Stock：8163

DARFON ELECTRONICS CORP.

2026 Annual General Shareholders' Meeting

Meeting Agenda

(Translation)

Date: May 27, 2026

If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese language version shall prevail.

DARFON ELECTRONICS CORP.

2026 Annual General Shareholders' Meeting

Meeting Type: Physical shareholders meeting

Time: 9:00 a.m., Wednesday, May 27, 2026

Place: Chuto Hotel (No.398, Taoying Road, Taoyuan Dist., Taoyuan City, Taiwan)

Meeting Agenda:

Call the Meeting to Order

Chairperson Remarks

Attachment

Reports Items:

1. 2025 Business Report

The global political and economic landscape in 2025 remained severe and complex; upholding our commitment to prudent management, the company actively embraced transformation and demonstrated resilience amidst change. Despite external challenges such as reciprocal tariffs, exchange rate fluctuations, and uneven recovery in global demand, the explosive growth of AI technological innovation has created structural growth opportunities for future AI PCs and edge computing. Darfon's consolidated revenue for 2025 reached NTD 25.074 billion, a 15.5% increase compared to the same period in 2024. Although the green energy industry remained limited by bicycle inventory adjustment pressure and promotional price wars, leading to short-term profit constraints and the recognition of one-time asset impairments, the company continued to optimize its product portfolio to improve operational efficiency. Net profit after tax attributable to the shareholders of the parent company for the year was NTD 142 million, with earnings per share of NTD 0.51.

Regarding operations and sales strategy, in the AIoT business, the global notebook market continued to grow steadily in 2025. High-end models and gaming notebooks became the core drivers of industry recovery. The company continued to consolidate its technical advantages in IT peripheral segments, focusing on the research and development of high-value-added backlight modules and touch solutions to seize long-term development opportunities brought by AI trends. The component business steadily enhanced its market competitiveness through technological deepening and niche product development. In the green energy business, the company proactively adjusted its strategy to face the headwind of a prolonged inventory de-stocking cycle in the bicycle market. We have comprehensively strengthened our R&D and manufacturing systems for integrated frames, battery packs, and electronic control systems to maximize assembly and logistics efficiency; simultaneously, we have connected marketing channels across Europe, Greater China, and Japan to provide customers with comprehensive solutions from design and R&D to final manufacturing, strengthening customer relationships and ensuring we are positioned to capture global E-Mobility market share as the economy recovers.

In terms of management strategy, in response to the reshaping of global supply chains and geopolitical challenges, the company implemented its "China+" short-chain strategy, establishing a global deployment strategy of "Lean China, Value Taiwan, Value-added Europe, and Scale Vietnam". By promoting smart factories and localized services, we improve supply chain agility while effectively reducing carbon emissions from cross-border logistics to fulfill our corporate social responsibility. The company continues to promote cross-industry integration and global resource complementarity within the Group to build a strong synergistic business platform. R&D investment remains at 4% of revenue, with over a thousand patents accumulated worldwide to ensure our technological leadership in the AIoT and E-Mobility waves, laying the foundation for the Group's transformation.

The company continues to internalize ESG core values into its operational resilience, achieving milestone progress in various aspects during 2025.

1. Environmental: Actively implemented low-carbon transformation, receiving the LEED Platinum Award, UL Solutions Healthy Building Certification, and the FT Asia-Pacific Climate Leaders award, while also being selected for Business Weekly's "Carbon Competitiveness 100" and receiving CommonWealth Magazine's "1.5°C Certificate," demonstrating our firm commitment to net-zero emissions.
2. Social: Awarded the "HR Asia – Best Companies to Work for in Asia" for the fifth consecutive year and received the National Architecture Golden Award for its dedication to talent cultivation and an inclusive workplace.
3. Corporate Governance: The sustainability report was officially promoted to the highest "Platinum Award" at the Taiwan Corporate Sustainability Awards (TCSA), and the company was recognized as one of the "Top 100 Taiwan Sustainable Exemplary Enterprises". These achievements not only highlight the company's excellence in transparent governance and sustainable operation but also fulfill our firm commitment to the long-term growth of shareholder value.

Looking ahead to 2026, the rapid growth of AI innovation and edge computing will continue to deepen global digital transformation, and the company will actively implement its dual-engine strategy of "AIoT" and "Green Energy". In the AIoT segment, we are committed to value transformation, expanding our business scope, and strengthening competitiveness to drive breakthrough growth in the business group. In the green energy business, as global bicycle inventory adjustments reach their final stages, the segment is expected to regain growth momentum, expand its business scale, and pursue healthy growth while leveraging the logistical synergies of the European distribution platform and the Vietnamese manufacturing base to reshape industry competitive advantages. The company will continue to implement its core policy of "Innovation for Value, Profit for Growth" to improve profit margins while actively promoting ESG and RBA responsibility standards to ensure long-term development and sustainable operation.

We sincerely thank our shareholders for your continued support and encouragement. The management team and all employees will remain dedicated to creating greater value for our shareholders and the company, as we move toward a more robust and innovative future together.

Andy Su	**Josh Tsai**	**Gavin Lin**
Chairman & CEO	General Manager	CFO

2. Audit Committee's Review Report

The Board of Directors has prepared the Company's Financial Statements for the year 2025 and issued the Audit Report jointly by two accountants, Shih-Chun Hsu and Tze-Chieh Tang from the accounting firm of KPMG Taiwan, entrusted by the Board of Directors. The above-mentioned financial statements, business reports, independent auditors report, and earnings distribution proposal have been reviewed and determined to be correct and accurate by the Audit Committee of Darfon Electronics Corp., hereby submitted this report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Report for inspection.

Sincerely,

Darfon Electronics Corp. – 2026 Annual General Shareholders' Meeting

Convener of the Audit Committee:

March 4, 2026

3. Report on the 2025 Employees' and Directors' Remuneration

The distribution of 2025 director's and employees' remuneration is stipulated in the Articles of Incorporation. It is proposed to allocate NT$1,106,753 for directors' remuneration and NT$24,594,521 for employees' remuneration. The payment will be made in cash.

4. Report on 2025 Earnings Distribution of Cash Dividends

(1) In accordance with the Articles of Incorporation, the distribution of earnings is distributed in the form of cash, the distribution may be approved by the Board of Directors and reported to the shareholders' meeting.

(2) The Company distributes the retained distributable earnings for Year 2025 and distributes NT$0.5 per ordinary share for cash dividends.

(3) The cash dividend distribution to each shareholder will be paid to the rounded-down full NT dollar, and the Chairman of Board of Directors is authorized to determine the base date and distribution date of dividends and other related matters.

(4) If the dividend distribution ratio is adjusted and need to be modified due to change if the Company's total number of outstanding common shares, the Chairman of Board of Directors has full authority to adjust the distribution ratio.

Proposals:

1. Adoption of the 2025 Business Report and Financial Statements (Proposed by the Board of Directors)

Explanation:

(1) The Financial Statements for the year 2025 were audited by the independent auditors, Shih-Chun Hsu and Tze-Chieh Tang from KPMG. Taiwan Accounting Firm and were entrusted by the Board of Directors. It was deemed sufficient to articulated the financial position of Darfon Electronics Corp. as of December 31, 2025, and the financial results and cash flows for the year 2025, and the business report was attached.

(2) For the Independent Auditors' Report and the Financial Statements, please refer to Attachment 1 (p4-20).

Resolution:

2. Adoption of the proposal for 2025 Earnings Distribution (Proposed by the Board of Directors)

Explanation:

The Company's 2025 Earnings Distribution Table was approved by the Board of Directors and sent to the Audit Committee for review. For the 2025 Earning Distribution Table please refer to Attachment 2 (p21)

Resolution:

Extraordinary Motions

Adjournment

Attachment 1

Independent Auditors' Report

To the Board of Directors of Darfon Electronics Corp.:

Opinion

We have audited the consolidated financial statements of Darfon Electronics Corp. and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2025 and 2024, the consolidated statements of comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Darfon Electronics Corp. and its subsidiaries as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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 Darfon Electronics Corp. and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

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

Key audit matters for Darfon Electronics Corp. and its subsidiaries' consolidated financial statements for the year ended December 31, 2025 are stated as follows:

1. Valuation of inventories

   Please refer to note 4(h) for the accounting policies on inventory valuation, note 5(a) for uncertainty of accounting estimations and assumptions for inventory valuation, and note 6(f) for the disclosure of the amounts of inventory write-downs, of the consolidated financial statements.

   <u>Description of key audit matter:</u>

   Inventories are measured at the lower of cost and net realizable value. Due to the rapid innovation of technology and highly competitive environments in the industry Darfon Electronics Corp. and its subsidiaries operates, the life cycle of products of Darfon Electronics Corp. and its subsidiaries are short and their market prices fluctuate rapidly. Darfon Electronics Corp. and its subsidiaries' stocks for products may become obsolete and product price may decline rapidly. These factors result in a risk wherein the carrying amount of inventory may exceed its net realizable value, and the write-downs of inventories. Particularly, the estimation of net realizable value requires management's subjective judgments. Therefore, the valuation of inventories has been identified as one of the key audit matters.

   <u>How the matter was addressed in our audit:</u>

   In relation to the key audit matter above, our principal audit procedures included obtaining the inventory aging report provided by Darfon Electronics Corp. and its subsidiaries, and analyzing the fluctuation of inventory aging; selecting samples to verify the accuracy of inventory aging classification; evaluating whether valuation of inventories was accounted for in accordance with Darfon Electronics Corp. and its subsidiaries' accounting policies; and assessing the reasonableness of Darfon Electronics Corp. and its subsidiaries' accounting policies of valuation of inventories.

2. Impairment of goodwill

   Please refer to note 4(m) for the accounting policies on impairment of non-financial assets, note 5(b) for the uncertainty of accounting estimations and assumptions for goodwill impairment, and 6(l) for related disclosures of impairment test of goodwill, of the consolidated financial statements.

   Description of key audit matter:

   Goodwill arising from the acquisition of subsidiaries is subject to an impairment test annually or when there are indications that goodwill may have been impaired. The assessment of the recoverable amount of goodwill from cash generating units involves management's judgement and estimation. Accordingly, the assessment of impairment of goodwill has been identified as one of the key audit matters.

   How the matter was addressed in our audit:

   In relation to the key audit matter above, our principal audit procedures included reviewing the assessment of impairment of goodwill provided by management; assessing the appropriateness of the valuation model and key assumptions, including the discount rate, expected revenue growth rate and future cash flow projections, used by management in measuring the recoverable amount; performing a sensitivity analysis to assess the impact of variations in key assumptions; and assessing the adequacy of Darfon Electronics Corp. and its subsidiaries' disclosures with respect to the related information on evaluation of goodwill impairment.

Other Matter

Darfon Electronics Corp. has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2025 and 2024, on which we have issued an unmodified audit opinion.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, and SIC endorsed and issued into effect by the 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 Darfon Electronics Corp. and its subsidiaries' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Darfon Electronics Corp. and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing Darfon Electronics Corp. and its subsidiaries' financial reporting process.

Auditors' 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 auditors' 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 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 Darfon Electronics Corp. and its subsidiaries' internal control.
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

Darfon Electronics Corp. and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause Darfon Electronics Corp. and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, 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 Darfon Electronics Corp. and its subsidiaries 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 the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' 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.

The engagement partners on the audit resulting in this independent auditors' report are Shih-Chun Hsu and Tzu-Chieh Tang.

KPMG

Taipei, Taiwan (Republic of China)
March 4, 2026

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

DARFON ELECTRONICS CORP. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2025			December 31, 2024	
	Assets		**Amount**	**%**	**Amount**	**%**
	Current assets:					
1100	Cash and cash equivalents	$	6,261,578	19	5,544,288	16
1110	Financial assets at fair value through profit or loss－current		161,399	-	412,908	1
1120	Financial assets at fair value through other comprehensive income－current		575,039	2	416,335	1
1136	Financial assets at amortized cost－current		44,730	-	461,008	1
1170	Notes and accounts receivable, net		6,211,975	19	6,633,910	20
1180	Accounts receivable from related parties		84,690	-	84,234	-
1200	Other receivables		430,268	1	252,176	1
130X	Inventories		6,036,546	18	6,320,515	19
1470	Prepayments and other current assets		827,573	3	769,616	2
	Total current assets		20,633,798	62	20,894,990	61
	Non-current assets:					
1517	Financial assets at fair value through other comprehensive income－non-current		768,083	2	1,339,263	4
1535	Financial assets at amortized cost－non-current		810	-	810	-
1550	Investments accounted for using equity method		26,417	-	46,650	-
1600	Property, plant and equipment		8,430,297	26	8,744,727	26
1755	Right-of-use assets		1,007,142	3	1,110,103	3
1780	Intangible assets		1,429,678	4	1,543,348	5
1840	Deferred income tax assets		426,149	1	371,014	1
1915	Prepayments for equipment		168,576	1	119,504	-
1920	Refundable deposits		116,460	1	56,179	-
1960	Prepayments for investments		71,399	-	-	-
1975	Net defined benefit asset－non-current		1,460	-	-	-
1990	Other non-current assets		6,130	-	7,966	-
	Total non-current assets		12,452,601	38	13,339,564	39
	Total assets	**$**	**33,086,399**	**100**	**34,234,554**	**100**

(Continued)

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

DARFON ELECTRONICS CORP. AND SUBSIDIARIES
Consolidated Balance Sheets (Continued)
December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2025		December 31, 2024	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings	$ 5,369,326	16	4,733,041	14
2110	Short-term notes and bills payable	219,849	1	169,884	1
2120	Financial liabilities at fair value through profit or loss－current	49,320	-	3,702	-
2170	Notes and accounts payable	5,129,701	16	4,784,785	14
2200	Other payables	2,793,636	8	3,491,159	10
2250	Provisions－current	89,812	-	92,027	-
2280	Lease liabilities－current	126,001	-	121,104	-
2322	Current portion of long-term debt	24,000	-	48,000	-
2399	Other current liabilities	1,219,900	4	1,485,050	5
	Total current liabilities	15,021,545	45	14,928,752	44
	Non-current liabilities:				
2540	Long-term debt	4,887,288	15	4,224,000	12
2570	Deferred income tax liabilities	246,460	1	282,502	1
2580	Lease liabilities－non-current	192,091	1	231,919	1
2640	Net defined benefit liabilities－non-current	75	-	7,047	-
2670	Other non-current liabilities	12,194	-	96,411	-
	Total non-current liabilities	5,338,108	17	4,841,879	14
	Total liabilities	20,359,653	62	19,770,631	58
	Equity attributable to shareholders of the Parent:				
3110	Common stock	2,800,000	8	2,800,000	8
3200	Capital surplus	4,105,479	12	4,129,208	12
	Retained earnings:				
3310	Legal reserve	1,579,334	5	1,516,762	4
3320	Special reserve	7,586	-	-	-
3350	Unappropriated earnings	2,001,636	6	2,462,895	7
		3,588,556	11	3,979,657	11
	Other equity:				
3410	Foreign currency translation differences	(218,248)	(1)	85,680	-
3420	Unrealized (losses) gains from financial assets measured at fair value through other comprehensive income	(85,665)	-	514,087	2
3445	Remeasurements of defined benefit	(544)	-	(2,873)	-
		(304,457)	(1)	596,894	2
3500	Treasury shares	(89,024)	-	(89,024)	-
	Equity attributable to shareholders of the Parent	10,100,554	30	11,416,735	33
36XX	**Non-controlling interests**	2,626,192	8	3,047,188	9
	Total equity	12,726,746	38	14,463,923	42
	Total liabilities and equity	**$ 33,086,399**	**100**	**34,234,554**	**100**

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

DARFON ELECTRONICS CORP. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income (Loss)

For the years ended December 31, 2025 and 2024

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

		2025		2024	
		Amount	%	Amount	%
4000	**Net sales**	$ 25,073,796	100	21,700,226	100
5000	**Cost of sales**	(21,096,275)	(84)	(17,714,544)	(82)
	Gross profit	3,977,521	16	3,985,682	18
	Operating expenses:				
6100	Selling expenses	(1,609,161)	(6)	(1,241,749)	(6)
6200	Administrative expenses	(1,317,189)	(5)	(1,077,644)	(5)
6300	Research and development expenses	(970,046)	(4)	(1,014,855)	(5)
6450	Expected credit loss	(151,283)	(1)	(78,021)	-
6000	**Total operating expenses**	(4,047,679)	(16)	(3,412,269)	(16)
	Operating (loss) income	(70,158)	-	573,413	2
	Non-operating income and loss :				
7100	Interest income	134,876	-	189,203	1
7010	Other income	190,038	1	162,122	1
7020	Other gains and losses	(21,460)	-	65,058	-
7050	Finance costs	(281,499)	(1)	(251,352)	(1)
7060	Share of profit of associates and joint ventures	955	-	3,452	-
	Total non-operating income and loss	22,910	-	168,483	1
7900	**Income (loss) before income tax**	(47,248)	-	741,896	3
7950	**Income tax expense**	(100,542)	(1)	(223,482)	(1)
8200	**Net (loss) income**	(147,790)	(1)	518,414	2
	Other comprehensive income:				
8310	**Items that will not be reclassified subsequently to profit or loss:**				
8311	Remeasurements of defined benefit plans	3,230	-	19,255	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(604,524)	(2)	(737,420)	(3)
8320	Share of other comprehensive income (loss) of associates and joint ventures	3,066	-	(26,468)	-
8349	Income tax related to items that will not be reclassified subsequently to profit or loss	(492)	-	(3,497)	-
		(598,720)	(2)	(748,130)	(3)
8360	**Items that may be reclassified subsequently to profit or loss:**				
8361	Exchange differences on translation of foreign operations	(328,448)	(1)	465,398	2
8370	Share of other comprehensive (loss) income of associates and joint ventures	(24,254)	-	1,413	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-
		(352,702)	(1)	466,811	2
	Other comprehensive income (loss) for the year, net of income tax	(951,422)	(3)	(281,319)	(1)
8500	**Total comprehensive income (loss) for the year**	**$ (1,099,212)**	**(4)**	**237,095**	**1**
	Net income (loss) attributable to:				
8610	Shareholders of the Parent	$ 141,767	-	618,567	2
8620	Non-controlling interests	(289,557)	(1)	(100,153)	-
		$ (147,790)	**(1)**	**518,414**	**2**
	Total comprehensive income (loss) attributable to:				
8710	Shareholders of the Parent	$ (748,880)	(3)	384,195	2
8720	Non-controlling interests	(350,332)	(1)	(147,100)	(1)
		$ (1,099,212)	**(4)**	**237,095**	**1**
	Earnings per share (in New Taiwan Dollars):				
9750	**Basic earnings per share**	**$**	**0.51**		**2.22**
9850	**Diluted earnings per share**	**$**	**0.51**		**2.20**

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

DARFON ELECTRONICS CORP. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to shareholders of the Parent												Non-controlling interests	Total equity
			Retained earnings				Other equity							
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Subtotal	Foreign currency translation differences	Unrealized gains (losses) from financial assets at fair value through other comprehensive income	Remeasurements of defined benefit plans	Subtotal	Treasury stock	Equity attributable to shareholders of the Parent		
Balance at January 1, 2024	$ 2,800,000	4,138,312	1,350,849	56,317	3,066,773	4,473,939	(379,154)	1,233,768	(17,689)	836,925	(44,571)	12,204,605	3,564,494	15,769,099
Net income (loss) in 2024	-	-	-	-	618,567	618,567	-	-	-	-	-	618,567	(100,153)	518,414
Other comprehensive income (loss) in 2024	-	-	-	-	-	-	464,764	(713,952)	14,816	(234,372)	-	(234,372)	(46,947)	(281,319)
Total comprehensive income (loss) in 2024	-	-	-	-	618,567	618,567	464,764	(713,952)	14,816	(234,372)	-	384,195	(147,100)	237,095
Appropriation of earnings:														
Legal reserve	-	-	165,913	-	(165,913)	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(56,317)	56,317	-	-	-	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(1,120,000)	(1,120,000)	-	-	-	-	-	(1,120,000)	-	(1,120,000)
Repurchase of the Company's common shares by subsidiaries recognized as treasury stock	-	-	-	-	-	-	-	-	-	-	(44,453)	(44,453)	(50,634)	(95,087)
Adjustments of capital surplus for the cash dividends distributed to subsidiaries	-	3,833	-	-	-	-	-	-	-	-	-	3,833	-	3,833
Acquisition of subsidiary's additional interests	-	-	-	-	-	-	-	-	-	-	-	-	(71,351)	(71,351)
Changes in ownership interests in subsidiaries	-	(12,937)	-	-	-	-	70	1,422	-	1,492	-	(11,445)	11,445	-
Capital injection from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	9,145	9,145
Distribution of cash dividends by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(268,811)	(268,811)
Disposal of equity instruments at fair value through other comprehensive income by the Company	-	-	-	-	3,982	3,982	-	(3,982)	-	(3,982)	-	-	-	-
Disposal of equity instruments at fair value through other comprehensive income by subsidiaries	-	-	-	-	3,169	3,169	-	(3,169)	-	(3,169)	-	-	-	-
Balance at December 31, 2024	2,800,000	4,129,208	1,516,762	-	2,462,895	3,979,657	85,680	514,087	(2,873)	596,894	(89,024)	11,416,735	3,047,188	14,463,923
Net income (loss) in 2025	-	-	-	-	141,467	141,767	-	-	-	-	-	141,767	(289,557)	(147,790)
Other comprehensive income (loss) in 2025	-	-	-	-	-	-	(304,293)	(588,683)	2,329	(890,647)	-	(890,647)	(60,775)	(951,422)
Total comprehensive income (loss) in 2025	-	-	-	-	141,767	141,767	(304,293)	(588,683)	2,329	(890,647)	-	(748,880)	(350,332)	(1,099,212)
Appropriation of earnings:														
Legal reserve	-	-	62,572	-	(62,572)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	7,586	(7,586)	-	-	-	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(560,000)	(560,000)	-	-	-	-	-	(560,000)	-	(560,000)
Adjustments of capital surplus for the cash dividends distributed to subsidiaries	-	3,741	-	-	-	-	-	-	-	-	-	3,741	-	3,741
Acquisition of subsidiary's additional interests	-	-	-	-	-	-	-	-	-	-	-	-	(2,553)	(2,553)
Changes in ownership interests in subsidiaries	-	(27,470)	-	-	-	-	365	16,063	-	16,428	-	(11,402)	11,042	-
Capital injection from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	1,181	1,181
Distribution of cash dividends by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(80,334)	(80,334)
Disposal of equity instruments at fair value through other comprehensive income by subsidiaries	-	-	-	-	27,132	27,132	-	(27,132)	-	(27,132)	-	-	-	-
Balance at December 31, 2025	**$ 2,800,000**	**4,105,479**	**1,579,334**	**7,586**	**2,001,636**	**3,588,556**	**(218,248)**	**(85,665)**	**(544)**	**(304,457)**	**(89,024)**	**10,100,554**	**2,626,192**	**12,726,746**

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

DARFON ELECTRONICS CORP. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from operating activities:		
Income (loss) before income tax	$ (47,278)	$ 741,896
Adjustments:		
Adjustments to reconcile profit or loss		
Depreciation	1,176,935	1,209,880
Amortization	121,280	93,758
Expected credit loss	151,283	78,021
Interest expense	281,499	251,352
Interest income	(134,876)	(189,203)
Dividend income	(92,049)	(89,397)
Share of profit of associates and joint ventures	(955)	(3,452)
Gains on disposal of property, plant and equipment	(450)	(49,707)
Gains on lease modifications	(532)	(68)
Total adjustments to reconcile profit or loss	1,520,135	1,301,184
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets mandatorily measured at fair value through profit or loss	(33)	11,840
Notes and accounts receivable	270,652	626,051
Accounts receivable from related parties	(456)	49,217
Other receivables	(177,987)	(69,981)
Inventories	283,969	753,362
Prepayments and other current assets	(56,823)	(134,816)
Net defined benefit assets	(5,694)	-
Total changes in operating assets	313,628	1,235,673
Changes in operating liabilities:		
Financial liabilities held for trading	45,618	3,689
Notes and accounts payable	344,916	124,755
Other payables	(360,824)	(507,654)
Provisions	(2,215)	(19,064)
Other current liabilities	(265,150)	254,493
Net defined benefit liabilities	-	(8,082)
Total changes in operating liabilities	(237,655)	(151,863)
Total changes in operating assets and liabilities	75,973	1,083,810
Total adjustments	1,578,108	2,384,994
Cash provided by operations	1,530,860	3,126,890
Interest received	134,771	189,150
Interest paid	(278,892)	(256,380)
Income taxes paid	(387,131)	(470,353)
Net cash provided by operating activities	999,608	2,589,307

(Continued)

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

DARFON ELECTRONICS CORP. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (Continued)

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from investing activities:		
Purchase of financial assets at fair value through profit or loss	(284,865)	(1,177,357)
Proceeds from disposal of financial assets at fair value through profit or loss	536,885	2,057,294
Purchase of financial assets at fair value through other comprehensive income	(598,795)	(394,734)
Proceeds from disposal of financial assets at fair value through other comprehensive income	331,601	394,820
Increase in financial assets measured at amortized cost	-	(1,444,724)
Decrease in financial assets measured at amortized cost	446,278	1,204,527
Increase in prepayments for investments	(71,399)	-
Net cash outflow from acquisition of subsidiaries	(249,648)	(814,549)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	75,144	-
Additions to property, plant and equipment (including prepayments for land and equipment)	(981,099)	(902,703)
Proceeds from disposal of property, plant and equipment	36,995	256,576
Increase in refundable deposits	(60,281)	-
Decrease in refundable deposits	-	640
Additions to intangible assets	(6,970)	(28,368)
Decrease in other non-current assets	1,301	24,642
Dividends received	92,049	89,397
Net cash used in investing activities	(732,804)	(734,539)
Cash flows from financing activities:		
Increase in short-term borrowings	7,889,846	12,070,189
Decrease in short-term borrowings	(7,242,901)	(12,527,410)
Increase (decrease) in short-term notes and bills payable	49,965	(60,064)
Increase in long-term debt	1,407,288	2,770,000
Repayments of long-term debt	(768,000)	(2,697,408)
Increase in guarantee deposits received	-	401
Decrease in guarantee deposits received	(6,155)	-
Payment of lease liabilities	(159,001)	(172,557)
Cash dividends distributed to shareholders	(556,259)	(1,116,167)
Repurchase of treasury shares	-	(95,087)
Distribution of cash dividends by subsidiaries to non-controlling interests	(80,334)	(268,811)
Acquisition of subsidiary's additional interests	(2,553)	(71,351)
Capital injection from non-controlling interests	1,181	9,145
Net cash provided by (used in) financing activities	533,077	(2,159,120)
Effects of exchange rate changes	(82,591)	321,264
Net increase in cash and cash equivalents	717,290	16,912
Cash and cash equivalents at beginning of year	5,544,288	5,527,376
Cash and cash equivalents at end of year	**$ 6,261,578**	**5,544,288**

Independent Auditors Report

To the Board of Directors of Darfon Electronics Corp:

Opinion

We have audited the parent-company-only financial statements of Darfon Electronics Corp. (the "Company"), which comprise the parent-company-only balance sheets as of December 31, 2025 and 2024, and the parent-company-only statements of comprehensive income, changes in equity can cash flows for the years then ended, and notes to the parent-company-only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent-company-only financial statements present fairly, in all material respects, the financial position of the company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with 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 Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in 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 Certified Public Accountants Code of Professional Ethics in Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the parent-company-only financial statements of the current period. These matters were addressed in the context of our audit of 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. Key audit matters for the Company's parent-company-only financial statements for the year ended December 31, 2025 are stated as follows:

1. Valuation of inventories

   Please refer to note 4(g) for the accounting policies on inventory valuation, note 5(a) for uncertainty of accounting estimations and assumptions for inventory valuation, and not 6(d) for the disclosure of the amounts of inventory write-downs, of the parent-company-only financial statements.

   Description of key audit matter:

   Inventories are measured at the lower of cost and net realizable value. Due to rapid technological changes, the company's stocks for products may become obsolete and product price may decline rapidly. These factors result in a risk wherein the carrying the carrying amount of inventory may exceed its net realizable value which lead to inventory depreciation loss. Particularly, the estimation of net realizable value requires the management's subjective judgements. Therefore, the valuation of inventories has been identified as one of the key audit matters.

   How the matter was addressed in our audit:

   In relation to the key audit matter above, our principal audit procedures included obtaining the inventory aging report provided by the Company, and analyzing the fluctuation of inventory aging; selecting samples to verify the accuracy of inventory aging classification; evaluating whether valuation of inventories was accounted for in accordance with Company's accounting policies; and assessing the reasonableness of management's estimates of inventory provisions.

2. Assessment of impairment of goodwill from investments in subsidiaries

   Please refer to note 4(m) for the accounting policies on impairment of non–financial assets, note 5(b) for the uncertainty of accounting estimations and assumptions for goodwill impairment, and 6(e) for related disclosures of impairment test of goodwill of the parent-company-only financial statements.

   Description of key audit matter:

   Goodwill arising from acquisition of subsidiaries, which are included in the carrying amount of investments accounted for using equity method. Goodwill is subject to impairment test annually or at the time there are indications that goodwill may have been impaired. The assessment of the recoverable amount of goodwill involves management's judgement and estimation. Accordingly, the assessment of impairment of goodwill has been identified as one of the key audit matters.

How the matter was addressed in out audit:

In relation to the key audit matter above, our principal audit procedures included obtaining the assessment impairment of goodwill provided by the management; assessing the appropriateness of the valuation model and key assumptions, including the discount rate, expected growth rate and future cash flow projections, used by the management in measuring the recoverable amount; performing a sensitivity analysis of key assumptions and test results; and assessing the adequacy of the Company's disclosure with respect to the related information on goodwill impairment.

Responsibility of management and those charged with Governance for the Parent-Company-Only Financial Statement

Management is responsible for the preparation and fair presentation of the parent-company-only financial statements in accordance with 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 Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that as audit conducted in accordance with the auditing standards generally accepted in 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 auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement in the parent-company-only financial statements, whether due to fraud or error. Design and perform audit procedures to address these risks and obtain sufficient, appropriate audit evidence or a basis for our opinion. The risk of undetected fraud is higher than that of error, as fraud may involve collusion, forgery, omissions, misrepresentations, or 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and 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 Company's ability to continue as a going concern. 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 parent-company-only 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 disclosures, 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 investees accounted for using the equity method to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the audit. We remained 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 the parent-company-only financial statements for the year ended December 31, 2025 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 circumstance, 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. The engagement partners on the audit resulting in this independent auditors' report are Shih-Tsung Hsu and Tzu-Chieh Tang.

KPMG

Taipei, Taiwan

Republic of China

March 4, 2026

(English Translation of Parent Company. Only Financial Statements Originally Issued in Chinese)

DARFON ELECTRONICS CORPORATION
Balance Sheets
December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2025		December 31, 2024	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets：				
1100	Cash and cash equivalents	$ 903,622	3	1,111,528	4
1120	Financial assets at fair value through other comprehensive income－current	338,402	1	3,013	-
1170	Notes and accounts receivable, net	4,469,743	17	4,289,571	16
1180	Accounts receivable from related parties	1,720,916	7	2,091,891	8
1206	Other receivables	4,874	-	4,897	-
130X	Inventories	1,211,732	5	1,405,784	5
1470	Prepayments and other current assets	73,819	-	93,527	-
	Total current assets	8,723,108	33	9,000,211	33
	Non-current assets：				
1517	Financial assets at fair value through other comprehensive income－non-current	768,083	3	1,339,263	5
1550	Investments accounted for using equity method	14,043,556	53	14,282,743	52
1600	Property, plant, and equipment	2,617,041	10	2,740,453	10
1840	Deferred income tax assets	117,730	1	120,895	-
1915	Prepayments for equipment	1,466	-	2,188	-
1920	Refundable deposits	1,081	-	1,199	-
1960	Prepayments for investments	71,399	-	-	-
1990	Other non-current assets	-	-	70	-
	Total non-current assets	17,620,356	67	18,486,811	67
	Total assets	**$ 26,343,464**	**100**	**27,487,022**	**100**

(Continued)

(English Translation of Parent Company. Only Financial Statements Originally Issued in Chinese)

DARFON ELECTRONICS CORPORATION
Balance Sheets (Continued)
December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2025		December 31, 2024	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities：				
2100	Short-term borrowings	$ 3,690,000	14	2,730,000	10
2170	Notes and accounts payable	376,036	1	386,288	1
2180	Accounts payable from related parties	5,422,872	21	6,038,914	22
2219	Other payables	1,094,919	4	1,619,450	6
2250	Provision－current	63,234	-	65,043	-
2300	Other current liability	944,592	4	1,022,729	4
	Total current liabilities	11,591,653	44	11,862,424	43
	Non-current liabilities：				
2540	Long-term debt	4,650,000	18	4,200,000	15
2640	Net defined benefit liability－non-current	75	-	6,677	-
2645	Guarantee deposits received	1,182	-	1,186	-
	Total non-current liabilities	4,651,257	18	4,207,863	15
	Total liabilities	16,242,910	62	16,070,287	58
	Equity：				
3110	Common stock	2,800,000	10	2,800,000	10
3200	Capital surplus	4,105,479	15	4,129,208	15
	Retained earnings：				
3310	Legal reserve	1,579,334	6	1,516,762	6
3320	Special reserve	7,586	-	-	-
3350	Unappropriated earnings	2,001,636	8	2,462,895	9
		3,588,556	14	3,979,657	15
	Other equity：				
3410	Foreign currency translation differences	(218,248)	(1)	85,680	-
3420	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	(85,665)	-	514,087	2
3445	Remeasurements of defined benefit	(544)	-	(2,873)	-
		(304,457)	(1)	596,894	2
3500	Treasury stock	(89,024)	-	(89,024)	-
	Total equity	10,100,554	38	11,416,735	42
	Total liabilities and equity	**$ 26,343,464**	**100**	**$ 27,487,022**	**100**

(English Translation of Parent Company. Only Financial Statements Originally Issued in Chinese)

DARFON ELECTRONICS CORPORATION
Comprehensive Income
December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		2025		2024	
		Amount	%	Amount	%
4000	**Net sales**	$ 14,119,262	100	14,182,442	100
5000	**Costs of sales**	(12,699,610)	(90)	(12,391,365)	(87)
5900	**Gross profit**	1,419,652	10	1,791,077	13
5910	Realized profit on sales	155,242	1	152,661	1
5950	**Realized gross profit**	1,574,894	11	1,943,738	14
6000	**Operating expenses：**				
6100	Selling expenses	(336,499)	(2)	(384,186)	(3)
6200	Administrative expenses	(300,042)	(2)	(207,630)	(1)
6300	Research and development expenses	(521,416)	(4)	(505,226)	(4)
6450	Benefit from expected credit impairment (loss) reversal	27,936	-	(38,706)	-
6000	**Total operating expenses**	(1,130,021)	(8)	(1,135,748)	(8)
6900	**Operating income**	444,873	3	807,990	6
7000	**None-operating income and expenses：**				
7100	Interest income	34,352	-	37,774	-
7010	Other income	101,537	1	105,510	1
7020	Other gains and losses	28,860	-	(17,866)	-
7050	Financial costs	(162,857)	(1)	(116,883)	(1)
7070	Share of the losses of subsidiaries accounted for using equity method	(226,521)	(1)	(168,858)	(1)
	Total non-operating income and loss	(224,629)	(1)	(160,323)	(1)
7900	**Income before income tax**	220,244	2	647,667	5
7950	**Income tax expenses**	(78,477)	(1)	(29,100)	(1)
8200	**Net income**	141,767	1	618,567	4
	Other comprehensive income：				
8310	**Items that will not be reclassifies subsequently to profit or loss:**				
8311	Remeasurements of defined benefit plans	2,462	-	17,487	-
8316	Unrealized gains (losses) on investments in equity instruments measured at fair value through other comprehensive income	(526,783)	(4)	(567,542)	(4)
8330	Share of the other comprehensive income of subsidiaries accounted for using equity method	(61,541)	-	(145,584)	(1)
8349	Income tax related to items that will not be reclassified subsequently to profit or loss	(492)	-	(3,497)	-
		(586,354)	(4)	(699,136)	(5)
8360	**Items that may be reclassifies subsequently to profit or loss:**				
8361	Exchange differences on translation of foreign operations	(304,293)	(2)	467,606	4
8380	Share of the other comprehensive income of subsidiaries and joint ventures accounted for using equity method	-	-	(2,842)	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-
		(304,293)	(2)	464,764	4
	Other comprehensive income (loss) for the year, net of income tax	(890,647)	(6)	(234,372)	(1)
8500	**Total comprehensive income for the year**	**$ (748,880)**	**(5)**	**384,195**	**3**
	Earnings per share (in New Taiwan dollars)				
9750	**Basic earnings per share**	**$ 0.51**		**2.22**	
9850	**Diluted earnings per share**	**$ 0.51**		**2.20**	

<u>(English Translation of Parent Company. Only Financial Statements Originally Issued in Chinese)</u>

DARFON ELECTRONICS CORPORATION
Changes in Equity
December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

			Retained Earnings				Total other equity					
	Common stock	**Capital surplus**	**Legal reserve**	**Special reserve**	**Unappropriated earnings**	**Subtotal**	**Foreign currency translation differences**	**Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income**	**Remeasurements of defined benefit plans**	**Subotal**	**Treasury stock**	**Total equity**
Balance at Janurary 31, 2024	2,800,000	4,138,312	1,350,849	56,317	3,066,773	4,473,939	(379,154)	1,233,768	(17,689)	836,925	(44,571)	12,204,605
Net income	-	-	-	-	618,567	618,567	-	-	-	-	-	618,567
Other comprehensive income (loss)	-	-	-	-	-	-	464,764	(713,952)	14,816	(234,372)	-	(234,372)
Total comprehensive income (loss)	-	-	-	-	618,567	618,567	464,764	(713,952)	14,816	(234,372)	-	384,195
Appropriation of earnings：												
Legal reserve	-	-	165,913	-	(165,913)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(56,317)	56,317	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(1,120,000)	(1,120,000)	-	-	-	-	-	(1,120,000)
Disposal of financial assets measured at fair value through other comprehensive income by the Company	-	-	-	-	3,982	3,982	-	(3,982)	-	(3,982)	-	-
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries	-	-	-	-	3,169	3,169	-	(3,169)	-	(3,169)	-	-
Stocks purchased by subsidiaries from the parent company are regarded as treasury stocks	-	-	-	-	-	-	-	-	-	-	(44,453)	(44,453)
Dividends distributed to subsidiaries to adjust capital reserves	-	3,833	-	-	-	-	-	-	-	-	-	3,833
Changes in ownership interest in subsidiaries	-	(12,937)	-	-	-	-	70	1,422	-	1,492	-	(11,445)
Balance at December 31, 2024	2,800,000	4,129,208	1,516,762	-	2,462,895	3,979,657	85,680	514,087	(2,873)	596,894	(89,024)	11,416,735
Net income	-	-	-	-	141,767	141,767	-	-	-	-	-	141,767
Other comprehensive income (loss)	-	-	-	-	-	-	(304,293)	(588,683)	2,329	(890,647)	-	(890,647)
Total comprehensive income (loss)	-	-	-	-	141,767	141,767	(304,293)	(588,683)	2,329	(890,647)	-	(748,880)
Appropriation of earnings：												
Legal reserve	-	-	62,572	-	(62,572)	-	-	-	-	-	-	-
Special reserve	-	-	-	7,586	(7,586)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(560,000)	(560,000)	-	-	-	-	-	(560,000)
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries	-	-	-	-	27,132	27,132	-	(27,132)	-	(27,132)	-	-
Dividends distributed to subsidiaries to adjust capital reserves	-	3,741	-	-	-	-	-	-	-	-	-	3,741
Changes in ownership interest in subsidiaries	-	(27,470)	-	-	-	-	365	16,063	-	16,428	-	(11,042)
Balance at December 31, 2025	**$ 2,800,000**	**4,105,479**	**1,579,334**	**7,586**	**2,001,636**	**3,588,556**	**(218,248)**	**(85,665)**	**(544)**	**(304,457)**	**(89,024)**	**10,100,554**

(English Translation of Parent Company. Only Financial Statements Originally Issued in Chinese)

DARFON ELECTRONICS CORPORATION
Statement of Cash Flows
December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from operating activities：		
Income before income tax	$ 220,244	647,667
Adjustments：		
Adjustments to reconcile profit or loss：		
Depreciation	268,598	286,173
Amortization	-	196
Expected credit impairment loss (reversal benefit)	(27,936)	38,706
Interest expense	162,857	116,883
Interest income	(34,352)	(37,774)
Dividend income	(65,596)	(64,646)
Employees' compensation from subsidiaries	-	2,570
Share of the losses of subsidiaries accounted for using equity method	226,521	168,858
Gains on disposal of property, plant, equipment, and intangible assets	(2,425)	(3,322)
Realized profit from sales	(155,242)	(152,661)
Total adjustments to reconcile profit or loss	372,425	354,983
Changes in operating assets and liabilities：		
Changes in operating assets：		
Notes and accounts receivable	(152,236)	(377,560)
Notes and accounts receivable from related parties	370,975	(300,636)
Other receivable	23	6,541
Inventories	194,052	(17,507)
Prepayments and other current assets	23,205	26,893
Total changes in operating assets	436,019	(662,269)
Changes in operating liabilities：		
Notes and accounts payable	(10,252)	156,181
Notes and accounts payable from related parties	(616,042)	(284,958)
Other payables	(207,487)	(117,165)
Provision	(1,809)	3,039
Other current liabilities	(78,066)	206,821
Net defined benefit liabilities	(4,140)	(7,282)
Total changes in operating liabilities	(917,796)	(43,364)
Total changes in operating assets and liabilities	(481,777)	(705,633)
Total adjustment	(109,352)	(350,650)
Cash provided by operations	110,892	297,017
Interest received	34,352	37,774
Interest paid	(160,842)	(118,252)
Income taxes paid	(152,017)	(105,715)
Net cash used in (provided by) operating activities	(167,615)	110,824
Cash flows from investing activities：		
Acquisition of financial assets at fair value through other comprehensive income	(362,738)	(299,223)
Disposal of financial assets at fair value through other comprehensive income	-	299,468
Purchase of investments accounted for using equity method	(530,851)	(1,458,543)
Increase in prepayments for investments	(71,399)	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	71,746	-
Additions to property, plant, and equipment (including prepayments for equipment)	(141,347)	(84,000)
Proceeds from disposal of property, plant, and equipment	260	459
Deposit margin (increase) decrease	118	(119)
Dividends received	143,995	1,482,953
Net cash used in investing activities	(890,216)	(59,005)
Cash flows from financing activities：		
Increase in short-term borrowings	960,000	118,875
Increase in long-term debt	750,000	2,770,000
Repayments of long-term debt	(300,000)	(2,370,000)
Deposit margin (decrease) increase	(4)	706
Payment of lease liabilities	(71)	(141)
Cash dividends distributed to shareholders	(560,000)	(1,120,000)
Net cash provided by (used in) financing activities	849,925	(600,560)
Net increase (decrease) in cash and cash equivalents	(207,906)	(548,741)
Cash and cash equivalents at the beginning of year	1,111,528	1,660,269
Cash and cash equivalents at the end of year	**$ 903,622**	**1,111,528**

Attachment 2

DARFON Electronics Corp.
Profit Distribution Table
For the Year 2025

(Unit: NTD$)

Items	Amount
Unappropriated retained earnings of prior years	**NTD 1,832,737,495**
Add: Net profit after tax	141,766,860
Add: Disposal of investments in equity instruments designated at fair value through other comprehensive income by subsidiaries	27,131,179
Less: 10% provisioned as legal reserve	(16,889,804)
Less: Provisioned as special reserve	(329,889,582)
Distributable net profit	**1,654,856,148**
Distributable item:	
Shareholders’ dividend – cash (NT$0.5 per share)	(140,000,001)
Unappropriated retained earnings	**1,514,856,147**

Note: The cash dividend distribution to each shareholder will be paid to the rounded-downfall NT dollar. The aggregate unpaid cash dividend resulting from the above rounded-down will be distributed to shareholders in the descending order of decimal point and the ascending order of shareholder account numbers, until the total amount of the approved cash dividend has been fully distributed.

Attachment 3

Shareholding of All Directors

1. The paid-in capital of the Company is $2,800,000,010, totaling 280,000,001 shares. The minimum of shares to be held by all the directors is 12,000,000 shares in accordance with Article 26 the Securities and Exchange Law.
2. As of date of cessation of the shareholders' meeting on March 29, 2026 the actual number of shares hold by all directors of the Company was 62,582,385. The actual collective shareholding of directors was shown as below:

March 29, 2026

Position	First and Last Name	Shareholding (Shares)	Shareholding Ratio (%)
Chairman	Kai-Chien Su	4,058,447	1.45
Director	Chi-Hong Chen （Qisda Corporation）	58,004,667	20.72
Director	Chiu-Chin Hung（Qisda Corporation）	58,004,667	20.72
Director	Yao-Kun Tsai	519,271	0.19
Independent Director	Hsiang-Ning Hu	0	0.00
Independent Director	Kun-Ming Lee	0	0.00
Independent Director	Yu-Tien Lee	0	0.00
Independent Director	Kuang-Yao Chang	0	0.00
Total		**62,582,385**	**22.36**

Attachment 4

DARFON ELECTRONICS CORP.

Articles of Incorporation

Chapter 1 General Provisions

Article 1 The Company is organized as a company limited by shares in accordance with the Company Act of the Republic of China (the "Company Act") and the Company's English name is DARFON ELECTRONICS CORP.

Article 2 The lines of business of the Company shall include the following:

1. CA05010 Powder Metallurgy
2. CC01110 Computer and Peripheral Equipment Manufacturing
3. CC01060 Wired Communication Mechanical Equipment Manufacturing
4. CC01070 Wireless Communication Mechanical Equipment Manufacturing
5. CC01080 Electronics Components Manufacturing
6. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
7. CQ01010 Mold and Die Manufacturing
8. CC01040 Lighting Equipment Manufacturing
9. F113050 Wholesale of Computers and Clerical Machinery Equipment
10. F119010 Wholesale of Electronic Materials
11. F401010 International Trade
12. I103060 Management Consulting
13. CC01101 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
14. F401021 Controlled Telecommunications Radio-Frequency Devices and Materials Import
15. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
16. F113020 Wholesale of Electrical Appliances
17. IG03010 Energy Technical Services
18. D101060 self-usage power generation equipment utilizing renewable energy industry
19. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval

Article 3 The Company may provide guarantees or endorsements on behalf of third parties due to business or investment relationships with such third parties.

Article 4 The total amount of the Company's investment is not subject to the restriction of Article 13 of the Company Act.

Article 5 The head office of the Company shall be in Taoyuan, Taiwan, the Republic of China ("R.O.C."). Subject to the approval of the Board and other relevant authorities, the Company may, if necessary, set up branches or business offices at other appropriate place.

Article 6 The company's announcement method is in accordance with the provisions of Article 28 of the Company Act.

Chapter 2 Shares

Article 7 The company's total capital is rated at NT $ 4.5 billion, divided into 450 million shares at NT $ 10 per share. The council decided to issue in batches. 15 million shares are reserved in the aforementioned total shares as shares for issuing employee stock option certificates. The company may issue employee stock options at a stock price lower than the market price, or less than the actual share repurchases, with the consent of the shareholders' meeting representing more than half of the total number of issued shares and the presence of more than two-thirds of the shareholders' voting rights Average price transferred to employees.

Article 7-1 Employees of parent company or subsidiary meeting certain specific requirements are included to be entitled to receive treasury stock purchased by the Company.

Employees of parent company or subsidiary meeting certain specific requirements are included to be entitled to receive share subscription warrant of the Company.

Employees of parent company or subsidiary meeting certain specific requirements are included to be entitled to receive new shares issued by the Company.

Employees of parent company or subsidiary meeting certain specific requirements are included to be entitled to receive restricted stock.

Article 8 The share certificates of the Company shall be all in registered form. The share certificates shall be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance.

The Company may, pursuant to the applicable laws and regulations, deliver shares or other securities in book-entry form, instead of delivering physical certificates evidencing shares or other securities.

Article 9 The name change and transfer of the company's stocks shall cease within 60 days before the shareholders ' general meeting, within 30 days before the shareholders' temporary meeting or within 5 days before the company's decision to distribute dividends and dividends or other benefits.

Chapter 3 Shareholders' Meetings

Article 10 Shareholders' meetings shall be of two types, ordinary meetings and extraordinary meetings. Ordinary meetings shall be convened annually by the Board within six months of the end of each fiscal year. Extraordinary meetings shall be convened in accordance with the relevant laws, whenever necessary.

Shareholders’ meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 11 Unless otherwise provided in applicable law and regulations, a resolution shall be adopted at a meeting attended by the shareholders holding and representing a majority of the total issued and outstanding shares and at which meeting a majority of the attending shareholders shall vote in favor of the resolution. 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. Except for trust enterprises or other stock transfer agencies approved by the securities authorities, if a person is designated as proxy by more than two shareholders, any of such person’s voting rights representing in excess of 3% of the total issued and outstanding shares shall not be considered. The relevant matters related to the use and rescission of the proxy shall be conducted in accordance with the Company Act and applicable rules.

Chapter 4 Directors and Audit Committees

Article 12 Directors shall be elected from a slate of director candidates, which are nominated under the Candidate Nomination System, at shareholders' meetings. The independent directors are selected by the shareholders' meeting on the list of independent director candidates. The professional qualifications, shareholding, part-time restrictions, nomination and selection methods of the independent directors and other matters to be complied with shall be handled in accordance with relevant laws. The voting rights of shareholders shall have one voting right per share, unless otherwise provided by laws and regulations.

Article 12-1 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. The Board is authorized to determine the compensation for the directors, taking into account the extent and value of the services provided for the Company’s operation and with reference to the standards of local and overseas industry.

Article 13 The Company shall have seven to nine directors. Within the entire Board, the Company shall have at least three independent directors on the Board. The shareholders' meeting shall elect the directors from among the nominees listed in the roster of director candidates. The term of office for all directors shall be three (3) years. The directors are eligible for re-election. The total shares held by the entire body of either directors shall not be less than a specified percentage in accordance with the regulation prescribed by the Competent Authority

Article 13-1 The Company shall set up the Audit Committee organized by all of the independent directors in accordance with the Securities and Exchange Act.

The composition of the audit committee, duties, rules of meeting procedure and other compliance matters shall comply with the regulations prescribed by the securities supervisory authorities.

Article 14 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 15 Where a director is unable to attend a meeting of the Board, he may appoint another director to represent him by proxy in accordance with Article 208 of the Company Act. Each director may act as a proxy for one other director only. The meeting of the Board of Directors shall be convened in accordance with the Company Act.

In calling a meeting of the Board of Directors, a notice may be given to each director by means of electronic mail or facsimile.

Chapter 5 Managerial Officer

Article 16 The Company may appoint a multiple number of managerial officers whose appointment, dismissal and compensations shall be conducted in accordance with the Company Act.

Chapter 6 Accounting

Article 17 The company's fiscal year is from January 1 to December 31 of the same year.

Article 18 After the end of each fiscal year, the Board shall prepare and submit the following documents: (1) business report, (2) financial statements, (3) proposal for allocation of earnings or recovery of loss, which shall be submitted to the audit committee for verification 30 days before the shareholders 'meeting. The audit committee issued a report to the shareholders' general meeting for approval.

Article 19 Where the Company has a profit before tax for each fiscal year, the Company shall first reserve certain amount of the profit to recover losses for preceding years, and then set aside 5%-20% of the remaining profit for distribution to employees as remuneration and no more than 1% of the remaining profit for distribution to directors as remuneration. The allocation of non-executive employee's remuneration shall not be less than 10% of total employee's remuneration.

The Company may allocate employee's remuneration prescribed in the preceding paragraph in the form of stock or cash to employees of parent company or subsidiary meeting certain conditions. The Board or the person duly designated by the Board is authorized to decide the conditions and allocation method. The distribution of earnings in the preceding paragraph is distributed in the form of cash, the distribution may be approved by the Board of Directors and reported to the shareholders' meeting.

Article 19-1 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 and certain amount shall be further allocated as special reserve or the special reserve shall be reversed in accordance with applicable laws and regulation. The balance (if any) together with accumulated unappropriated retained earnings can be distributed after the distribution plan proposed by the Board and approved by the shareholders' meeting.

When the legal reserve and capital surplus are to be distributed in cash, the distribution may be approved by the Board of Directors in accordance with the Company Act and reported to the shareholders' meeting.

The Company may distribute new shares or cash by way of legal reserve or capital reserve in accordance with Article 241 of the Company Act. Where the means of cash is performed in the preceding paragraph, it is proposed the Board of Directors be authorized for resolution. The resolution thereof shall be reported in the Shareholders' Meeting.

Article 20 The Company is in a technology-intensive and capital-intensive technology industry at a developing stage coordinating with long-term capital planning and taking into account the shareholders' cash flow requirement, the Company's dividend policy is to pay dividends from surplus considering factors to improve the growth and sustainable operation of the Company. If there is distributable net profit more than 2% of the paid in capital, the ratio for cash dividends shall not be less than 10% of total distribution. If it is less than 2%, the company might not distribute dividends.

In order to consider the needs of future expansion of operation scale and cash flow when distributing dividends, the proportion of cash dividends distributed each year shall not be less than 10% of the total amount of cash and stock dividends distributed in the current year

Chapter 7 Supplementary Articles

Article 21 With respect to the matters not provided herein, the Company Act and other applicable laws and regulations shall govern.

Article 22 These Articles of Incorporation were enacted by the incorporators in the incorporators meeting held on April 30, 1997 and were effectively approved by the competent authority.

The first amendment was made on March 4, 1998.
The second amendment was made on April 29, 1999.
The third amendment was made on June 14, 1999.
The fourth amendment was made on March 29, 2000.
The fifth amendment was made on October 11, 2000.
The sixth amendment was made on March 8, 2001.
The seventh amendment was made on April 10, 2001.
The eighth amendment was made on April 19, 2002
The ninth amendment was made on May 8, 2003.
The tenth amendment was made on April 27, 2005.
The eleventh amendment was made on May 11, 2006.
The twelfth amendment was made on October 2, 2006.
The thirteenth amendment was made on May 15, 2007.
The fourteenth amendment was made on May 27, 2008.
The fifteenth amendment was made on June 10, 2009.
The sixteenth amendment was made on June 9, 2010.
The seventeen amendment was made on June 15, 2011.
The eighteenth amendment was made on June 21, 2012.
The nineteenth amendment was made on June 24, 2015.
The twentieth amendment was made on June 17, 2016.
The twenty-first amendment was made on June 13, 2019.
The twenty-second amendment was made on June 18, 2020
The twenty-third amendment was made on June 16, 2022.
The twenty-fourth amendment was made on May 29, 2025.

Rules of Procedures for Shareholder Meetings

1. The Rules and Procedures for Shareholders' Meeting are enacted in accordance with the "Rules Governing the Conduct of Shareholders Meetings by Public Companies" promulgated by the Securities and Futures Commission, Ministry of Finance, (86) Tai-Tsai- Zheng (3) No.04109.
2. Shareholders or their proxies attending the shareholders' meeting (the "Meeting") shall submit the attendance card for the purpose of signing in. The number of shares represented by shareholders or their proxies attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders or their proxies plus the number of shares exercised by correspondence or electronic means.
3. The quorum required for the Meeting and the votes cast by the shareholders shall be calculated in accordance with the number of shares representing by shareholders attending the Meeting.
4. The Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m. When the Company holds a virtual-only shareholders' meeting, it is not restricted by the venue of the previous paragraph.
5. The chairman of the Board of Directors shall be the chair presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. In case the chairman of the Board of Directors is on leave or cannot exercise his power and authority for any reason, the vice chair shall act on behalf of the chair. In case the Company has no vice chairman, or the vice chairman is also on leave or unable to exercise his power and authority for any reason, the chairman of the Board of Directors shall designate one of the directors to act on behalf of the chair. If the chairman does not make such designation, the directors shall elect from and among themselves an acting chair of the Board of Directors. If the Meeting is convened by the person other than the Board of Directors who is permitted to convene such Meeting, such person shall be the chair presiding the Meeting.

5.1 When the Company holds a shareholders meeting via virtual meeting, the following items shall be specified in the shareholders meeting concerning notice:

- 5.1.1. Methods that shareholders participate in the video conference and to exercise their rights.
- 5.1.2. Methods of dealing with obstacles caused by natural disasters, accidents, or other force majeure event to the virtual meeting, including at least the following items:
  - 5.1.1.1 The date and time at which the meeting must be postponed or continue on the other day due to the occurrence of previous obstacles that cannot be ruled out.
  - 5.1.1.2 Shareholders who have not registered to participate in the original shareholders' meeting via virtual meeting shall not participate in the postponed or continuous meeting on the other day.
  - 5.1.1.3 To convene a hybrid shareholders' meeting, if the virtual meeting cannot be continued, after deducting the number of shares attending the virtual meeting, the total number of shares attended reaches the statutory quota for the meeting, the meeting should continue. The shareholders attend the virtual meeting shall be included in the total number of shareholders present and shall be deemed to have abstained from voting on all resolutions of the shareholders' meeting.

5.1.1.4 Methods to deal with the situation where all the motions have been announced and provisional motions have not been made.

5.1.3. To convene a virtual meeting, it shall specify the appropriate alternative measures for shareholders who have difficulty participating in the meeting.

6. The Company may appoint designated counsel, Certified Public Accountant or other related persons to attend the Meeting.
7. The process of the Meeting shall be tape-recorded or videotaped and these tapes or videos shall be preserved for at least one year. Where a shareholders meeting is held online, the Company shall keep records of registration, sign-in, check-in, questioning, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.
8. Chair shall call the Meeting to order at the time scheduled for the meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chair may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one-third of the total outstanding shares of the Company, tentative resolutions may be made in accordance with Paragraph 1, Article 175 of the Company Act of the Republic of China. If during the process of the Meeting the number of shares represented by the shareholders present becomes sufficient to constitute the quorum, the chair may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act of the Republic of China.
9. The agenda of the Meeting shall be set by the Board of Directors, if the Meeting is convened by the Board of Directors. The Meeting shall proceed in accordance with the agenda unless otherwise resolved at the Meeting. During the Meeting, the chair may, at his/her discretion, set time for intermission. Unless otherwise resolved at the Meeting, the chair cannot announce adjournment of the Meeting before all the discussion items listed in the agenda are resolved. The shareholders cannot designate any other person as chair and continue the Meeting in the same or other place after the Meeting is adjourned.
10. When a shareholder presenting at the Meeting wishes to speak, a speech note should be filled out with summary of the speech, the shareholder's number, and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chair. If any shareholder presenting the Meeting submits a speech note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the speech note, the contents of actual speech shall prevail. Unless otherwise permitted by the chair and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholder, otherwise the chair shall stop such interruption.
11. Unless otherwise permitted by the chair, each shareholder shall not, for each discussion item, speak more than two times or longer than 5 minutes each time. In case the speech of any shareholder violates this provision or exceeds the scope of the discussion item, the chair may stop the speech of such shareholder. Where a virtual shareholders meeting is convened, 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 chair 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.

12. Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting. If a legal entity is a shareholder and designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.
13. After the speech of a shareholder, the chair may respond him/herself or appoint an appropriate person to respond.
14. The chair may announce to end the discussion of any discussion item and go into voting if the chair deems it appropriate.
15. The person(s) to monitor and the person(s) to count the ballots shall be appointed by the chair. The person(s) monitoring the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and recorded in the minutes of the Meeting.
16. Except otherwise provided in the Company Act of the Republic of China or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chair.

    When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair 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 chair announces the voting session ends, and results of votes and elections shall be announced immediately.
17. If there is amendment to or substitute for a discussion item, the chair shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any of them has been adopted, the other shall be deemed vetoed and no further voting is necessary.
18. The chair may require or supervise the disciplinary officers or the security guards to assist in keeping order of the Meeting place. Such disciplinary officers or security guards shall wear badges marked “Disciplinary Officer” for identification purpose.
19. In case of incident due to force majeure, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
20. Any matter not provided in the Rules and Procedures shall be handled in accordance with the Company Act of Republic of China, the Articles of Incorporation of the Company and other related rules.
21. The Rules and Procedures shall become effective from the date on which the Rules and Procedures are approved by the Meeting. The same shall apply to amendments to the Rules and Procedures.
22. The Rules and Procedures were enacted on March 4, 1998.
    The first amendment was made on June 9, 2023.