TSC Auto ID Technology Co., Ltd.

Report on the intellectual Property Management Plan for 2025

Board of Directors Report Date: Dec. 26, 2025

I. Management objectives

TSC focuses on barcode printing, automatic identification, and labeling system products as its core business. In 2024, it acquired Bluebird Inc. (hereinafter referred to as "Bluebird") to expand its global market presence. To address product line diversification and the need for technological integration, the objectives of intellectual property (hereinafter referred to as "IP") management are as follows:

1. To establish a comprehensive portfolio of patents, designs, trademarks, and trade secrets to strengthen technological protection.
2. To enhance the commercialization and licensing effectiveness of IP, positioning it as an operational asset.
3. To build IP risk management mechanisms for mergers and acquisitions as well as international business operations.
4. To enhance the institutionalization and international sophistication of the organizational IP management.

II. Management strategies

1. Strengthening Technology Portfolio: From the outset of R&D, the Company conducted intellectual property searches and evaluations, filing patents and design applications for technologies including printing modules, image recognition, wireless communication, and software control, while simultaneously reviewing Bluebird's rights.
2. Market-Driven Strategy: Prioritize patent applications and maintenance based on sales markets (Taiwan, Asia, Americas, Europe) to ensure core technologies are protected in key markets.
3. System construction: Formulate the "Management Regulations for Intellectual Property Rights" to specify procedures for patent application, authorization, maintenance, confidentiality, and trade secret protection, and implement them jointly through the R&D, legal, and strategic units.
4. Confidentiality and trade secret management: R&D and design personnel are required to sign confidentiality agreements, and a "technical list + access control" system is implemented to ensure key technologies are not leaked.

5. Monitoring and defense of intellectual property: Review potential infringement risks and establish alerting and response mechanisms.
6. Incentives: Offer rewards for employee inventions to encourage R&D innovation.

III. Implementation status

1. Patents and design results: As of the third quarter of this year, several patent and design applications have been filed.
2. Bluebird technology integration: The review and inventory of its patents and trademarks have been completed.
3. Risk Monitoring: The Company has completed patent searches of its major competitors.
4. Institutional implementation: The "Management Regulations for Intellectual Property Rights" have been enacted, and the confidentiality agreement signing rate for new employees has reached 100%.
5. Conversion Benefits: Selected patented technologies have been integrated into next-generation label printers and handheld terminal products, and a cross-departmental technology licensing pilot program has been initiated.

IV. Discrepancies and improvements

Compared to 2024, this year's approach shifts from "application-based acquisition" to "operational transformation,", incorporating merger and acquisition integration as well as cross-border intellectual property management. The management framework, previously led by R&D units, has been upgraded to a collaborative mechanism integrating "R&D + Legal + Strategy," enhancing decision-making efficiency and international defense capabilities.

V. Plans for the next stage

1. Patent quality enhancement: Establish patent value assessment to eliminate low-value rights and focus on high-value technologies.
2. Technology licensing system: Promote internal and external licensing collaborations to strengthen intellectual property commercialization.
3. Post-merger integration deepening: Complete integration of Bluebird's technology and trademarks while managing rights maintenance and registration.
4. International Defense Strengthening: Establish infringement monitoring and response processes for US, European, and Asian markets.

Conclusion:

The 2025 IP Management Plan of TSC marks the Company’s steady transition from a purely technology protection phase to an operational IP and international management phase. By fully optimizing the IP portfolio, deepening merger integration, and establishing a global defense network, we aim to ensure that innovative achievements are transformed into core competitive assets that support the Company’s long-term and sustainable growth.