognition, assessing and testing the effectiveness of relevant internal controls related to revenue recognition, sampling-test of details, including obtaining major sale orders or agreements to inspect the terms and conditions, checking the consistency of the fulfillment timing, performing analytical review procedures on monthly sale revenues, executing sale cut-off tests, etc. We have also evaluated the appropriateness of the related disclosure in Note 6 to the consolidated financial statements.

### Market valuation on inventory

We determined the market valuation on inventory is one of the key audit matters in considering that the amount of inventory was significant and the assessment of sufficiency of inventory loss requires significant management judgement. The Group's net inventory amounted to NT\$320,734 thousand as of December 31, 2025. The Group's main products are characterized by rapid development in technology. Management, in timely considering the status of new products development and the demand from clients, has to evaluate the loss due to market value decline as well as write-down on slow-moving inventories to their net realizable value. Our audit procedures therefore include, but not limit to, evaluating the Company's policy with respect to the assessment of the loss from slow-moving inventory and phased-out items, testing the accuracy of inventory aging schedule, analyzing inventory movement, performing observation on the Company's inventory physical-taking, and inspecting the current status of inventory usage, etc. We also assessed the adequacy of the inventory-related disclosures shown in the Notes 5 and 6 to the consolidated financial statements.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2025 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We have audited and expressed an unqualified opinion on the parent-company-only financial statements of the Company as of and for the years then ended December 31, 2025 and 2024.

/s/ Chen, Kuo-Shuai

/s/ Lin, Cheng-Wei

Ernst & Young  
February 24 2026  
Taipei, Taiwan,  
Republic of China

Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China on Taiwan and not those of any other jurisdictions. The standards, procedures and practice to audit such consolidated financial statements are those generally accepted and applied in the Republic of China on Taiwan.*

*Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.*

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Simula Technology Inc. and Subsidiaries

Consolidated Balance Sheets

As of December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Assets			2025.12.31		2024.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4, 6(1)	\$298,189	11.78	\$541,627	19.65
1110	Financial assets at fair value through profit or loss	4, 6(2)	406	0.02	-	-
1136	Financial assets carried at amortized cost	4, 6(3),8	4,999	0.20	124,952	4.53
1170	Accounts receivable, net	4, 6(4), 6(17)	502,661	19.86	356,371	12.93
1180	Accounts receivable - related parties, net	4, 6(4), 6(17), 7	23,278	0.92	101,970	3.70
1200	Other receivables		15,312	0.61	20,803	0.76
1210	Other receivables - related parties	7	-	-	51	-
1220	Current income tax assets		2,958	0.12	3,286	0.12
130x	Inventories, net	4, 6(5)	320,734	12.67	359,323	13.04
1410	Prepayments	7	17,457	0.69	15,518	0.56
1470	Other current assets		8,500	0.34	6,903	0.25
11XX	Total current assets		1,194,494	47.21	1,530,804	55.54
	Total current liabilities					
	Non-current assets					
1517	Financial assets at fair value through OCI	4, 6(6)	-	-	1,447	0.05
1535	Financial assets at amortised cost	4, 6(3)	161,987	6.40	-	-
1600	Property, plant and equipment, net	4, 6(7), 7	718,308	28.39	727,593	26.40
1755	Right-of-use assets	4, 6(18)	38,646	1.53	59,379	2.15
1780	Intangible assets	4, 6(8), 6(9)	361,784	14.30	399,433	14.49
1840	Deferred income tax assets	4, 6(22)	26,483	1.04	14,686	0.53
1915	Prepayment for equipment	7	21,533	0.85	15,789	0.57
1920	Refundable deposits		7,094	0.28	7,291	0.27
15XX	Total non-current assets		1,335,835	52.79	1,225,618	44.46
1xxx	Total Assets		2,530,329	100.00	2,756,422	100.00

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Simula Technology Inc. and Subsidiaries

Consolidated Balance Sheets-(Continued)

As of December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity			2025.12.31		2024.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term liabilities	6(10)	\$90,000	3.56	\$30,000	1.09
2120	Financial liabilities at fair value	4, 6(11)	4,459	0.17	3,732	0.14
	through profit or loss					
2130	Contract liabilities	4, 6(16)	9,426	0.37	16,313	0.59
2170	Accounts payable		339,530	13.42	388,024	14.08
2180	Accounts payable - related parties	7	928	0.04	35,138	1.27
2200	Other payables	6(12)	184,506	7.29	191,774	6.96
2220	Other payables - related parties	7	8,068	0.32	7,475	0.27
2230	Current income tax liabilities	4, 6(22)	488	0.02	3,111	0.11
2281	Lease liabilities	4, 6(18)	26,387	1.04	25,112	0.91
2320	Long-term loans, current portion	6(13)	30,000	1.18	40,000	1.45
2399	Other current liabilities		9,798	0.39	3,737	0.14
21XX	Total current liabilities		<u>703,590</u>	<u>27.80</u>	<u>744,416</u>	<u>27.01</u>
	Non-current liabilities					
2540	Long-term loans	6(13)	-	-	30,000	1.09
2570	Deferred income tax liabilities	4, 6(22)	1,939	0.08	1,682	0.06
2581	Lease liabilities	4, 6(18)	13,309	0.52	35,087	1.27
2640	Net defined benefit liability	4, 6(14)	408	0.02	1,627	0.06
25xx	Total non-current liabilities		<u>15,656</u>	<u>0.62</u>	<u>68,396</u>	<u>2.48</u>
2xxx	Total liabilities		<u>719,246</u>	<u>28.42</u>	<u>812,812</u>	<u>29.49</u>
31xx	Equity attributable to shareholders of the parent					
3100	Capital	6(15)				
3110	Common stock		799,729	31.61	799,729	29.01
3200	Capital surplus	6(15)	551,718	21.80	551,718	20.01
3300	Retained earnings	6(15)				
3310	Legal reserve		108,289	4.28	108,289	3.93
3320	Special reserve		26,375	1.04	26,375	0.96
3350	Unappropriated earnings		(190,044)	(7.51)	(93,351)	(3.39)
	Total retained earnings		<u>(55,380)</u>	<u>(2.19)</u>	<u>41,313</u>	<u>1.50</u>
3400	Other components of equity		3,659	0.15	3,745	0.14
36xx	Non-controlling interests	6(15), 6(24)	511,357	20.21	547,105	19.85
3xxx	Total equity		<u>1,811,083</u>	<u>71.58</u>	<u>1,943,610</u>	<u>70.51</u>
	Total liabilities and equity		<u>\$2,530,329</u>	<u>100.00</u>	<u>\$2,756,422</u>	<u>100.00</u>

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Simula Technology Inc. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Accounts	Notes	2025		2024	
			Amount	%	Amount	%
4000	Operating revenues	4, 6(16), 7	\$1,752,255	100.00	\$1,768,710	100.00
5000	Operating costs	6(5), 7	(1,533,054)	(87.49)	(1,561,615)	(88.29)
5900	Gross profit		219,201	12.51	207,095	11.71
6000	Operating expenses	7				
6100	Sales and marketing		(88,704)	(5.06)	(94,646)	(5.35)
6200	General and administrative		(190,949)	(10.90)	(190,404)	(10.76)
6300	Research and development		(84,763)	(4.84)	(77,633)	(4.39)
6450	Expected credit (losses) gains	4, 6(17)	-	-	35	-
	Total operating expenses		(364,416)	(20.80)	(362,648)	(20.50)
6900	Operating loss		(145,215)	(8.29)	(155,553)	(8.79)
7000	Non-operating income and expenses	6(20), 7				
7100	Interest income		6,546	0.37	7,133	0.40
7010	Other income		10,896	0.62	9,227	0.52
7020	Other gains and losses		(11,354)	(0.65)	(7,726)	(0.44)
7050	Finance costs		(3,162)	(0.17)	(3,298)	(0.18)
	Total non-operating income and expenses		2,926	0.17	5,336	0.30
7900	Loss before income tax		(142,289)	(8.12)	(150,217)	(8.49)
7950	Income tax (expense) gain	4, 6(22)	12,325	0.70	276	0.01
8200	Net loss		(129,964)	(7.42)	(149,941)	(8.48)
8300	Other comprehensive income (loss)	6(21)				
8310	Items that not be reclassified subsequently to profit or loss					
8311	Remeasurements of defined benefit plans		1,155	0.07	931	0.05
8316	Unrealized gain (losses) on valuation of financial assets at fair value through OCI		(79)	-	7,071	0.40
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign operations		(3,639)	(0.21)	10,728	0.61
	Total other comprehensive income (loss), net of tax		(2,563)	(0.14)	18,730	1.06
8500	Total comprehensive income (loss)		\$(132,527)	(7.56)	\$(131,211)	(7.42)
8600	Net loss attributable to:					
8610	Shareholders of the parent		\$(94,216)	(5.38)	\$(100,874)	(5.70)
8620	Non-controlling interests		(35,748)	(2.04)	(49,067)	(2.78)
			\$(129,964)	(7.42)	\$(149,941)	(8.48)
8700	Comprehensive income (loss) attributable to:					
8710	Shareholders of the parent		\$(96,779)	(5.52)	\$(82,144)	(4.65)
8720	Non-controlling interests		(35,748)	(2.04)	(49,067)	(2.77)
			\$(132,527)	(7.56)	\$(131,211)	(7.42)
9710	Earnings per share-basic (in NTD)	6(23)	\$(1.18)		\$(1.26)	
9850	Earnings per share-diluted (in NTD)		\$(1.18)		\$(1.26)	

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Simula Technology Inc. and Subsidiaries

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	Equity Attributable to Shareholders of the Parent							Total	Non-controlling Interests	Total Equity
		Common Stock	Capital Surplus	Retained Earnings			Other Components of equity				
				Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange differences arising on translation of foreign operations	Unrealized gain (losses) from financial assets measured at fair value through other comprehensive income			
		3100	3200	3310	3320	3350	3410	3420	31xx	36xx	3xxx
A1	Balance as of January 1, 2024	\$799,729	\$551,718	\$117,691	\$26,375	\$(9,402)	\$(3,430)	\$(4,032)	\$1,478,649	\$607,695	\$2,086,344
	Appropriation and distribution of 2023										
B13	Legal reserve used to offset accumulated deficits			(9,402)		9,402			-		-
D1	Net loss for 2024					(100,874)			(100,874)	(49,067)	(149,941)
D3	Other comprehensive income (loss) for 2024					931	10,728	7,071	18,730	-	18,730
D5	Total comprehensive income (loss) for 2024	-	-	-	-	(99,943)	10,728	7,071	(82,144)	(49,067)	(131,211)
O1	Non-controlling interests increase (decrease)									(11,523)	(11,523)
Q1	Disposal of investments in equity instruments at fair value through OCI					6,592		(6,592)	-	-	-
Z1	Balance as of December 31, 2024	799,729	551,718	108,289	26,375	(93,351)	7,298	(3,553)	1,396,505	547,105	1,943,610
	Appropriation and distribution of 2024										
B13	Legal reserve used to offset accumulated deficits										
D1	Net loss for 2025					(94,216)			(94,216)	(35,748)	(129,964)
D3	Other comprehensive income (loss) for 2025					1,155	(3,639)	(79)	(2,563)	-	(2,563)
D5	Total comprehensive income (loss) for 2025	-	-	-	-	(93,061)	(3,639)	(79)	(96,779)	(35,748)	(132,527)
O1	Non-controlling interests increase (decrease)										
Q1	Disposal of investments in equity instruments at fair value through OCI					(3,632)		3,632	-	-	-
Z1	Balance as of December 31, 2025	\$799,729	\$551,718	\$108,289	\$26,375	\$(190,044)	\$3,659	\$-	\$1,299,726	\$511,357	\$1,811,083

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Simula Technology Inc. and Subsidiaries

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	2025	2024	Code	Items	2025	2024
		Amount	Amount			Amount	Amount
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A00010	Loss before tax	\$(142,289)	\$(150,217)	B00020	Disposal of financial assets at fair value through OCI	1,368	9,482
A20000	Adjustments:			B00040	Increase in financial assets measured at amortized cost	(42,031)	(9)
A20010	Profit or loss not effecting cash flows:			B02700	Acquisition of property, plant and equipment	(69,371)	(80,971)
A20100	Depreciation (including right-of-use assets)	96,954	101,350	B02800	Proceeds from disposal of property, plant and equipment	-	184
A20200	Amortization	45,458	44,803	B03700	Increase in refundable deposits	(222)	(1,934)
A20300	Expected credit losses (gain on recovery)	-	(35)	B03800	Decrease in refundable deposits	409	53
A20400	Net loss (gain) of financial assets (liabilities) at fair value through profit or loss	334	9,799	B04500	Acquisition of intangible assets	(3,173)	(1,726)
A20900	Interest expense	3,162	3,298	BBBB	Net cash provided by (used in) investing activities	(113,020)	(74,921)
A21200	Interest income	(6,546)	(7,133)				
A22500	Loss (gain) on disposal of property, plant and equipment	-	(76)				
A22600	Property, plant and equipment transferred to expense	1,973	17,361	CCCC	Cash flows from financing activities:		
A23100	Loss (gain) on disposal of investments	-	225	C00100	Increase in short-term loans	60,000	30,000
A29900	Profit from lease modification	(2)	-	C01700	Repayment of long-term loans	(40,000)	(40,000)
A30000	Changes in operating assets and liabilities:			C04020	Payments of lease liabilities	(27,685)	(26,040)
A31150	Accounts receivable (increase) decrease	(146,290)	(6,205)	C04500	Cash dividends	-	(10,960)
A31160	Accounts receivable - related parties (increase) decrease	78,692	(76,248)	C05800	Changes in non-controlling interests	-	(563)
A31180	Other receivables (increase) decrease	5,491	(10,032)	CCCC	Net cash provided by (used in) financing activities	(7,685)	(47,563)
A31190	Other receivables - related parties (increase) decrease	51	48				
A31200	Inventories (increase) decrease	38,589	(41,492)	DDDD	Effect of exchange rate changes on cash and cash equivalents	(3,024)	4,628
A31230	Prepayments (increase) decrease	(1,939)	(847)	EEEE	Net Increase (decrease) in cash and cash equivalents	(243,438)	(5,534)
A31240	Other current assets (increase) decrease	(1,597)	(4,155)	E00100	Cash and cash equivalents at beginning of period	541,627	547,161
A32125	Contract liabilities increase (decrease)	(6,887)	4,367	E00200	Cash and cash equivalents at end of period	\$298,189	\$541,627
A32150	Accounts payable increase (decrease)	(48,494)	176,532				
A32160	Accounts payable - related parties increase (decrease)	(34,210)	35,130				
A32180	Other payables increase (decrease)	(10,857)	17,748				
A32190	Other payables - related parties increase (decrease)	593	2,834				
A32230	Other current liabilities increase (decrease)	6,061	(4,621)				
A32240	Net defined benefit liability increase (decrease)	(64)	(122)				
A33000	Cash generated from (used in) operations	(121,817)	112,312				
A33100	Interest received	6,546	7,133				
A33300	Interest paid	(2,043)	(2,245)				
A33500	Income tax paid	(2,395)	(4,878)				
AAAA	Net cash provided by (used in) operating activities	(119,709)	112,322				

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of an Audit Report Originally Issued in Chinese

INDEPENDENT AUDITORS' REPORT

To: The Board of Directors and Shareholders of  
Simula Technology Inc.

**Opinion**

We have audited the accompanying parent-company-only balance sheets of Simula Technology Inc. (the "Company") as of December 31, 2025 and 2024, and the related parent-company-only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent-company-only financial statements, including the summary of significant accounting policies (together referred as "the parent-company-only financial statements").

In our opinion, the parent-company-only financial statements referred to above present fairly, in all material respects, the parent-company-only financial position of the Company as of December 31, 2025 and 2024, and the parent-company-only financial performance and cash flows for the years then ended, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

**Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent-Company-Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of parent-company-only financial statements for the year ended December 31, 2025.

These matters were addressed in the context of our audit of the parent-company-only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Revenue recognition

We determine that revenue recognition is one of the key audit matters. The Company's revenue amounting to NT\$853,242 thousand for the year ended December 31, 2025 is a significant account to the Company's financial statements. The Company has conducted these sale activities in multi-marketplace, including Taiwan, China, Europe, USA, etc. Furthermore, the timing of fulfilling performance obligation needs to be determined based on varieties of sale terms and conditions enacted in the main sale contracts or sale orders. Our audit procedures therefore include, but not limit to, evaluating the properness of accounting policy for revenue recognition, assessing and testing the effectiveness of relevant internal controls related to revenue recognition, sampling-test of details, including obtaining major sale orders or agreements to inspect the terms and conditions, checking the consistency of the fulfillment timing, performing analytical review procedures on monthly sale revenues, executing sale cut-off tests, etc. We have also evaluated the appropriateness of the related disclosure in Note 6 to the parent-company-only financial statements.

#### Market valuation on inventory (including inventories of the subsidiaries under the equity method)

We determine the market valuation on inventory including inventory of the subsidiaries under the equity method is one of the key audit matters in considering that the amount of inventory was significant and the assessment of sufficiency of inventory loss requires significant management judgement. The Company's main products, are characterized by rapid development in technology. Management, in timely considering the status of new products development and the demand from clients, has to evaluate the loss due to market value decline as well as write-down on slow-moving inventories to their net realizable value. Our audit procedures therefore include, but not limit to, evaluating the Company's policy with respect to the assessment of the loss from slow-moving inventory and phased-out items, testing the accuracy of inventory aging schedule, analyzing inventory movement, performing observation on the Company's inventory physical-taking, and inspecting the current status of inventory usage, etc.

## **Responsibilities of Management and Those Charged with Governance for the Parent-Company-Only Financial Statements**

Management is responsible for the preparation and fair presentation of the parent-company-only financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent-company-only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent-company-only financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company.

## **Auditor's Responsibilities for the Audit of the Parent-Company-Only Financial Statements**

Our objectives are to obtain reasonable assurance about whether the parent-company-only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent-company-only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent-company-only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the accompanying notes, and whether the parent-company-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2025 parent-company-only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

/s/ Chen, Kuo-Shuai

/s/ Lin, Cheng-Wei

Ernst & Young  
February 24, 2026  
Taipei, Taiwan,  
Republic of China

Notice to Readers

*The accompanying parent-company-only financial statements are intended only to present the parent-company-only financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China on Taiwan and not those of any other jurisdictions. The standards, procedures and practice to audit such parent-company-only financial statements are those generally accepted and applied in the Republic of China on Taiwan.*

*Accordingly, the accompanying parent-company-only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.*

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

Simula Technology Inc.

Parent-Company-Only Balance Sheets

As of December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Assets			2025.12.31		2024.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4, 6(1)	\$48,455	3.05	\$121,400	7.24
1170	Accounts receivable, net	4, 6(2), 6(15)	157,180	9.87	169,548	10.11
1180	Accounts receivable - related parties, net	4, 6(2), 6(15), 7	67,337	4.23	34,172	2.04
1200	Other receivables		3,552	0.22	2,299	0.14
1210	Other receivables - related parties	7	11,923	0.75	15,328	0.91
1220	Current income tax assets		1,483	0.09	2,434	0.14
130x	Inventories, net	4, 6(3)	99,810	6.27	45,753	2.73
1410	Prepayments	7	8,449	0.53	5,755	0.34
1470	Other current assets		1,264	0.08	1,125	0.07
11XX	Total current assets		<u>399,453</u>	<u>25.09</u>	<u>397,814</u>	<u>23.72</u>
	Non-current assets					
1517	Financial assets at fair value through OCI	4, 6(4)	-	-	1,447	0.08
1550	Investment accounted for under equity method	4, 6(5)	1,025,252	64.40	1,112,022	66.30
1600	Property, plant and equipment, net	4, 6(6), 7	159,508	10.02	157,690	9.40
1755	Right-of-use assets	4, 6(16)	366	0.03	1,122	0.07
1780	Intangible assets	4, 6(7)	1,140	0.07	2,117	0.13
1840	Deferred income tax assets	4, 6(20)	5,599	0.35	4,406	0.26
1915	Prepayment for equipment		506	0.03	447	0.03
1920	Refundable deposits		169	0.01	153	0.01
15XX	Total non-current assets		<u>1,192,540</u>	<u>74.91</u>	<u>1,279,404</u>	<u>76.28</u>
1XXX	Total Assets		<u>\$1,591,993</u>	<u>100.00</u>	<u>\$1,677,218</u>	<u>100.00</u>

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

Simula Technology Inc.

Parent-Company-Only Balance Sheets (Continued)

As of December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity			2025.12.31		2024.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term liabilities	6(8)	\$90,000	5.65	\$30,000	1.79
2120	Financial liabilities at fair value through profit or loss	4, 6(9)	2,679	0.17	2,863	0.17
2130	Contract liabilities	4, 6(14)	349	0.02	1,222	0.07
2170	Accounts payable		30,653	1.92	25,596	1.53
2180	Accounts payable - related parties	7	59,468	3.74	61,715	3.68
2200	Other payables	6(10)	56,012	3.52	70,854	4.22
2220	Other payables - related parties	7	20,005	1.26	10,072	0.60
2230	Current income tax liabilities	4, 6(20)	-	-	2,113	0.13
2281	Lease liabilities	4, 6(16)	343	0.02	917	0.05
2320	Long-term loans, current portion	6(11)	30,000	1.88	40,000	2.39
2399	Other current liabilities		1,083	0.07	2,528	0.15
21XX	Total current liabilities		<u>290,592</u>	<u>18.25</u>	<u>247,880</u>	<u>14.78</u>
	Non-current liabilities					
2540	Long-term loans	6(11)	-	-	30,000	1.79
2570	Deferred income tax liabilities	4, 6(20)	1,237	0.08	981	0.06
2581	Lease liabilities	4, 6(16)	30	-	225	0.01
2640	Net defined benefit liability	4, 6(12)	408	0.03	1,627	0.10
25XX	Total non-current liabilities		<u>1,675</u>	<u>0.11</u>	<u>32,833</u>	<u>1.96</u>
2XXX	Total liabilities		<u>292,267</u>	<u>18.36</u>	<u>280,713</u>	<u>16.74</u>
31xx	Equity					
3100	Capital	6(13)				
3110	Common stock		<u>799,729</u>	<u>50.23</u>	<u>799,729</u>	<u>47.68</u>
3200	Capital surplus	6(13)	<u>551,718</u>	<u>34.66</u>	<u>551,718</u>	<u>32.90</u>
3300	Retained earnings	6(13)				
3310	Legal reserve		108,289	6.80	108,289	6.46
3320	Special reserve		26,375	1.66	26,375	1.57
3350	Unappropriated earnings		<u>(190,044)</u>	<u>(11.94)</u>	<u>(93,351)</u>	<u>(5.57)</u>
	Total retained earnings		<u>(55,380)</u>	<u>(3.48)</u>	<u>41,313</u>	<u>2.46</u>
3400	Other components of equity		<u>3,659</u>	<u>0.23</u>	<u>3,745</u>	<u>0.22</u>
3XXX	Total equity		<u>1,299,726</u>	<u>81.64</u>	<u>1,396,505</u>	<u>83.26</u>
	Total liabilities and equity		<u>\$1,591,993</u>	<u>100.00</u>	<u>\$1,677,218</u>	<u>100.00</u>

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

Simula Technology Inc.

Parent-Company-Only Statements of Comprehensive Income

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Accounts	Notes	2025		2024	
			Amount	%	Amount	%
4000	Operating revenues	4, 6(14), 7	\$853,242	100.00	\$896,158	100.00
5000	Operating costs	6(3), 7	(732,712)	(85.87)	(727,367)	(81.16)
5900	Gross profit		<u>120,530</u>	<u>14.13</u>	<u>168,791</u>	<u>18.84</u>
6000	Operating expenses	7				
6100	Sales and marketing		(55,866)	(6.55)	(64,399)	(7.19)
6200	General and administrative		(64,283)	(7.53)	(73,573)	(8.21)
6300	Research and development		(24,883)	(2.92)	(31,214)	(3.48)
6450	Expected credit gains (losses)	6(15)	-	-	35	-
	Total operating expenses		<u>(145,032)</u>	<u>(17.00)</u>	<u>(169,151)</u>	<u>(18.88)</u>
6900	Operating loss		<u>(24,502)</u>	<u>(2.87)</u>	<u>(360)</u>	<u>(0.04)</u>
7000	Non-operating income and expenses	6(18), 7				
7100	Interest income		537	0.06	550	0.06
7010	Other income		15,750	1.85	15,810	1.76
7020	Other gains and losses		(4,750)	(0.56)	(4,360)	(0.49)
7050	Finance costs		(1,986)	(0.23)	(2,245)	(0.25)
7070	Share of profit or loss of subsidiaries, associates and joint ventures	4, 6(5)	(83,131)	(9.74)	(111,505)	(12.44)
	Total non-operating income and expenses		<u>(73,580)</u>	<u>(8.62)</u>	<u>(101,750)</u>	<u>(11.36)</u>
7900	Loss before income tax		(98,082)	(11.49)	(102,110)	(11.40)
7950	Income tax (expense) gain	4, 6(20)	3,866	0.45	1,236	0.14
8000	Net loss		<u>(94,216)</u>	<u>(11.04)</u>	<u>(100,874)</u>	<u>(11.26)</u>
8300	Other comprehensive income (loss)	6(19)				
8310	Items that not be reclassified subsequently to profit or loss					
8311	Remeasurements of defined benefit plans		1,155	0.14	931	0.10
8316	Unrealized gain (losses) on valuation of financial assets at fair value through OCI		(79)	(0.01)	7,071	0.79
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign operations		(3,639)	(0.43)	10,728	1.20
	Total other comprehensive income (loss), net of tax		<u>(2,563)</u>	<u>(0.30)</u>	<u>18,730</u>	<u>2.09</u>
8500	Total comprehensive income (loss)		<u>\$96,779</u>	<u>(11.34)</u>	<u>\$(82,144)</u>	<u>(9.17)</u>
	Earnings per share (in NT\$)	6(21)				
9750	Earnings per share - basic (in NT\$)					
9710	Net income		<u>\$(1.18)</u>		<u>\$(1.26)</u>	
9850	Earnings per share - diluted (in NT\$)					
9810	Net income		<u>\$(1.18)</u>		<u>\$(1.26)</u>	

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

Simula Technology Inc.

Parent-Company-Only Statements of Changes in Equity

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	Common Stock 3100	Capital Surplus 3200	Retained Earnings			Other Components of equity		Total Equity 3XXX
				Legal Reserve 3310	Special Reserve 3320	Unappropriated Earnings 3350	Exchange differences arising on translation of foreign operations 3410	Unrealized gain (losses) from financial assets measured at fair value through OCI 3420	
A1	Balance as of January 1, 2024	\$799,729	\$551,718	\$117,691	\$26,375	\$(9,402)	\$(3,430)	\$(4,032)	\$1,478,649
B13	Appropriation and distribution of 2023 earnings								
	Legal reserve used to offset accumulated deficits			(9,402)		9,402			-
D1	Net loss for 2024					(100,874)			(100,874)
D3	Other comprehensive income (loss) for 2024					931	10,728	7,071	18,730
D5	Total comprehensive income (loss)	-	-	-	-	(99,943)	10,728	7,071	(82,144)
Q1	Disposal of investments in equity instruments at fair value through OCI					6,592		(6,592)	-
Z1	Balance as of December 31, 2024	799,729	551,718	108,289	26,375	(93,351)	7,298	(3,553)	1,396,505
	Appropriation and distribution of 2024 earnings								
D1	Net loss for 2025					(94,216)			(94,216)
D3	Other comprehensive income (loss) for 2025					1,155	(3,639)	(79)	(2,563)
D5	Total comprehensive income (loss)	-	-	-	-	(93,061)	(3,639)	(79)	(96,779)
Q1	Disposal of investments in equity instruments at fair value through OCI					(3,632)		3,632	-
Z1	Balance as of December 31, 2025	\$799,729	\$551,718	\$108,289	\$26,375	\$(190,044)	\$3,659	\$-	\$1,299,726

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

Simula Technology Inc.

Parent-Company-Only Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	2025	2024	Code	Items	2025	2024
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A00010	Profit (loss) before tax	\$(98,082)	\$(102,110)	B00020	Disposal of financial assets at fair value through OCI	1,368	9,482
A20000	Adjustments:			B02400	Proceeds from capital reduction of investments accounted for using equity method	-	10,543
A20010	Profit or loss not effecting cash flows:			B02700	Acquisition of property, plant and equipment	(15,914)	(13,907)
A20100	Depreciation (including right-of-use assets)	14,020	12,324	B03700	(Increase) Decrease in refundable deposits	(16)	-
A20200	Amortization	977	1,263	BBBB	Net cash provided by (used in) investing activities	(14,562)	6,118
A20300	Expected credit losses (gain on recovery)	-	(35)				
A20400	Net loss (gain) of financial assets (liabilities) at fair value through profit or loss	(184)	6,039	CCCC	Cash flows from financing activities:		
A20900	Interest expense	1,986	2,245	C00100	Increase in short-term loans	60,000	30,000
A21200	Interest income	(537)	(550)	C01700	Repayment of long-term loans	(40,000)	(40,000)
A22300	Share of profit or loss of subsidiaries, associates and joint ventures	83,131	111,505	C04020	Payments of lease liabilities	(1,020)	(1,020)
A30000	Changes in operating assets and liabilities:			CCCC	Net cash provided by (used in) financing activities	18,980	(11,020)
A31150	Accounts receivable (Increase) Decrease	12,368	(55,286)	EEEE	Net Increase (decrease) in cash and cash equivalents	(72,945)	8,294
A31160	Accounts receivable - related parties (Increase) Decrease	(33,165)	(12,867)	E00100	Cash and cash equivalents at beginning of period	121,400	113,106
A31180	Other receivables (Increase) Decrease	(1,253)	(677)	E00200	Cash and cash equivalents at end of period	\$48,455	\$121,400
A31190	Other receivables - related parties (Increase) Decrease	3,405	17,813				
A31200	Inventories (Increase) Decrease	(54,057)	(22,264)				
A31230	Prepayments (Increase) Decrease	(2,694)	(1,653)				
A31240	Other current assets (Increase) Decrease	(139)	476				
A32125	Contract liabilities Increase (Decrease)	(873)	147				
A32150	Accounts payable Increase (Decrease)	5,057	6,516				
A32160	Accounts payable - related parties Increase (Decrease)	(2,247)	26,930				
A32180	Other payables Increase (Decrease)	(12,926)	7,294				
A32190	Other payables - related parties Increase (Decrease)	9,933	3,624				
A32240	Net defined benefit liability Increase (Decrease)	(64)	(122)				
A32230	Other current liabilities Increase (Decrease)	(1,445)	1,622				
A33000	Cash generated from (used in) operations	(76,789)	2,234				
A33100	Interest received	537	550				
A33200	Dividends received	-	16,000				
A33300	Interest paid	(1,987)	(2,214)				
A33500	Income tax paid	876	(3,374)				
AAAA	Net cash provided by (used in) operating activities	(77,363)	13,196				

(The accompanying notes are an integral part of the parent-company-only financial statements.)

## Attachment 4

### List of Candidates for Directors and Independent Directors

Title	Candidate	Major Education & Experience	Main Concurrent Positions
Director	Qisda Corporation Representative: <b>Huang, Han-Cho</b> (Male)	EMBA, Tsinghua University (Beijing) MBA, University of Greenwich Senior Executive VP, Qisda Corp. GM of Global Supply Chain, Qisda Corp. COO, BenQ China VP of Global Manufacturing, BenQ	Chairman, Simula Technology Inc. Vice Chairman & Group Chief Strategy Officer, Qisda Corp. Representative Director, AUO Corporation Chairman authorized representative, DATA IMAGE Corporation. Chairman authorized representative, DIVA Laboratories, Ltd. Representative Director, Alpha Networks Inc. Representative Director, MetaAge Corp. Representative Director, BenQ Biotech (Shanghai) Co., Ltd. Representative Director, Shanghai Filter Technology Co., Ltd. Chairman authorized representative, Action Star Technology. Representative Director, BenQ Foundation
Director	Qisda Corporation Representative: <b>Sung, Pei-Lun</b> (Male)	Master of Electro-Optical Engineering, National Central University Bachelor of Electro physics, National Chiao Tung University Division Director, Medical Imaging Div., Qisda Corp. R&D Director, Medical Imaging Div., Qisda Corp. Senior Manager, R&D Center, Business & Industrial Product Business Group, Qisda Corp.	General Manager of Business & Industrial Product Business Group, Qisda Corp.
Director	Qisda Corporation Representative: <b>Hu, Ru-Yao</b> (Male)	Master of Graduate Institute of Business Administration, National Taiwan University Special Assistant to President, Qisda Corp. Associate VP of Americas Marketing, BenQ Corporation Senior Division Director, Display Product Business Group, Qisda Corp.	Representative Director & President, Simula Technology Inc. Director, Simula (HK) Ltd. Director, ASPIRE ASIA INC. Director, Simula Technology Corp. Director, Weitong Technologies (Shenzhen) Co., Ltd. Supervisor, Action Star Technology.

Title	Candidate	Major Education & Experience	Main Concurrent Positions
Director	Qisda Corporation Representative: <b>Cheng, Yin-Hsiang</b> (Male)	Master of Mechanical Engineering, National Taiwan University Special Assistant to President, Qisda Corp. Division Director, Automotive Business Div., Qisda Corp. Division Director, Communication Business Div., Qisda Corp.	Representative Director, Simula Technology Inc. Representative Director & President, Action Star Technology.
Independent Director	<b>Yeh, Hui-Hsin</b> (Female)	Bachelor of Accounting, Tunghai University Partner, Ernst & Young (EY)	Independent Director, Convener of Audit Committee and Remuneration Committee, Simula Technology Inc. Certified Public Accountant (CPA), Wei Qin CPA Firm Independent Director, Convener of Audit Committee and Remuneration Committee, DATA IMAGE Corporation. Independent Director, Convener of Audit Committee and Remuneration Committee, Nova Technology Corp. Director, Weisinn Financial Advisory Co., Ltd.
Independent Director	<b>Tang, Tan-E</b> (Male)	EMBA, College of Management, National Taiwan University Master of Physics, Tamkang University Bachelor of Physics, Tamkang University President, GEPIC Epitaxy Corp.	Independent Director, Simula Technology Inc.
Independent Director	<b>Chen, Chin-Chi</b> (Male)	Ph.D. in Industrial Economics, Tamkang University Master of Economics, London School of Economics and Political Science (LSE) Master of Economics, National Tsing Hua University Bachelor of Economics, National Taiwan University Policy Consultant to the Executive Yuan Director General of Finance Bureau, Yunlin County Government Independent Director, Fubon Financial Holding / Fubon Life / Fubon Insurance Independent Director, Taiwan Financial Holding / Bank of Taiwan Life	Independent Director, Simula Technology Inc. Professor, CTBC Business School Adjunct Professor, National Chung Hsing University Adjunct Professor, Chinese Culture University Adjunct Professor, Tamkang University Director, TCM Biotech International Corp.. Independent Director and Convener of Audit Committee, Century Iron & Steel Industrial Co., Ltd. Independent Director and Convener of Audit Committee, TransGlobe Life Insurance Inc.

## Attachment 5

### Non-Compete Restrictions on Newly Elected Directors and Their Representatives

Director	Company and Position Involved in the Release of Non-Compete Restrictions
Qisda Corporation	Alpha Networks Inc. / Chairman DFI Inc. / Chairman MetaAge Corp. / Chairman Partner Tech Corp. / Chairman DATA IMAGE Corporation / Chairman NORBEL BABY CO., LTD. / Chairman BenQ Materials Corp. / Chairman AUO Corporation / Director Darfon Electronics Corp. / Director Topview Optronics Corporation. / Director QS Control Corp. / Director TCI Co., Ltd. / Director Rapidtek Technologies Inc. / Director ECOLUX Technology. / Director EarthGen Tech. / Director Dragonfly UAS Corp. / Director Phishion Aerospace Co., Ltd. / Director Dadao Wisdom Technology Co., Ltd. / Director Marketop Smart Solutions Co., Ltd. / Director Qisda Energy Corp. / Director BenQ Corporation / Chairman Kuo Chao Enterprise Co., Ltd. / Chairman Qisda Electronics (Suzhou) Co., Ltd. / Chairman Darly Investment Corp. / Chairman BenQ Medical Technology Corp. / Chairman BenQ Biotech (Shanghai) Co., Ltd. / Chairman Qisda Vietnam Co., Ltd. / Chairman Dunpin No. 1 Venture Capital Corp. / Director Dunpin No. 2 Venture Capital Corp. / Director Dunpin No. 5 Venture Capital Corp. / Director Phenix-Land No. 6 Venture Capital Corp. / Director Phenix-Land No. 7 Venture Capital Corp. / Director
Qisda Corporation Representative: <b>Huang, Han-Cho</b>	Chairman, Simula Technology Inc. Vice Chairman & Group Chief Strategy Officer, Qisda Corp. Representative Director, AUO Corporation Chairman authorized representative, DATA IMAGE Corporation. Chairman authorized representative, DIVA Laboratories, Ltd. Representative Director, Alpha Networks Inc. Representative Director, MetaAge Corp. Representative Director, BenQ Biotech (Shanghai) Co., Ltd. Representative Director, Shanghai Filter Technology Co., Ltd. Chairman authorized representative, Action Star Technology. Representative Director, BenQ Foundation
Qisda Corporation Representative: <b>Cheng, Yin-Hsiang</b>	Representative Director & President, Action Star Technology.
<b>Yeh, Hui-Hsin</b>	Independent Director,, DATA IMAGE Corporation. Independent Director, Nova Technology Corp. Director, Weisinn Financial Advisory Co., Ltd.
<b>Chen, Chin-Chi</b>	Director, TCM Biotech International Corp.. Independent Director, Century Iron & Steel Industrial Co., Ltd. Independent Director, TransGlobe Life Insurance Inc.

## Appendix I

# Simula Technology Inc.

## Articles of Incorporation

### Chapter 1 General Provisions

- Article 1 The Company is organized in accordance with the Company Act of R.O.C. and named Simula Technology Inc (the "Company").
- Article 2 The lines of business of the Company shall include the following:
01. CQ0101 Mold and Die Manufacturing
  02. F106030 Wholesale of Molds
  03. F206030 Retail Sale of Molds
  04. C805050 Industrial Plastic Products Manufacturing
  05. CC01080 Electronics Components Manufacturing
  06. F119010 Wholesale of Electronic Materials
  07. F219010 Retail Sale of Electronic Materials
  08. CA01050 Steel Secondary processing
  09. F106010 Wholesale of Hardware
  10. F206010 Retail Sale of Hardware
  11. I501010 Product Designing
  12. F401010 International Trade
  13. ZZ99999 All business items that are not prohibited or restricted by law, except those are subject to special approval.
- Article 3 The head office of the Company is located in Taoyuan, Taiwan. The Company may, as approved by the resolution of the Board of Directors, set up branch offices in compliance with applicable laws and regulations in Taiwan or abroad when necessary.
- Article 4 Public announcements of the Company shall be made according to Article 28 of the Company Act.
- Article 5 The Company may, in line with its business needs, provide guarantees externally. Relevant measures shall be handled in accordance with "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees", but where there are prohibitions in other laws, the regulations shall be followed.
- Article 6 The total amount of the Company's investment is not subject to the restriction of Article 13 of the Company Act.

### Chapter 2 Shares

- Article 7 The total capital of the Company is NT\$1.2 billion (NT\$1,200,000,000), divided into 120 million (120,000,000) shares with a par value of Ten New Taiwan Dollars (NT\$10) each. The Board of Directors is authorized to issue in installments. A total of five million shares among the above total capital should be reserved for issuing employee stock options, which may be issued in installments to the resolution of the Board of Directors.

- Article 8 The share certificates of the Company shall be all in registered form, signed or sealed by at least three directors representing the company and are duly certified or authenticated by the bank, the share certificates could be issued to the publicly. The Company may issue shares without printing share certificates but the shares issued shall be recorded in depository institutes. The stock related operations shall be executed in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" promulgated by the competent authority.
- Article 9 Within 60 days prior to the convening date of a general shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the date on which the distribution of dividends, bonus or other benefits, registration for transfer of shares shall be suspended.
- Article 10 All of the Company's shares handle stock affairs such as stock transfer, pledge of rights, report of loss, inheritance, gift, report of loss of seal, change or change of address, etc., unless otherwise shall be handled in accordance with the provisions of the Regulations Governing the Administration of Shareholder Services of Public Companies.

### **Chapter 3 Shareholders' Meetings**

- Article 11 There are two kinds of shareholders' meetings in the Company: the General Meetings and extraordinary Meetings. General meeting shall be held once a year. The board of directors shall convene a general meeting within 6 months after the final account at the end of each fiscal year. An extraordinary meeting will be held if necessary.
- Article 12 In case a shareholder is unable to attend a shareholders' meeting, such shareholder may issue a proxy in the form issued by the Company, setting forth the scope of authorization by signing and affixing such shareholder's seal on the proxy form for the representative to be present on such shareholder's behalf. In addition to the provisions of Article 177 of the Company Act, the procedures for shareholders to attend by proxy shall be governed by the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.
- Article 13 Shareholders of the Company have one vote for each share they hold. Except in the circumstances otherwise specified in the Article 179 of the Company Act, each share of stock of the Company shall be entitled to one vote.
- Article 14 Resolutions at a shareholders' meeting shall, unless otherwise specified for in the Company Act, be adopted by a majority vote of the attending shareholders, who represent more than one-half of the total number of voting rights.
- Article 14-1 Any proposal to revoke publicly issued shares, it shall submit a resolution to the shareholders' meeting. This provision shall not be

modified during the period when the company's shares are listed in the OTC market or Taiwan Stock Exchange (TWSE).

Article 14-2 The Company's shareholders' meetings can be held by means of video conferencing or other methods announced by the central competent authority.

#### **Chapter 4 Directors and Audit Committees**

Article 15 The company shall have seven to nine directors, whose term of office is three years and may be re-elected. Among the number of directors stipulated in the preceding paragraph, the number of independent directors to be elected shall not be less than three. The percentage of shareholdings of all the directors shall be in accordance with the rules and regulations of the securities authority. The Company may take out liability insurance for the directors with respect to the liabilities resulting from exercising their duties during their terms of office.

Article 15-1 The election of directors adopts the candidate nomination system in Article 192-1 of the Company Act, and the shareholders shall elect the directors from the nominees listed in the candidate roster. Independent directors and non-independent directors shall be elected together, and the number of elected candidates shall be calculated respectively. The professional qualifications, restrictions on the shareholdings and concurrent positions held, method of nomination and election, and other matters with regard to the independent directors shall be set forth in accordance with the rules and regulations of the securities authority.

Article 15-2 The directors of the company shall be elected by single selection, registered and accumulated election method. If this method requires amendment, it shall be carried out in accordance with Article 172 of the Company Law and a table of comparison for such method shall be included in the agenda for convening the meeting.

Article 15-3 The company is configured with an audit committee in compliance with the requirements established under Article 14-4 of the Securities and Exchange Act. The Audit Committee shall consist of all independent directors. The Committee or its members are in charge of exercising functions as supervisors indicated in the Company Act, the Securities and Exchange Act, and other laws and regulations.

Article 16 The Board of Directors is organized by directors. The Chairman of the Board of Directors shall be elected from among the attending directors by a majority vote and with the attendance over two thirds of the seats in a meeting of the Board of Directors. As necessary, a Vice Chairman may be elected among the attending directors in the same manner. The Chairman of the Board shall externally have the authority to represent the Company.

Article 17 In case the chairman is on leave or unable to exercise his/her power and authority for any cause, his/her authority shall be executed in accordance with Article 208 of the Company Act.

- Article 18 Except for the first board of directors newly elected in each session, which shall be convened by the director with the most votes, the subsequent board of directors shall be convened by the chairman of the board of directors. The convening of the board of directors shall specify the date, location and agenda of the meeting. The convening of the Board of Directors of the Company shall be notified to all directors 7 days prior to the day of meeting. In case of an urgent circumstances, an interim Board meeting may be held at any time. The convening of the Board of Directors of the company may be notified to all directors in writing, email or fax.
- Article 19 Board meetings shall be convened by the chairman. Unless otherwise provided for in other Law and Articles of Incorporation, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.
- Article 20 Directors may authorize other directors to attend the board meeting on behalf of other directors in writing, and may exercise voting rights on all matters proposed at the meeting, but each director is limited to acting on behalf of one other director.
- Article 21 The Board of Directors is authorized to determine the remuneration of all directors, based on the level of participation and the value of contribution to the Company's business operations and taking into account the common remuneration level in the same industry.

#### **Chapter 5 Managerial Officer**

- Article 22 The company may have managers, whose hiring, dismissal and remuneration shall be in accordance with Article 29 of the Company Act.

#### **Chapter 6 Accounting**

- Article 23 The Board of Directors shall prepare the following statements at the end of the company's accounting year, submit them to the Audit Committee for inspection 30 days prior to the general Shareholders' Meeting and then submit them to the general Shareholders' Meeting for recognition: 1. Business reports. 2. Financial statements. 3. Profit distribution or loss compensation proposal.
- Article 24 The Company, if profitable in the year, shall set aside 5~20% of the profit as compensation for the employees and no higher than 1% as remuneration for the directors. However, the Company, when accumulated losses remain on the account, shall reserve a portion of its earnings to offset the losses first and the portion of employee compensation allocated to non-managerial employees shall not be less than ten percent (10%) of the total employee compensation specified in the preceding paragraph.
- The above-mentioned employees' remuneration prescribed in the preceding paragraph in the form of stock or cash to employees of an affiliated company meeting certain conditions.

- Article 24-1 Where the Company has a profit at the end of each fiscal year, the

Company shall first allocate the profit to pay taxes and cover accumulated losses, and then 10% of the remaining net earnings shall be allocated as the Company's legal reserve unless and until the accumulated legal reserve reaches the paid-in capital. Certain amount shall be further allocated as special reserve or the special reserve shall be reversed in accordance with applicable laws and regulations or as requested by the competent authority. The balance (if any) together with accumulated unappropriated retained earnings can be distributed after the distribution plan proposed and approved. Where the aforesaid earnings distribution plan or dividend on preferred share is performed by means of cash dividends, it is proposed the Board of Directors be authorized for resolution. The resolution thereof shall be reported in the Shareholders' Meeting. The company's dividend policy is in line with the growth characteristics of the technology industry and the overall environment, while taking into account a stable and balanced dividend policy, and taking into account factors such as profitability, financial structure, and future development. If the annual operating result is positive and the retained earnings available for distribution is over 2% of the paid-in capital, the dividends should not be less than 10% of the retained earnings available for distribution. The distribution of earnings may be carried out in accordance with the company's overall capital budget planning. The cash dividends distribution ratio shall not be less than 10% of the total dividend.

Article 24-2 The company may distribute new shares or cash in accordance with Article 241 of the Company Act with the statutory surplus reserve or capital reserve. If cash is used in the preceding paragraph, the board of directors shall be authorized to make a resolution and report at the shareholders' meeting.

#### **Chapter 7 Supplementary Provisions**

Article 25 All matters not provided for in the articles of incorporation shall be handled in accordance with the Company Act.

Article 26 These Articles of Incorporation were enacted on December 2, 2003, and has undergone seventeen times amendments, and the 18th amendment was on May 27, 2025.

Simula Technology Inc.  
Chairman: Huang, Han-Chou

## Appendix 2

### Simula Technology Inc. Rules and Procedures for Shareholders' Meeting

1. Purpose:

To establish a strong governance system and sound supervisory capabilities for the company's Shareholders Meetings, and to strengthen management capabilities, these rules are formulated in accordance with Article 182-1 of the Company Act for compliance.

2. Scope:

The rules of procedures for the company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

3. Responsibilities: Refer to 5. Content below.

4. Definition of Terms: None.

5. Content:

5.1 Convening shareholders meetings and shareholders meeting notices

5.1.1 Unless otherwise provided by law or regulation, this company's shareholders meetings shall be convened by the board of directors. With the consent of the addressee, the meeting notice may be given in electronic form.

5.1.2 The convention of the regular shareholders' meeting shall be notified to each shareholder 30 days before the date of meeting or 15 days before the date of an extraordinary shareholders meeting. For the shareholders holding less than 1000 shares, the Company may publicly announce the convention of the regular shareholders meeting by uploading the information to the Market Observation Post System (MOPS) 30 days before the date of meeting or 15 days before the date of an extraordinary shareholders meeting.

5.1.3 The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement.

5.1.4 Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders. None of the above matters may be raised by an extraordinary motion. The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.

5.1.5 If the meeting notice has specified the re-election of directors and the

date they assumed their duties, as the re-election is completed on the shareholders' meeting, resolution of assuming date should not be changed by means of an extraordinary motion or other means in the same meeting.

## 5.2 Attending Shareholder Meetings by Proxy and Authorization

5.2.1 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the company and stating the scope of the proxy's authorization.

5.2.2 A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

5.2.3 After a proxy form has been delivered to this company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

5.3 Principles Determining the Time and Place of a Shareholders Meeting The venue for a shareholders meeting shall be the premises of this company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting. The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

5.3.1 To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
  - 1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
  - 2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
  - 3) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares

represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

- 4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out. 3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholder meeting online shall be specified.

#### 5.4 Preparation of Documents Such as the Attendance Book

- 5.4.1 The company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.
- 5.4.2 Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.
- 5.4.3 When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- 5.4.4 The company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

#### 5.5 The Chairman and Non-Voting Participants of a Shareholders Meeting

- 5.5.1 If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act

in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chairman, or, if there are no managing directors, one of the directors shall be appointed to act as chairman. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chairman. When a managing director or a director serves as chairman, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chairman.

- 5.5.2 Shareholders' meetings convened by the Board of Directors should be attended by more than half of the directors of the Board of Directors. If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chairman the meeting. When there are two or more such convening parties, they shall mutually select a chairman from among themselves.
- 5.5.3 The company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.
- 5.6 Audio or Video Recording of Shareholder Meetings Proceedings The company must record the entire process of the shareholders' meeting via audio or video and retain the recordings for at least one year. When the company conducts a virtual shareholders' meeting, it should record information such as shareholder registration, check-in, attendance, questions, voting, and the results of the vote counting. The entire virtual meeting must be continuously recorded without interruption. These recordings should be properly preserved during the retention period and made available to the entrusted party handling the virtual meeting affairs.
- 5.7 Calculation of Shares Represented in Shareholder Meeting and Proceeding with the Meeting
  - 5.7.1 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards.
  - 5.7.2 The chairman shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less

than one third of the total number of issued shares, the chairman shall declare the meeting adjourned.

5.7.3 If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.

5.7.4 When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

## 5.8 Discussions of Proposals

5.8.1 If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Relevant proposals (including the extraordinary motions or amendment of the existing proposals) shall be resolved case by case. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

5.8.2 The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the Board of Directors.

5.8.3 The chairman may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chairman declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chairman in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders and then continue the meeting.

5.8.4 The chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairman may announce the discussion closed, call for a vote, and arrange an adequate time to vote.

## 5.9 Shareholder Speech

5.9.1 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairman.

5.9.2 A shareholder in attendance who has submitted a speaker's slip but

does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

- 5.9.3 Except with the consent of the chairman, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech. Shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chairman declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words.
- 5.9.4 When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that has the floor; the chairman shall stop any violation.
- 5.9.5 When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
- 5.9.6 After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.
- 5.10 Calculation of Voting Shares and Recusal System
  - 5.10.1 Voting at a shareholders meeting shall be calculated based the number of shares.
  - 5.10.2 With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.
  - 5.10.3 When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
  - 5.10.4 The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.
  - 5.10.5 With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.
- 5.11 Voting of Resolution, Voting Supervision and Vote Counting
  - 5.11.1 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-

voting shares.

- 5.11.2 Except as otherwise provided in the Company Act and in this company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders. When the Company convenes a virtual shareholders meeting, after the chairman declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chairman announces the voting session ends or will be deemed abstained from voting. In the event of a virtual shareholders meeting, votes shall be counted at once after the chairman announces the voting session ends, and results of votes and elections shall be announced immediately.
- 5.11.3 An agenda item shall be deemed approved and shall have the same effect as if it was voted by casting ballots if no objection is voiced by all attending shareholders after solicitation by the chairman. If there is any objection, the agenda item shall be put to a vote by casting ballots in accordance with the foregoing paragraph.
- 5.11.4 Except for the proposals listed in the agenda, other proposals proposed by shareholders or amendments to or alternatives to the original proposal shall be seconded by other shareholders, and the shareholding of the proposer and the representative of the seconder shall be more than 1% of the total number of voting rights of the issued shares. shares.
- 5.11.5 When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- 5.11.6 Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.
- 5.12 Election Matters
- 5.12.1 The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.
- 5.12.2 The ballots for the election referred to in the preceding paragraph

shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

### 5.13 Meeting Records and Signature Matters

5.13.1 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairman of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The production and distribution of the minutes of the proceedings referred to in the preceding paragraph may be done electronically.

5.13.2 For shareholders of the Company who hold less than 1,000 registered shares, the distribution of the minutes of the proceedings referred to in the preceding paragraph may be done by means of an announcement entered into the Market Observation Post System.

5.13.3 The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairman's full name, the methods by which resolutions were adopted, a summary of the deliberations, and the voting results (including the weighted voting). When an election of directors is held, the number of weighted votes each candidate wins shall be disclosed. The meeting minutes shall be retained for the duration of the existence of the company.

5.13.4 The resolution method mentioned in the preceding paragraph is based on the chairman's consultation with shareholders. If shareholders have no objection to the proposal, it should record "passed after the chairman's consultation with all present shareholders without objection.". However, if shareholders have objections to the proposal, the method of voting by ballot and the number of voting rights and the ratio of voting rights should be specified.

### 5.14 Public Disclosure

5.14.1 On the day of a shareholders meeting, the company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

5.14.2 If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or TPEX) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

### 5.15 Maintaining Order at the Meeting Place

5.15.1 Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

5.15.2 The chairman may direct the proctors or security personnel to help

maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

5.15.3 At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the company, the chairman may prevent the shareholder from so doing.

5.15.4 When a shareholder violates the rules of procedure and defies the chairman's correction, obstructing the proceedings and refusing to heed calls to stop, the chairman may direct the proctors or security personnel to escort the shareholder from the meeting.

#### 5.16 Recess and Resumption of a Shareholders Meeting

5.16.1 When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

5.16.2 If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

5.16.3 A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

#### 6. Amendment:

6.1 The Rules and any amendment shall take effect after being approved at the shareholders' meeting.

#### 7. Relevant Information:

7.1 Article 182-1 of the Company Act.

#### 8. Use Form: None.

## Appendix 3

### Simula Technology Inc. Rules for Election of Directors

#### 1. Purpose

These Rules are established to ensure a fair, impartial, and transparent election of Directors, in accordance with Articles 21 and 43 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

#### 2. Scope

2.1 The election of Directors of the Company shall be conducted in accordance with these Rules.

2.2 Matters not provided herein shall be governed by the Company Act, the Company's Articles of Incorporation, and other applicable laws and regulations.

3. Responsibilities: As specified in the operational procedures herein.

4. Definitions: None.

#### 5. Procedures

5.1 The election of Directors shall be conducted at a Shareholders' Meeting.

5.2 The election shall adopt the single non-transferable cumulative voting method, and the voter's identification may be substituted by the shareholder account number.

5.3 Each share shall carry voting rights equal to the number of Directors to be elected. Such voting rights may be concentrated on one candidate or distributed among multiple candidates.

5.3.1 Independent Directors and non-independent Directors shall be elected together, and the number of elected seats shall be calculated separately.

5.3.2 The Company adopts a candidate nomination system, under which Directors shall be elected from the list of candidates.

5.3.3 Prior to the book closure date for the Shareholders' Meeting, the Company shall publicly announce the acceptance period for nominations of Independent Director candidates, the number of seats to be elected, the place for submission, and other necessary information. The acceptance period shall not be less than ten (10) days.

5.3.4 The Board of Directors or shareholders holding one percent (1%) or more of the total issued shares may propose a list of Independent Director candidates for reference. The number of nominees shall not exceed the number of Independent Directors to be elected. The same applies to nominations made by the Board of Directors.

5.3.5 Qualifications of Independent Director candidates shall comply with applicable laws and regulations.

5.4 Directors shall be elected based on the number of votes received, with

those receiving the highest votes elected within the quota specified in the Articles of Incorporation.

In the event of a tie exceeding the required number of seats, the tied candidates shall be determined by drawing lots. If a candidate is absent, the Chairman shall draw lots on their behalf.

- 5.5 Ballots shall be prepared by the Board of Directors, numbered according to attendance card numbers, and marked with the number of voting rights.
- 5.6 At the commencement of the election, the Chairman shall appoint vote supervisors and vote counters.
- 5.7 Ballot boxes shall be prepared by the Board of Directors and shall be inspected publicly by the vote supervisors prior to voting.
- 5.8 Voters shall complete the ballots in accordance with the instructions printed thereon:
  - If the candidate is a shareholder, the voter shall enter the candidate's name and shareholder account number.
  - If the candidate is not a shareholder, the voter shall enter the candidate's name and identification number.
  - If the candidate is a government entity or legal entity shareholder, the name of such entity and its representative shall be stated.
- 5.9 A ballot shall be deemed invalid under any of the following circumstances:
  - 5.9.1 The ballot is not issued by the Board of Directors.
  - 5.9.2 The number of candidates entered exceeds the prescribed number.
  - 5.9.3 A blank ballot is cast.
  - 5.9.4 The handwriting is illegible.
  - 5.9.5 The information of the candidate does not match the shareholder register or identification records.
  - 5.9.6 Additional words or marks unrelated to the candidate's identification are included.
  - 5.9.7 The candidate's name is identical to another shareholder without specifying the shareholder account number.
  - 5.9.8 The ballot is not completed in accordance with the instructions.
- 5.10 Ballot boxes shall be opened by vote supervisors after voting, and vote counting shall be conducted by the vote counters.
- 5.11 The election results shall be announced on-site by the Chairman or the host.

## Appendix 4

### Simula Technology Inc. Shareholdings of Directors and Independent Directors

1. The Company's paid-in capital amounts to NTD 799,729,450, with a total of 79,972,945 issued shares.
2. In accordance with Article 26 of the Securities and Exchange Act and the Regulations Governing Shareholding Ratios and Verification for Directors and Supervisors of Public Companies, the total shareholding of all non-independent Directors of the Company shall not be less than 6,397,835 shares.
3. The shareholdings of the Company's Directors, as recorded in the shareholders' register as of the book closure date for this Annual General Meeting, are as follows:

Title	Name	Number of Shares Held	Shareholding Ratio
Chairman	Qisda Corporation Representative: <b>Huang, Han-Chou</b>	30,000,000	37.51%
Director	Qisda Corporation Representative: <b>Sung, Pei-Lun</b>		
Director	Qisda Corporation Representative: <b>Hu, Jo-Yao</b>		
Director	Qisda Corporation Representative: <b>Cheng, Yin-Hsiang</b>		
Independent Director	<b>Yeh, Hui-Hsin</b>	-	-
Independent Director	<b>Dan, Tang-E</b>	-	-
Independent Director	<b>Chen, Chin-Chi</b>	-	-
Total shareholding of all non-independent directors		30,000,000	37.51%

Note: The book closure period of the Annual Shareholders' Meeting is from March 30, 2026 to May 28, 2026.