

Handbook for 2026 Annual Shareholders' Meeting (Translation)

Method of Convening the Meeting : Physical shareholders' meeting
Time: 9:00 A.M. May 26, 2026
Location: 11F-1, No. 23, Huanke 1st Rd., Zhubei City,
Hsinchu County, Taiwan (R.O.C.)



Table of Contents

I.Meeting Agenda	2
1.Meeting Agenda for 2026 Annual Shareholders’ Meeeting.....	2
2.Matters for Report	3
3.Matters for Ratification	5
4.Matters for Discussion	6
5.Election.....	9
6.Other proposals	10
7.Extemporary Motions.....	10
8.Adjournment	10
II. Attachment	11
1.2025 Business Report.....	11
2.Audit Committee’s Review Report.....	13
3.The Transferring Rule to employees of the 8 th Share Buy-Back Program ...	14
4.Independent Auditors’ Report and Standalone/Consolidated Financial Statements	16
5.Deficit Compensation Table.....	34
6. Amendment to the “Rules of Procedure for Shareholders’ Meeting” Comparison Table.....	35
7.The list of candidates for directors (including independent directors) and Rationale for nomination of independent director who has served for three consecutive terms or more	37
8.The list of releasing the prohibition on Directors from participation in competitive business	41
III.Appendix	43
1.Articles of Incorporation	43
2.Rules of Procedure for Shareholders’ Meeting (before amended).....	51
3.Rules for Election of Directors	67
4.Director’s Shareholding Status	69

Meeting Agenda

Meeting Agenda for 2026 Annual Shareholders' Meeting

Time : 9:00 A.M. May 26, 2026

Method of Convening the Meeting : Physical shareholders' meeting

Location : 11F-1, No. 23, Huanke 1st Rd., Zhubei City, Hsinchu County, Taiwan (R.O.C.)

1. Attendance: shareholders and equity representatives.
2. Chairman: Mr. Genda Hu, Chairman of the Board of Directors
3. Announce the start of the meeting (report the number of shares attended)
4. Chairman's speech
5. Matters for Report
 - (1) 2025 business report
 - (2) Audit committee's review report
 - (3) Status report of the company's share buyback program
 - (4) Report on the Private Placement of Common Stock approved at the 2025 Annual Shareholders' Meeting
6. Matters for Ratification
 - (1) Adoption of 2025 business report and financial statements
 - (2) Adoption of the proposal for 2025 Deficit Compensation
7. Matters for Discussion
 - (1) Proposal for cash distribution from Additional Paid-in Capital
 - (2) Amendment to the "Rules of Procedure for Shareholders' Meeting"
 - (3) To conduct the private placement of common shares in 2026
8. Elections
 - (1) The 9th election of Directors
9. Other Proposals:
 - (1) To release the prohibition on Directors from participation in competitive business
10. Extemporary Motions
11. Adjournment

Matters for Report

Report item (1)

Subject: 2025 Business Report

Descriptions: 2025 Business Report is attached on page 11~12, Attachment 1.

Report item (2)

Subject: Audit Committee's Review Report

Descriptions: Audit Committee's Review Report is attached on page 13, Attachment 2.

Report item (3)

Subject: Status report of the company's share buyback program

Descriptions:

(1) please refer the table below:

Buy-Back Batch	8th
Board of Directors Resolution Day	2026/02/26
The Purpose for Buying	Transfer shares to employees
Planned Buying Back Period	2026/03/02~2026/04/25
Upper Limit of Dollar Amount to Be Used for Buying Back Shares	NT\$ 7,785,231,000
Share Type and Quantity Planned to Buy Back	3,000,000 shares of common stock
Planned Price Range for Buying Back	NT\$36- NT\$80, but will continue to buy back shares, once the stock price is under the minimum of planned range
Actual Buying Back Period	2026/03/10~2026/04/17
Quantity and Type of Shares Bought Back	3,000,000 shares of common stock
Actual Dollar Amount Used for Buying Back	NT\$142,301,679
Average Share Bought Price	NT\$47.43
Execution Result of Buying Back Program	Completely bought back during the planned buy-back period.
Shares Eliminated and Transferred	0 shares of common stock
Cumulative Holding Quantity of	5,202,000 shares of common

Company Shares	stock
Proportion of Cumulative Holding Quantity of Company Shares in the Total Issued Shares	2.35%

- (2) The Transferring Rule to employees of the 8th Share Buy-Back Program is attached on page 14~15, Attachment 3.

Report item (4)

Subject: Report on the Private Placement of Common Stock approved at the 2025 Annual Shareholders' Meeting

Descriptions:

- (1) The Company has resolved to conduct cash capital increase through private placement of common shares within the limit of 40,000,000 shares at the Annual Shareholders' Meeting on May 26, 2025.
- (2) According to Article 43-6 of the Securities and Exchange Act, private placement of securities shall be conducted by installments within one year from the date of the resolution of the shareholders' meeting.
- (3) The Company has not yet selected qualified investors. After the resolution of the Board of Directors, the private placement will not proceed.

Matters for Ratification

Ratification item (1):

[Proposed by the Board]

Subject: Adoption of the 2025 Business Report and Financial Statements

Descriptions:

- (1) The Company's 2025 business report and financial statements had been approved by the Board of Directors. The 2025 financial statements were audited by independent auditors Ms. Huei-Min Huang and Mr. Chih-Ming Shao of Deloitte & Touche.
- (2) The Company's 2025 business report, independent auditor report and financial statements are attached on page 11~12, Attachment 1 and attached on page 16~33, Attachment 4.

Resolution:

Ratification item (2):

[Proposed by the Board]

Subject: Adoption of the proposal for 2025 Deficit Compensation

Descriptions:

- (1) The Company's 2025 net loss after tax was NT\$990,600,784. After adding NT\$ 1,567,449 for remeasurement of defined benefit plans, the deficit to be compensated for the period totals NT\$342,602,802. Accordingly, the Company proposed not to distribute dividends. It is further proposed to compensate the deficit using Statutory reserves. After compensating, the Company will have no accumulated deficit at the end of the period.
- (2) Deficit Compensation Table is attached on page 34, Attachment 5.

Resolution:

Matters for Discussion

Discussion item (1):

[Proposed by the Board]

Subject: Proposal for cash distribution from Additional Paid-in Capital

Descriptions:

- (1) In accordance with Article 241 of Company Act, the additional paid-in capital of NTD177,000,000, which comes from the premium over the par value when issuing, is proposed to distribute based on the register book of shareholders on the distribution base date, approximately NTD0.8 per share.
- (2) The cash allotted to each shareholder will be paid up to the unit of NTD (abandoned less than 1 NTD), and the total amount of the round down will be recognized as Company's other income
- (3) After the shareholders' meeting approval, it is proposed to authorize the chairman to set the base date, payment date, and follow-up related matters.
- (4) It is proposed that the shareholders' meeting could authorize the chairman's full power to adjust the payment rate per share due to repurchase or repossession of company shares, cancellation of share capital or other factors that would affect the outstanding shares.

Resolution:

Discussion item (2):

[Proposed by the Board]

Subject: Amendment to the "Rules of Procedure for Shareholders' Meeting"

Descriptions:

- (1) The Company's Rules of Procedure for Shareholders' Meeting have been modified the content as appropriate, according to the "Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies" modified.
- (2) The Amendment Comparison Table is attached on page 35~36, as attachment 6.

Resolution:

Discussion item (3):

[Proposed by the Board]

Subject: To conduct the private placement of common shares in 2026

Descriptions:

- (1) For the Company's long-term operational development, the company plans to introduce strategic investors to jointly develop products or expand business operations. In accordance with Article 43-6 of the Securities and Exchange Act, the Company intends to conduct cash capital increase through private placement of common shares, and issues no more than 40,000,000 shares, at par value NT\$ 10 per share. It will be conducted 1 to 3 times within one year from the date of resolution of the shareholders' meeting.
- (2) Basis and rationality of price setting for the private placement:
 1. The price of the private placement shares shall be no less than 80% of the higher of the following two reference prices:
 - A. The simple average closing price of the common shares for either 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.
 - B. The simple average closing price of the common shares for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
 2. The actual issue price of the common shares in this private placement will be determined with reference to the Company's operating conditions, future prospects, the restriction that the shares cannot be freely transferred for three years, and the recent stock price. The price will be determined in accordance with the "Directions for Public Companies Conducting Private Placements of Securities" and the provisions of current laws and regulations. Therefore, the setting of the private placement price should be reasonable.
- (3) Method of selecting specific persons for private placement:
 1. The private placement parties are limited to specific persons as defined in Article 43-6 of the Securities and Exchange Act, and must be strategic investors. They can contribute the Company's long-term development and benefits.
 2. Purpose, Necessity, and Expected Benefits of Selecting Strategic Investors:

For the Company's long-term operational development, the Company intends to introduce strategic investors for joint product development or business

expansion. They will enhance operational performance, strengthen the financial structure, improve overall competitiveness, and create the interests of shareholders.

3. No investors have been finalized at this stage.

(4) Necessity for Conducting Private Placement:

1. Reason for conducting non-public offering:

The Company plans to introduce strategic investors to improve its future competitiveness. Private placement securities are subject to the regulation that they cannot be freely transferred within three years, which can ensure the long-term cooperative relationship between the Company and its strategic investment partners. Therefore, the Company intends to raise funds from specific persons through private placement to improve the timeliness and flexibility of this fund raising.

2. The purpose of funds from private placements and the expected benefits:

The number of the private placement of common shares will issue no more than 40,000,000 shares and it will be conducted 1 to 3 times within one year from the date of resolution of the shareholders' meeting. All funds are used to purchase materials, increase working capital, payback bank loans, or other needs for its future development. The plan will enhance the company's competitiveness, strengthen the shareholders structure and upgrade operating efficiency, and create the interests of shareholders.

(5) The rights and obligations of the private placement of common shares are the same as those of the Company's outstanding common shares. However, in accordance with Article 43-8 of the Securities and Exchange Act, unless otherwise specified, the shares may not be traded within three years from the delivery or transfer date. After the three-year period, the Company will apply for public issuance and listing in accordance with relevant laws and regulations.

(6) The important contents of the private placement plan, except the private placement pricing ratio, including issue shares, price, terms, timing, fundraising amount, investor selection, and other relevant matters. In the event of changes due to amendments in laws and regulations, instructions from competent authorities, or objective environmental changes, it is proposed that the shareholders' meeting authorize the Board of Directors to determine and adjust such matters based on market conditions and the Company's operational needs, and to fully handle all related matters in accordance with applicable regulations, and authorize the chairman to sign all contracts and documents related to the private placement of common shares on behalf of the company.

Resolution:

Elections:

Election item (1):

[Proposed by the Board]

Subject: The 9th election of Directors

Descriptions:

- (1) The term of office of the 8th director is from May 30, 2023 to May 29, 2026, and the 9th director election will be held on the 2026 shareholder's meeting.
- (2) In accordance with Article 16 and 16-1 of the Articles of Incorporation, 8 directors (including 4 independent directors) shall be elected from the nomination of candidates. The term of office shall be three years, from May 26, 2026 to May 25, 2029
- (3) The list of director candidates was approved by the board of directors on April 10, 2026, candidates' education, background and experience, other relevant information, and rationale for nomination of independent director who has served for three consecutive terms or more, please refer to page 37~40, as Attachment 7.
- (4) Rules for Election of Directors is attached on page 67~68, as appendix 3.

Election results:

Other Proposals

Other item (1):

[Proposed by the Board]

Subject: To release the prohibition on Directors from participation in competitive business

Descriptions:

- (1) In accordance with Article 209 of Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the shareholders' meeting the essential contents of such an act and secure its approval.
- (2) As the director candidate of the Company, it is proposed to release the prohibition on Directors to act as the Directors or managers in other company with similar or same business scope as the company, due to business needs, without compromising the interests of the company.
- (3) The list to be released is attached on page 41~42, as attachment 8.

Resolution:

Extemporary Motions

Adjournment

Attachment

Attachment 1

FocalTech Systems Co., Ltd. 2025 Business Report

Dear Shareholders,

Looking back on 2025, the global economy was disrupted by factors such as tariff policy changes, geopolitical risks, and divergent interest rate policies, leading to increased volatility in the overall environment and financial markets. Although the consumer electronics sector had demonstrated signs of recovery in recent years, the rapid rise of AI applications created a crowd-out effect in the supply chain, leading to increased product costs and reduced demand. This impacted growth momentum throughout the industry. Against this rapidly changing and complex backdrop, the entire FocalTech team united to confront challenges while seeking opportunities for medium- to long-term growth. The company continues to strengthen product innovation and diversification, actively expanding into non-mobile application areas such as tablets, laptops, automotive, wearables, and industrial control products to enhance overall operational resilience and mitigate risks.

According to market research firms, global shipments of smartphones increased by approximately 2% in 2025, and global shipments of notebooks increased by approximately 10%. However, due to oversupply and continued price competition, the Company strategically reduced shipments of low-margin products, which enabled us to achieve an annual consolidated revenue of NT\$11.952 billion, down 17.8% from last year. Despite the overall revenue decline, the company's improved product mix, driven by growth in shipments of higher-margin AMOLED Touch ICs and non-smartphone applications, led to a higher gross margin of 24.8%, demonstrating the success of its product competitiveness and operational restructuring. Regarding profitability, despite improved gross margin and effective cost control, the company's net loss for the year was NT\$990 million, or NT\$4.64 per share, due to a one-time impairment loss on goodwill in the fourth quarter.

Although we did not achieve impressive operational results, FocalTech remains committed to research and development and technological innovation. In 2025, R&D expenses totaled NT\$2.17 billion, representing a 2% increase over the previous year and accounting for 18.6% of total annual revenue. We filed 75 new patent applications, and 48 patents were granted, laying a solid foundation for FocalTech to showcase our technical capabilities.

In the display driver sector, FocalTech maintained our competitiveness in the smartphone market through design improvements that enhance product performance while reducing costs. We also launched new tablet products to meet customer needs, while successively securing major projects with renowned international brands. This not only contributed to revenue and profitability but also increased the proportion of revenue from non-smartphone products and drove overall operational performance. In the automotive sector, as LTPS gradually becomes the mainstream technology for automotive panels, FocalTech actively expanding the high-end

display market and collaborated with clients to develop a next generation of automotive DDIC products. As of now, these dashboard displays have been successfully introduced to major car manufacturers in Europe, Japan, and mainland China. This move not only consolidated the Company's position in the global automotive application market but also strengthened our smart cockpit display portfolio beyond the IDC product line, which is expected to optimize the product mix and contribute to long-term growth momentum.

In the AMOLED market, FocalTech's touch products not only maintained the leading position in the industry, but also achieved a new record in shipments in 2025, highlighting the competitive advantage of FocalTech's products in the market. Meanwhile, in terms of high-end touch technology deployment, FocalTech has not only successfully introduced its technology into high-end flagship models, but is also developing towards medium and large-size applications. In the tablet and laptop sectors, it has launched touch IC solutions based on POLED On-Cell architecture, effectively helping end products move towards thinner and lighter designs, narrower bezels, and optimized display effects. Through technology integration and product upgrades, the company is gradually improving its profitability and market penetration.

In addition to focusing on our core business, the Company also actively implemented the concept of sustainable business philosophy, to simultaneously expand operations and promote ESG. We enthusiastically enhanced our corporate governance, environmental protection, and social participation; as a result, we were honored with multiple domestic and international awards that recognized FocalTech's long-term corporate value.

Regarding dividend policy, FocalTech has always adhered to the principles of prudent management and prioritizing shareholder returns. We execute our surplus distributions cautiously, based on comprehensive consideration of operational achievements and future development plans. While the overall operating performance in 2025 was not as expected due to the industry environment, the Company plans to distribute cash dividends from capital reserves to reward shareholders for their long-term support. In the future, the Company will continue to focus on improving operational performance and generating stable cash flow while also ensuring a sound financial structure and long-term development, maintaining a stable and flexible dividend policy.

Looking ahead to 2026, as the industry continues to face the challenges of supply chain adjustments and market competition, FocalTech will continue to deepen our core technology, optimize our product mix, and prudently plan the expansion of new products and markets to flexibly respond to various changes. At the same time, we are committed to create long-term value for shareholders to thank them for their long-term support and trust.

Chairman and President:



Accountant Officer:



Attachment 2

FocalTech Systems Co., Ltd.
Audit Committee's Review Report

The Board of Directors has prepared the 2025 Business Report, Financial Statements, and proposal for deficit compensation of the Company. The CPA firm of Deloitte & Touche was appointed to audit the Company's Financial Statements and has issued an audit report accordingly. The Business Report, Financial Statements, and proposal for deficit compensation have been reviewed by the Audit Committee of the Company and determined to be correct and accurate. We hereby submit this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

2026 Annual Shareholders Meeting, FocalTech Systems Co., Ltd.



Chairperson of Audit Committee: Chan-Jane Lin
February 26, 2026

Attachment 3

FocalTech Systems Co., Ltd.

The Transferring Rule to employees of the 8th Share Buy-Back Program

Article One:

To motivate employees and in accordance with R.O.C. Securities and Exchange Law article 28-2-1-1 and regulation of Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan, R.O.C. on “Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies”, FocalTech (the Company) establishes the “Transferring Rule of the 8th Share Buy-Back Program” (this procedure). The repurchased shares will be transferred to employees according to related laws and this procedure.

Article Two:

The shares to be transferred are the common shares with the same right and obligation as other outstanding shares except defined and ruled by related laws and this procedure.

Article Three:

The repurchased shares could be transferred to employees in five years from the buying back day in one or multiple batches.

Article Four:

On the record date, the employees officially hired by the Company or the Company’s subsidiaries, 50% or more owned by the Company directly or indirectly, are entitled to subscribe the shares specified in article five of this procedure.

Article Five:

The shares allocated to eligible employees would be based on job grade, seniority and contribution level to the Company. It will be submitted to the Audit Committee and the Board of Directors for approval; however, for executive and director who serve as employee, the number of shares shall be submitted to the Remuneration Committee and the Board of Directors for approval.

The eligibility of subscription be disqualified if the employee leaves during the subscription base date to the subscription payment due date.

Article Six:

The transfer procedure:

- According to the previous board resolution, announcement and application, the shares are purchased from the market during the repurchase period.
- The board of directors establish and announce the subscription record date, the subscription amount, the payment period, the rights contents and restrictions etc. under this procedure.
- Calculate the actual share amounts with payments and transfer the shares accordingly.

Article Seven:

The transfer price to employees for the shares comes from the average actual repurchase price. However, prior to the transfer, in the event of an increase or decrease in the number of outstanding common shares issued by the company, the transfer price may be adjusted according to the increase or decrease pro-rata. Or according to the articles of incorporation of the company, if the transfer price is planned to be lower than the actual repurchase price, the special shareholder meeting resolution, 2/3 voting approval with more than 50% shareholder representatives attending, is required. The agenda of the shareholder meeting should include the description defined by “Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies” Article 10-1.

Transfer price adjustment formula:

Adjusted Transfer Price = the average price of the actually bought back shares X (the total number of common shares that have been issued at the time of repurchasing the shares ÷ the total number of common shares that have been issued when the repurchased shares are transferred to employees)

Remark: the total common shares should exclude those the Company bought back.

Article Eight:

After the repurchased shares are being transferred and registered under employees' names, unless otherwise specified, the rights and obligations of the shares are the same as the other common shares.

Article Nine:

The shares bought back should be transferred in full within five years from the date of purchase. Overdue non-transferred parts shall be regarded as unissued shares of the company and shall be cancelled in accordance with the law.

Article Ten:

This procedure is valid by the approval of the Board of Directors but should be reported in the Shareholder's meeting. This rule shall be applied to any amendments.

Article Eleven:

This procedure was established on February 26, 2026.

Attachment 4

Independent Auditors' Report and Standalone/Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders
FocalTech Systems Co., Ltd.

Opinion

We have audited the accompanying financial statements of FocalTech Systems Co., Ltd. (the "Company"), which comprise the balance sheets as of December 31, 2025 and 2024, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying 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 Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, 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 for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the 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 financial statements for the year ended December 31, 2025 are stated as follows:

Valuation of Investments accounted for using equity method

As of December 31, 2025, the balance of investments accounted for using the equity method and the share of profit recognized by FocalTech Electronics Co., Ltd. (the "Company") were primarily derived from FocalTech Electronics (Shenzhen) Co., Ltd. ("FocalTech Shenzhen"). Consequently, the financial position and performance of FocalTech Shenzhen have a material impact on the Company's financial statements. Revenue of FocalTech Group is material to the financial statements and serves as a primary indicator for investors and management to evaluate the Group's financial performance. Although revenue decreased during the current year, revenue from touch controller IC at FocalTech Shenzhen exhibited growth. This trend increases the risk regarding the occurrence of revenue recognition.

This is the translation of the financial statements. CPAs do not audit or review on this translation.

Therefore, we have identified the occurrence of revenue recognition for touch controller IC as a Key Audit Matter for the year 2025.

For information regarding the balance of investments accounted for using the equity method and the related investment income or loss, please refer to Note 13 and Schedule 5 of the parent company only financial statements.

The principal audit procedures performed by the auditors in response to the aforementioned revenue from capacitive touch controller chips include:

1. We evaluated the design of internal control related to sales and collection cycle and the implement of the internal control.
2. We obtained customer ranking list in 2025, and analyze the differences of customers and its sales amount.
3. We analyzed if the sales quantities, sales revenue and gross margin by products existed material exception.
4. We sampled purchase orders, shipping documents bills of lading, and collection records in revenue breakdown to ensure the occurrence of sales revenue.

Responsibilities of Corporate Management and Governance Hierarchy For the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management level is responsible for assessing the Company's 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 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

We also:

1. Identify and assess the risks of material misstatement of the 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.

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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 the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' report to the related disclosures in the 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 the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the 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 financial statements for the years ended December 31, 2025 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 Hui-Min Huang and Chih-Ming Shao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 26, 2026

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FOCALTECH SYSTEMS CO., LTD.
BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Par Value)

ASSETS	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,506,490	14	\$ 4,019,476	26
Financial assets at fair value through profit or loss (Notes 4 and 7)	192,798	2	-	-
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	9,902	-	-	-
Accounts receivables, net (Notes 4 and 11)	608,999	6	853,585	5
Inventories (Notes 4 and 12)	1,212,859	11	1,812,676	12
Other financial assets (Notes 4 and 10)	157,150	1	812,280	5
Other current assets (Note 25)	40,010	-	120,094	1
Total current assets	<u>3,728,208</u>	<u>34</u>	<u>7,618,111</u>	<u>49</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss (Notes 4 and 7)	340,030	3	260,996	2
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	-	-	9,767	-
Financial assets at amortized cost (Note 9)	260,000	2	-	-
Investments accounted for using equity method (Notes 4 and 13)	4,854,366	45	4,327,951	28
Property, plant and equipment (Notes 4 and 14)	1,342,036	13	1,244,519	8
Goodwill (Notes 4 and 15)	-	-	1,237,268	8
Other intangible assets (Notes 4 and 16)	94,343	1	126,245	1
Deferred income tax assets (Notes 4 and 25)	190,029	2	161,559	1
Refundable deposits (Note 17)	10	-	454,124	3
Total non-current assets	<u>7,080,814</u>	<u>66</u>	<u>7,822,429</u>	<u>51</u>
TOTAL	<u>\$ 10,809,022</u>	<u>100</u>	<u>\$ 15,440,540</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Accounts payables (Notes 18 and 31)	\$ 569,138	5	\$ 2,215,498	15
Other payables (Note 19)	489,873	5	324,711	2
Current tax liabilities (Notes 4 and 25)	37,297	-	37,297	-
Other current liabilities (Note 23)	79,357	1	49,030	-
Total current liabilities	<u>1,175,665</u>	<u>11</u>	<u>2,626,536</u>	<u>17</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 25)	217,109	2	217,109	1
Net defined benefit liabilities (Notes 4 and 20)	8,492	-	10,817	-
Guarantee deposits received (Note 21)	779,030	7	2,464,950	16
Total non-current liabilities	<u>1,004,631</u>	<u>9</u>	<u>2,692,876</u>	<u>17</u>
Total liabilities	<u>2,180,296</u>	<u>20</u>	<u>5,319,412</u>	<u>34</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 22 and 27)				
Share capital				
Ordinary shares	2,211,512	20	2,192,168	14
Capital surplus	6,247,294	58	6,150,242	40
Retained earnings				
Legal reserve	805,146	7	747,512	5
Undistributed earnings (deficit to be offset)	(342,602)	(3)	1,082,065	7
Total retained earnings	462,544	4	1,829,577	12
Other equity	(22,753)	-	112,201	1
Treasury shares	(269,871)	(2)	(163,060)	(1)
Total equity	<u>8,628,726</u>	<u>80</u>	<u>10,121,128</u>	<u>66</u>
TOTAL	<u>\$ 10,809,022</u>	<u>100</u>	<u>\$ 15,440,540</u>	<u>100</u>

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

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FOCALTECH SYSTEMS CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
REVENUE (Notes 4 and 23)	\$ 6,210,175	100	\$ 8,972,445	100
COSTS OF SALES (Notes 4,12, 24 and 31)	<u>(5,341,977)</u>	<u>(86)</u>	<u>(7,505,562)</u>	<u>(84)</u>
GROSS PROFIT	<u>868,198</u>	<u>14</u>	<u>1,466,883</u>	<u>16</u>
OPERATING EXPENSES (Notes 24, 27, 28 and 31)				
Selling and marketing expenses	(137,293)	(2)	(154,396)	(2)
General and administrative expenses	(221,087)	(4)	(242,182)	(2)
Research and development expenses	<u>(1,264,896)</u>	<u>(20)</u>	<u>(1,242,046)</u>	<u>(14)</u>
Total operating expenses	<u>(1,623,276)</u>	<u>(26)</u>	<u>(1,638,624)</u>	<u>(18)</u>
OPERATIONS LOSS	<u>(755,078)</u>	<u>(12)</u>	<u>(171,741)</u>	<u>(2)</u>
NON-OPERATING INCOME AND EXPENSES				
Finance costs (Note 24)	-	-	(14,724)	-
Share of loss of subsidiaries and joint ventures (Note 4)	808,498	13	493,896	5
Interest income (Note 4)	69,602	1	181,693	2
Gain (loss) on financial assets and liabilities at fair value through profit or loss (Note 4)	39,317	1	2,771	-
Impairment loss on Goodwill (Note 4 and 15)	(1,237,268)	(20)	-	-
Other gains and losses	67,528	1	58,691	1
Gain on foreign currency exchange (Note 4)	<u>(11,925)</u>	<u>-</u>	<u>35,034</u>	<u>-</u>
Total non-operating income and expenses	<u>(264,248)</u>	<u>(4)</u>	<u>757,361</u>	<u>8</u>
(LOSS) INCOME BEFORE INCOME TAX	(1,019,326)	(16)	585,620	6
INCOME TAX BENEFIT (EXPENSE) (Notes 4 and 25)	<u>28,725</u>	<u>-</u>	<u>(11,558)</u>	<u>-</u>
NET (LOSS) INCOME	<u>(990,601)</u>	<u>(16)</u>	<u>574,062</u>	<u>6</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 20)	1,823	-	2,644	-
Income tax related to items that will not be reclassified subsequently to profit or loss (Notes 4 and 25)	<u>(255)</u>	<u>-</u>	<u>(370)</u>	<u>-</u>
	<u>1,568</u>	<u>-</u>	<u>2,274</u>	<u>-</u>

(Continued)

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FOCALTECH SYSTEMS CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Unrealized loss from debt instrument investments measured at fair value through other comprehensive income (Note 4)	\$ 27	-	\$ (22)	-
Share of other comprehensive loss of subsidiaries (Note 4)	<u>(153,533)</u>	<u>3</u>	<u>238,433</u>	<u>3</u>
	<u>(153,506)</u>	<u>3</u>	<u>238,411</u>	<u>3</u>
Total other comprehensive income (loss), net of income tax	<u>(151,938)</u>	<u>3</u>	<u>240,685</u>	<u>3</u>
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR	<u>\$ (1,142,539)</u>	<u>9</u>	<u>\$ 814,747</u>	<u>9</u>
(LOSS) EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ (4.64)</u>		<u>\$ 2.71</u>	
Diluted	<u>\$ (4.64)</u>		<u>\$ 2.64</u>	

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

(Concluded)

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FOCALTECH SYSTEMS CO., LTD.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Share Capital		Retained Earnings		Other Equity			Treasury Shares	Total Equity
	Ordinary Shares	Capital Surplus	Legal Reserve	Undistributed Earnings	Exchange Differences from Translating Financial Statement of Foreign Operations	Unrealized Gains(losses) on Financial Assets at Fair Value through Other comprehensive income	Unearned employee compensation		
BALANCE, JANUARY 1, 2024	\$ 2,178,900	\$ 6,031,904	\$ 712,562	\$ 757,830	\$ 11,178	\$ (6,519)	\$ (214,722)	\$ (163,060)	\$ 9,308,073
Appropriation of 2023 earnings									
Legal reserve	-	-	34,950	(34,950)	-	-	-	-	-
Cash dividends	-	-	-	(217,151)	-	-	-	-	(217,151)
Net income for the year ended December 31, 2024	-	-	-	574,062	-	-	-	-	574,062
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	2,274	232,160	6,251	-	-	240,685
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	576,336	232,160	6,251	-	-	814,747
Changes in other additional paid-in capital	-	(2,134)	-	-	-	-	-	-	(2,134)
Compensation cost of employee share options	-	7,810	-	-	-	-	-	-	7,810
Issuance of restricted stock for employees	17,800	162,435	-	-	-	-	(162,435)	-	17,800
Compensation cost of restricted stock of employees	-	-	-	-	-	-	196,515	-	196,515
Retirement of restricted stock employees	(4,532)	(49,773)	-	-	-	-	49,773	-	(4,532)
BALANCE AT DECEMBER 31, 2024	2,192,168	6,150,242	747,512	1,082,065	243,338	(268)	(130,869)	(163,060)	10,121,128
Appropriation of 2024 earnings									
Legal reserve	-	-	57,634	(57,634)	-	-	-	-	-
Cash dividends	-	-	-	(378,000)	-	-	-	-	(378,000)
Net loss for the year ended December 31, 2025	-	-	-	(990,601)	-	-	-	-	(990,601)
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	1,568	(152,599)	(907)	-	-	(151,938)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	(989,033)	(152,599)	(907)	-	-	(1,142,539)
Changes in other additional paid-in capital	-	(1,757)	-	-	-	-	-	-	(1,757)
Compensation cost of employee share options	-	1,800	-	-	-	-	-	-	1,800
Treasury shares transferred to employees	-	-	-	-	-	-	-	87,187	87,187
Issuance of ordinary shares from exercise of employee share options	630	176	-	-	-	-	-	-	806
Issuance of restricted stock for employees	22,981	131,044	-	-	-	-	(154,025)	-	-
Compensation cost of restricted stock of employees	-	-	-	-	-	-	137,666	-	137,666
Treasury shares buyback	-	-	-	-	-	-	-	(193,998)	(193,998)
Retirement of restricted stock employees	(4,267)	(34,211)	-	-	-	-	34,911	-	(3,567)
BALANCE AT DECEMBER 31, 2025	\$ 2,211,512	\$ 6,247,294	\$ 805,146	\$ (342,602)	\$ 90,739	\$ (1,175)	\$ (112,317)	\$ (269,871)	\$ 8,628,726

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

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FOCALTECH SYSTEMS CO., LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) income before income tax from continuing operation	\$(1,019,326)	\$ 585,620
Adjustments for:		
Depreciation expenses	142,127	74,917
Amortization expenses	137,354	112,893
Net gain on financial assets and liabilities at fair value through profit or loss	(39,317)	(2,771)
Finance costs	-	14,724
Interest income	(69,602)	(181,693)
Compensation cost of employee share options	741	3,377
Share of (gain) loss of subsidiaries and joint ventures	(808,498)	(493,896)
Gain on disposal of property plant and equipment	(34,708)	(27,526)
(Gain) loss on disposal of investments	(10,156)	(5,334)
(Reversal gain) loss on write-down of inventories	(246,000)	(330,673)
Impairment loss on goodwill	1,237,268	-
Compensation cost of restricted stock to employees	92,523	163,051
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(222,359)	(35,221)
Accounts receivables	244,586	514,819
Inventories	845,817	73,545
Other current assets	75,790	(25,968)
Accounts payables	(1,646,360)	715,413
Other payables	142,881	94,720
Other current liabilities	30,417	37,510
Net defined benefit liabilities	(502)	(494)
Cash generated from operations	(1,147,324)	1,287,013
Interest paid	(90)	(15,016)
Income tax paid	(8,138)	(110,764)
Net cash (outflow) inflow from operating activities	<u>(1,155,552)</u>	<u>1,161,233</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial asset at fair value through other comprehensive income	-	(9,750)
Acquisition of financial assets at amortized cost	(260,000)	-
Acquisition of investments accounted for using the equity method	(280,000)	-
	454,752	-
Acquisition of property, plant and equipment	(242,234)	(88,304)
Disposal of property, plant and equipment	37,298	35,051
Decrease in refundable deposits	454,114	1,398,626
Acquisition of intangible assets	(105,452)	(126,673)
Decrease in other financial assets	655,130	876,495
Interest received	81,926	202,057
Net cash inflow inflow from investing activities	<u>795,534</u>	<u>2,287,502</u>

(Continued)

FOCALTECH SYSTEMS CO., LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in long-term loans	\$ -	\$ (786,840)
Decrease in guarantee deposits received	(1,685,920)	(1,217,584)
Cash dividends paid	(378,000)	(217,151)
Exercise of employee share options	806	-
Treasury shares buyback	(193,998)	-
Treasury shares transferred to employees	87,187	-
Issuance of restricted stock for employees	22,981	17,800
Retirement of restricted stock employees	(4,267)	(4,532)
Other	<u>(1,757)</u>	<u>(2,134)</u>
Net cash outflow from financing activities	<u>(2,152,968)</u>	<u>(2,210,441)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(2,512,986)	1,238,294
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>4,019,476</u>	<u>2,781,182</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,506,490</u>	<u>\$ 4,019,476</u>

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

(Concluded)

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders
FocalTech Systems Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of FocalTech Systems Co., Ltd. and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group 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 the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (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 Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2025 are stated as follows:

Recognition for Sales Revenue

Revenue recognition of FocalTech Group is material to the financial statements as a whole. Furthermore, revenue serves as a primary indicator for investors and management to evaluate the Group's financial performance. Although revenue decreased during the current year, revenue from touch controller IC exhibited growth. This trend increases the risk regarding the occurrence of revenue recognition. Consequently, we have identified the occurrence of revenue recognition for capacitive touch controller IC as a Key Audit Matter for the year 2025.

For accounting policies and relevant disclosures regarding revenue recognition, please refer to Notes 4 and 25 of the financial statements.

The principal audit procedures performed by the auditors in response to the aforementioned revenue from capacitive touch controller chips include:

1. We evaluated the design of internal control related to sales and collection cycle and the implement of the internal control.
2. We obtained customer ranking list in 2025, and analyze the differences of customers and its sales

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amount.

3. We analyzed if the sales quantities, sales revenue and gross margin by products existed material exception.
4. We sampled purchase orders, shipping documents bills of lading, and collection records in revenue breakdown to ensure the occurrence of sales revenue.

Other Matter

We have also audited the parent company only financial statements of FocalTech Systems Co., Ltd. as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

Responsibilities of Corporate Management and Governance Hierarchy 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 the IFRS, IAS, 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 level is responsible for assessing the Group's 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 the Group 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 Group's 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 maintain professional skepticism throughout the audit.

We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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

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or conditions that may cast significant doubt on the Group's 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 the Group 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 and appropriate audit evidence regarding the financial information of entities or business activities within the Group 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 for the year ended December 31, 2025 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 audits resulting in this independent auditors' audit report are Hui-Min Huang and Chih-Ming Shao.

Deloitte & Touche
Taipei, Taiwan
Republic of China
February 26, 2026

FOCALTECH SYSTEMS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 4,185,682	31	\$ 8,247,879	44
Financial assets at fair value through profit or loss (Notes 4 and 7)	437,812	3	280,700	2
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	9,902	-	54,014	-
Financial assets at amortized cost (Note 4 and 9)	124,861	1	-	-
Accounts receivables, net (Notes 4 and 11)	994,814	7	1,339,654	7
Inventories (Notes 4 and 12)	2,017,850	15	2,573,928	14
Other financial assets (Notes 4 and 10)	304,697	2	912,274	5
Other current assets (Note 27)	196,958	2	271,013	1
Total current assets	<u>8,272,576</u>	<u>61</u>	<u>13,679,462</u>	<u>73</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss (Notes 4 and 7)	365,000	3	415,826	2
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	599,615	4	9,767	-
Financial assets at amortized cost (Note 4 and 9)	1,063,337	8	-	-
Investments accounted for using the equity method (Note 4 and 14)	276,507	2	-	-
Property, plant and equipment (Notes 4 and 15)	2,622,831	19	2,529,675	14
Goodwill (Notes 4 and 16)	-	-	1,237,268	7
Other intangible assets (Notes 4 and 17)	141,583	1	153,258	1
Deferred tax assets (Notes 4 and 27)	194,209	2	165,739	1
Refundable deposits (Note 18)	5,400	-	459,603	2
Other non-current assets (Note 34)	9,169	-	12,282	-
Total non-current assets	<u>5,277,651</u>	<u>39</u>	<u>4,983,418</u>	<u>27</u>
TOTAL	<u>\$ 13,550,227</u>	<u>100</u>	<u>\$ 18,662,880</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 19)	\$ 215,084	1	\$ 935,802	5
Accounts payables (Note 20)	1,305,254	10	2,357,450	13
Other payables (Note 21)	2,003,687	15	2,019,653	11
Current tax liabilities (Notes 4 and 27)	172,847	1	253,700	1
Current position of long-term borrowings (Note 19)	-	-	22,576	-
Other current liabilities (Note 25)	176,314	1	209,387	1
Total current liabilities	<u>3,873,186</u>	<u>28</u>	<u>5,798,568</u>	<u>31</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 27)	217,109	2	217,109	1
Net defined benefit liabilities (Notes 4 and 22)	8,492	-	10,817	-
Guarantee deposits received (Note 23)	822,654	6	2,514,805	14
Total non-current liabilities	<u>1,048,255</u>	<u>8</u>	<u>2,742,731</u>	<u>15</u>
Total liabilities	<u>4,921,441</u>	<u>36</u>	<u>8,541,299</u>	<u>46</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT (Notes 4, 24 and 29)				
Share capital				
Ordinary shares	2,211,512	16	2,192,168	12
Capital surplus	6,247,294	46	6,150,242	33
Retained earnings				
Legal reserve	805,146	6	747,512	4
Undistributed earnings (deficit to be offset)	(342,602)	(2)	1,082,065	6
Total retained earnings	462,544	4	1,829,577	10
Other equity	(22,753)	-	112,201	-
Treasury shares	(269,871)	(2)	(163,060)	(1)
Equity attributable to owners of the parent	8,628,726	64	10,121,128	54
NON-CONTROLLING INTERESTS (Note 24)	<u>60</u>	<u>-</u>	<u>453</u>	<u>-</u>
Total equity	<u>8,628,786</u>	<u>64</u>	<u>10,121,581</u>	<u>54</u>
TOTAL	<u>\$ 13,550,227</u>	<u>100</u>	<u>\$ 18,662,880</u>	<u>100</u>

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

FOCALTECH SYSTEMS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
REVENUE (Notes 4 and 25)	\$ 11,952,063	100	\$ 14,538,987	100
COSTS OF SALES (Notes 4,12 and 26)	<u>(8,986,940)</u>	<u>(75)</u>	<u>(11,279,954)</u>	<u>(78)</u>
GROSS PROFIT	<u>2,965,123</u>	<u>25</u>	<u>3,259,033</u>	<u>22</u>
OPERATING EXPENSES (Notes 26, 29,30 and 33)				
Selling and marketing expenses	(495,185)	(4)	(504,628)	(3)
General and administrative expenses	(432,278)	(4)	(454,505)	(3)
Research and development expenses	<u>(2,170,331)</u>	<u>(18)</u>	<u>(2,133,128)</u>	<u>(15)</u>
Total operating expenses	<u>(3,097,794)</u>	<u>(26)</u>	<u>(3,092,261)</u>	<u>(21)</u>
OPERATING INCOME	<u>(132,671)</u>	<u>(1)</u>	<u>166,772</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES				
Finance costs (Note 26)	(14,967)	-	(56,019)	-
Interest income (Note 4)	237,369	2	373,956	3
Share of loss of associates (Note 4 and 14)	67	-	-	-
Gain (Loss) on financial assets and liabilities at fair value through profit or loss (Note 4)	50,951	-	2,573	-
Impairment loss on Goodwill(Note 4 and 16)	(1,237,268)	(11)	-	-
Other gains and losses, net	98,359	1	68,086	-
Gain on foreign exchange (Note 4)	<u>(19,981)</u>	<u>-</u>	<u>25,363</u>	<u>-</u>
Total non-operating income and expenses	<u>(885,470)</u>	<u>(8)</u>	<u>413,959</u>	<u>3</u>
(LOSS) INCOME BEFORE INCOME TAX	(1,018,141)	(9)	580,731	4
INCOME TAX BENEFIT (EXPENSE) (Notes 4 and 27)	<u>27,883</u>	<u>-</u>	<u>(12,275)</u>	<u>-</u>
NET (LOSS) INCOME	<u>(990,258)</u>	<u>(9)</u>	<u>568,456</u>	<u>4</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 22)	1,823	-	2,644	-
Income tax related to items that will not be reclassified subsequently to profit or loss (Notes 4 and 27)	<u>(255)</u>	<u>-</u>	<u>(370)</u>	<u>-</u>
	<u>1,568</u>	<u>-</u>	<u>2,274</u>	<u>-</u>

(Continued)

This is the translation of the financial statements. CPAs do not audit or review on this translation.

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences from translating the financial statements of foreign operations (Note 4)	\$ (153,335)	(1)	\$ 232,192	2
Unrealized loss from debt instrument investments measured at fair value through other comprehensive income (Note 4)	2,653	-	6,251	-
	<u>(3,560)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(154,242)</u>	<u>(1)</u>	<u>238,443</u>	<u>2</u>
Total other comprehensive income (loss), net of income tax	<u>(152,674)</u>	<u>(1)</u>	<u>240,717</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ (1,142,932)</u>	<u>(10)</u>	<u>\$ 809,173</u>	<u>6</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ (990,601)	(8)	\$ 574,062	4
Non-controlling interests	343	-	(5,606)	-
	<u>\$ (990,258)</u>	<u>(8)</u>	<u>\$ 568,456</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ (1,142,539)	(10)	\$ 814,747	6
Non-controlling interests	<u>(393)</u>	<u>-</u>	<u>(5,574)</u>	<u>-</u>
	<u>\$ (1,142,932)</u>	<u>(10)</u>	<u>\$ 809,173</u>	<u>6</u>
(LOSS) EARNINGS PER SHARE (Note 28)				
Basic	<u>\$ (4.64)</u>		<u>\$ 2.71</u>	
Diluted	<u>\$ (4.64)</u>		<u>\$ 2.64</u>	

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

(Concluded)

This is the translation of the financial statements. CPAs do not audit or review on this translation.

FOCALTECH SYSTEMS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Parent											
	Share Capital		Retained Earnings			Other Equity			Treasury Shares	Total	Non-controlling Interests	Total Equity
	Ordinary Shares	Capital Surplus	Legal Reserve	Undistributed Earnings	Exchange Differences from Translating the Financial Statement of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	Unearned employee compensation					
BALANCE, JANUARY 1, 2024	\$ 2,178,900	\$ 6,031,904	\$ 712,562	\$ 757,830	\$ 11,178	\$ (6,519)	\$ (214,722)	\$ (163,060)	\$ 9,308,073	\$ 6,027	\$ 9,314,100	
Appropriation of 2023 earnings												
Legal reserve	-	-	34,950	(34,950)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	(217,151)	-	-	-	-	(217,151)	-	(217,151)	
Net income for the year ended December 31, 2024	-	-	-	574,062	-	-	-	-	574,062	(5,606)	568,456	
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	2,274	232,160	6,251	-	-	240,685	32	240,717	
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	576,336	232,160	6,251	-	-	814,747	(5,574)	809,173	
Changes in other additional paid-in capital	-	(2,134)	-	-	-	-	-	-	(2,134)	-	(2,134)	
Compensation cost of employee share options	-	7,810	-	-	-	-	-	-	7,810	-	7,810	
Issuance of restricted stock employees	17,800	162,435	-	-	-	-	(162,435)	-	17,800	-	17,800	
Compensation cost of restricted stock to employees	-	-	-	-	-	-	196,515	-	196,515	-	196,515	
Retirement of restricted stock employees	(4,532)	(49,773)	-	-	-	-	49,773	-	(4,532)	-	(4,532)	
BALANCE, DECEMBER 31, 2024	2,192,168	6,150,242	747,512	1,082,065	243,338	(268)	(130,869)	(163,060)	10,121,128	453	10,121,581	
Appropriation of 2024 earnings												
Legal reserve	-	-	57,634	(57,634)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	(378,000)	-	-	-	-	(378,000)	-	(378,000)	
Net loss for the year ended December 31, 2025	-	-	-	(990,601)	-	-	-	-	(990,601)	343	(990,258)	
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	1,568	(152,599)	(907)	-	-	(151,938)	(736)	(152,674)	
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	(989,033)	(152,599)	(907)	-	-	(1,142,539)	(393)	(1,142,932)	
Changes in other additional paid-in capital	-	(1,757)	-	-	-	-	-	-	(1,757)	-	(1,757)	
Compensation cost of employee share options	-	1,800	-	-	-	-	-	-	1,800	-	1,800	
Treasury shares transferred to employees	-	-	-	-	-	-	-	87,187	87,187	-	87,187	
Issuance of ordinary shares from exercise of employee share options	630	176	-	-	-	-	-	-	806	-	806	
Issuance of restricted stock employees	22,981	131,044	-	-	-	-	(154,025)	-	-	-	-	
Compensation cost of restricted stock to employees	-	-	-	-	-	-	137,666	-	137,666	-	137,666	
Treasury shares buyback	-	-	-	-	-	-	-	(193,998)	(193,998)	-	(193,998)	
Retirement of restricted stock employees	(4,267)	(34,211)	-	-	-	-	34,911	-	(3,567)	-	(3,567)	
BALANCE, DECEMBER 31, 2025	\$ 2,211,512	\$ 6,247,294	\$ 805,146	\$ (342,602)	\$ 90,739	\$ (1,175)	\$ (112,317)	\$ (269,871)	\$ 8,628,726	\$ 60	\$ 8,628,786	

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

This is the translation of the financial statements. CPAs do not audit or review on this translation.

FOCALTECH SYSTEMS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) income before income tax	\$ (1,018,141)	\$ 580,731
Adjustments for:		
Depreciation expenses	242,825	135,424
Amortization expenses	176,795	120,082
Net gain on financial assets at fair value through profit or loss	(50,951)	(2,573)
Finance costs	14,967	56,019
Interest income	(237,369)	(373,956)
Compensation cost of employee share options	1,800	7,810
Gain on disposal of property, plant and equipment	(34,618)	(27,271)
Gain on disposal of investments	(10,598)	(5,334)
Share of loss of associates accounted for using the equity method	(67)	-
Reversal gain on write-down of inventories	(253,658)	(331,164)
Impairment loss on goodwill	1,237,268	-
Unrealized (gain) loss on foreign exchange	(34,407)	44,689
Compensation cost of restricted stock to employees	137,666	196,515
Changes in operating assets and liabilities		
Financial assets mandatorily measured at fair value through profit or loss	(63,912)	(45,498)
Accounts receivables	333,160	326,118
Inventories	793,348	485,941
Other current assets	80,549	(47,208)
Accounts payables	(1,038,404)	853,421
Other payables	20,235	480,004
Other current liabilities	(27,967)	127,777
Net defined benefit liabilities	(502)	(494)
Cash generated from operations	268,019	2,581,033
Interest paid	(15,321)	(56,965)
Income tax paid	(80,461)	(171,114)
Net cash inflow from operating activities	<u>172,237</u>	<u>2,352,954</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial asset at fair value through other comprehensive income	(542,100)	(9,750)
Proceeds from disposal of financial asset at fair value through other comprehensive income	-	136,476
Acquisition of financial assets at amortized cost	(1,174,315)	-
Acquisition of investments accounted for using the equity method	(280,000)	-
Acquisition of property, plant and equipment	(362,796)	(171,926)
Disposal of property, plant and equipment	37,368	35,051
Decrease in refundable deposits	454,085	1,398,433
Acquisition of intangible assets	(165,150)	(158,438)
Decrease in other financial assets	606,028	1,946,486
Decrease in other non-current assets	2,880	15,734
Interest received	<u>231,485</u>	<u>408,132</u>
Net cash (outflow) inflow from investing activities	<u>(1,192,515)</u>	<u>3,600,198</u>

(Continued)

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FOCALTECH SYSTEMS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term loans	\$ (685,592)	\$ 30,450
Decrease in long-term loans	(21,604)	(943,559)
Decrease in guarantee deposits	(1,691,046)	(1,174,262)
Dividends paid to owners of the Company	(378,000)	(217,151)
Exercise of employee share options	806	-
Treasury shares buyback	(193,998)	-
Treasury shares transferred to employees	87,187	-
Issuance of restricted stock employees	22,981	17,800
Retirement of restricted stock employees	(4,267)	(4,532)
Other	<u>(1,757)</u>	<u>(2,134)</u>
Net cash outflow from financing activities	<u>(2,865,290)</u>	<u>(2,293,388)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	<u>(176,629)</u>	<u>143,311</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(4,062,197)	3,803,075
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>8,247,879</u>	<u>4,444,804</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 4,185,682</u>	<u>\$ 8,247,879</u>

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

(Concluded)

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Attachment 5

FocalTech 2025 Deficit Compensation Table

Unit: NTD

Item	Amount
Undistributed Earnings in the beginning of the year	646,430,533
Minus: 2025 Net loss	(990,600,784)
Plus: Remeasurement of defined benefit plans	1,567,449
Deficit yet to be compensated– at the end of the period	(342,602,802)
Items for compensating deficit:	
Statutory reserves	342,602,802
After compensating, accumulated deficit at the end of the period	0

Chairman:



CEO:



Accountant Officer:



FocalTech Systems Co., Ltd.
Amendment to the “Rules of Procedure for Shareholders’ Meeting”
Comparison Table

Article	Content		Reason for modification
	Before Amended	After Amended	
3	<p>(Convening shareholders’ meetings and notices regarding shareholders’ meetings)</p> <p>Except where otherwise provided by law or regulations, the Company’s shareholders’ meetings shall be convened by the Board of Directors.</p> <p>Changes in the manner of convening a shareholders’ meeting must be made via resolutions of the Board of Directors, and shall be made no later than mailing of the shareholders’ meeting notice.</p> <p>The Company shall prepare electronic versions of the notice of shareholders’ meeting; proxy forms; and reasons for and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, and the election/dismissal of directors, and shall upload said materials to the Market Observation Post System (MOPS) at least 30 days before the date of a regular shareholders’ meeting and at least 15 days before the date of a special shareholders’ meeting. <u>The Company shall also prepare electronic versions of the shareholders’ meeting agenda book and the supplemental meeting materials and upload them to the MOPS at least 21 days before the date of a regular shareholders’</u></p>	<p>(Convening shareholders’ meetings and notices regarding shareholders’ meetings)</p> <p>Except where otherwise provided by law or regulations, the Company’s shareholders’ meetings shall be convened by the Board of Directors.</p> <p>Changes in the manner of convening a shareholders’ meeting must be made via resolutions of the Board of Directors, and shall be made no later than mailing of the shareholders’ meeting notice.</p> <p>The Company shall prepare electronic versions of the notice of shareholders’ meeting; proxy forms; and reasons for and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, and the election/dismissal of directors, <u>the shareholders’ meeting agenda book and the supplemental meeting materials</u> and shall upload said materials to the Market Observation Post System (MOPS) at least 30 days before the date of a regular shareholders’ meeting and at least 15 days before the date of a special shareholders’ meeting. In addition, at least 15 days before the date of the shareholders’ meeting, the Company shall also have prepared the shareholders’ meeting agenda and</p>	In accordance with the revision of the law.

Article	Content		Reason for modification
	Before Amended	After Amended	
	<p><u>meeting and at least 15 days before the date of a special shareholders' meeting. However, in the case of a TWSE or TPEX listed company with paid-in capital reaching NT\$2 billion or more as of the last day of the most recent fiscal year, or in which the aggregate shareholding percentage of foreign investors and Mainland Chinese investors reached 30% or more as recorded in the shareholders' register at the time of holding of the regular shareholders' meeting in the most recent fiscal year, it shall upload the aforesaid electronic file by 30 days prior to the day on which the regular shareholders' meeting is to be held.</u> In addition, at least 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda book and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.</p> <p>(Omitted)</p>	<p>supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda book and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.</p> <p>(Omitted)</p>	

Attachment 7

The list of candidates for directors (including independent directors)

Name Position (Gender)	Shares owned on March 28, 2026	Educational qualifications	Background and Experience	Present Position
Genda Hu Director (Male)	1,803,787	Ph.D. in Electrical Engineering, Princeton University	<ul style="list-style-type: none"> ● IEEE Fellow ● Has served in American IBM, PMC-Sierra, Cypress ● Vice President of R&D and Marketing of TSMC ● Head of ERSO in ITRI ● Secretariat of Taiwan Semiconductor Industry Association 	<ul style="list-style-type: none"> ● Chairman/CEO of FocalTech Systems Co., Ltd. ● Chairman/Director/CEO, FocalTech Group Subsidiaries ● Manager , GWAA LLC
GWAA LLC Representative : Han-Ping Shieh Director (Male)	4,158,691	Ph.D., Department of Electrical and Computer Engineering, Carnegie Mellon University, USA	<ul style="list-style-type: none"> ● IEEE/OSA/SID fellow ● Vice-President of University System of Taiwan ● Vice President of National Chiao Tung University ● Dean of College of Electrical and Electrical Engineering, National Chiao Tung University ● Chairman of Society for Information Display ● Professor of DI+DOP, National Chiao Tung University ● Researcher of Research Center, American IBM T J Watson 	<ul style="list-style-type: none"> ● Lifetime Chair Professor of National Chiao Tung University ● Director of FocalTech Systems Co., Ltd. ● Director of Silicon Motion Technology Corporation ● Director of Coretronic Co., Ltd. ● Independent Director of Key Ware Electronics Co., Ltd. ● Independent Director of Dynapack International Technology Corporation
GWAA LLC Representative: Jeff Chang Director (Male)	4,158,691	Master of Business Administration, Baruch College, The City University of New York	<ul style="list-style-type: none"> ● Chief Financial Officer, Good Way Technology Co., Ltd. 	<ul style="list-style-type: none"> ● Vice President, CFO, Accounting officer and Spokesperson of FocalTech Systems Co., Ltd. ● Director of FocalTech Systems Co., Ltd. ● Director of Heng Yuan Investment Co., Ltd.
Acer Incorporated Director	8,732,688	N/A	<ul style="list-style-type: none"> ● Chairman, Director, AOPEN Inc. ● Chairman, Director, Acer Cyber Security Incorporated. ● Chairman, Director, Weblink International Inc. ● Chairman, Director, Acer Synergy Tech Corp. ● Chairman, Director, Acer Gadget Inc. ● Chairman, Director, Acer Gaming Inc. ● Chairman, Director, Acer ITS Inc. ● Chairman, Director, Acerpure 	<ul style="list-style-type: none"> ● Chairman, Director, AOPEN Inc. ● Chairman, Director, Acer Cyber Security Incorporated. ● Chairman, Director, Weblink International Inc. ● Chairman, Director, Acer Synergy Tech Corp. ● Chairman, Director, Acer Gadget Inc. ● Chairman, Director, Acer Gaming Inc. ● Chairman, Director, Acer ITS Inc. ● Chairman, Director,

Name Position (Gender)	Shares owned on March 28, 2026	Educational qualifications	Background and Experience	Present Position
			<p>Inc.</p> <ul style="list-style-type: none"> ● Director, Solmin Green Energy Corp. ● Chairman, HaoRu Electric Co., Ltd. ● Chairman, Director, HaoYu Electric Co., Ltd. ● Chairman, HaoSheng Co., Ltd. ● Chairman, Director, StarVR Corporation. ● Chairman, Director, Acer Digital Service Co. ● Chairman, Director, Acer SoftCapital Incorporated ● Chairman, Director, Acer BeingWare Holding Inc. ● Chairman, Director, Acer Asset Management Incorporated ● Director, Yun Yung Co., Ltd. ● Director, Chaoming Electric Co., Ltd. ● Director, Haosheng No. 3 Electric Co., Ltd. ● Director, APACER TECHNOLOGY INC. ● Chairman, Director, Highpoint Service Network Corporation. ● Director, GreenHarvest Co., Ltd. ● Director, CHAO-CHI PROPERTY MANAGEMENT CONSULTING CO., LTD. ● Director, Chih He Chin Tan Co., Ltd. ● Chairman, Director, Enrich Investment Incorporated. 	<p>Acerpure Inc.</p> <ul style="list-style-type: none"> ● Director, Solmin Green Energy Corp. ● Chairman, HaoRu Electric Co., Ltd. ● Chairman, Director, HaoYu Electric Co., Ltd. ● Chairman, HaoSheng Co., Ltd. ● Chairman, Director, StarVR Corporation. ● Chairman, Director, Acer Digital Service Co. ● Chairman, Director, Acer SoftCapital Incorporated ● Chairman, Director, Acer BeingWare Holding Inc. ● Chairman, Director, Acer Asset Management Incorporated ● Director, Yun Yung Co., Ltd. ● Director, Chaoming Electric Co., Ltd. ● Director, Haosheng No. 3 Electric Co., Ltd. ● Director, APACER TECHNOLOGY INC. ● Chairman, Director, Highpoint Service Network Corporation. ● Director, GreenHarvest Co., Ltd. ● Director, CHAO-CHI PROPERTY MANAGEMENT CONSULTING CO., LTD. ● Director, Chih He Chin Tan Co., Ltd. ● Chairman, Director, Enrich Investment Incorporated.
<p>Chan-Jane Lin Independent Director (Female)</p>	<p>0</p>	<p>PhD in Accounting, University of Maryland</p>	<ul style="list-style-type: none"> ● Professor, Department Chair, and Director of the Department of Accounting, National Taiwan University. ● Acting Dean and Vice Dean of the College of Management, National Taiwan University. ● Director of the Continuing Education and Extension Department, National Taiwan University. ● Independent Director of Fubon Financial Holdings. 	<ul style="list-style-type: none"> ● Professor Emeritus, Department of Accounting, National Taiwan University. ● Independent Director, FocalTech Systems Co., Ltd. ● Independent Director, Chief Telecom Inc. ● Independent Director, Advantech Co., Ltd. ● Independent Director, Vanguard International Semiconductor Corp. ● Director, Accounting Research and Development

Name Position (Gender)	Shares owned on March 28, 2026	Educational qualifications	Background and Experience	Present Position
			<ul style="list-style-type: none"> ● Independent Director of Fubon Life Insurance Co., Ltd. ● Independent Director of Fubon Securities Co., Ltd. ● Supervisor, Securities and Futures Investors Protection Center (SFIPC) 	Foundation (ARDF).
Hsing-Chien Tuan Independent Director (Male)	0	Ph.D., Electrical Engineering, Stanford University	<ul style="list-style-type: none"> ● Chairman/President of Innolux Corporation ● President of Unipac Optoelectronics Corp. ● R&D manager of Xerox Palo Alto Research Center 	<ul style="list-style-type: none"> ● Honorary Chairman and Advisor of Innolux Corporation ● Independent Director, FocalTech Systems Co., Ltd.
Jim Lai Independent Director (Male)	0	Master of Electrical Engineering, University of California, Santa Barbara	<ul style="list-style-type: none"> ● Co-founder of ASICtronic Solutions (San Jose, CA) ● Manager, ASIC Business Unit, TSMC North America ● Director of Design Service Division of TSMC North America ● Director of New Customer Business Division of TSMC North America ● President of Global Unichip Corp ● Independent Director, TrueLight Corporation 	<ul style="list-style-type: none"> ● Independent Director, FocalTech Systems Co., Ltd. ● Chairman, Skymizer Taiwan Inc. ● Independent Director, Silicon Optronics, Inc. ● Independent Director, Andes Technology Corporation. ● Director, GIGA Solution Tech Co., Ltd. ● Director, Wolley, Inc.(CA Inc.) ● Director, M31 Technology Corp. ● Director, InPsytech, Inc. ● Director, Jmem Technology Co., Ltd.
Lung-Chin Tu Independent Director (Male)	0	Tulane University/ EMBA Bachelor of Industrial Engineering, Chung Yuan Christian University	<ul style="list-style-type: none"> ● Human Resources Consultant, TSMC ● Manager, NTC, TSMC ● President, TSMC China ● Vice President of Human Resources, TSMC ● Senior Director, Corporate Procurement Organization (CPO), TSMC ● Fab Director, WaferTech Fab 5, TSMC ● Department Manager / Fab Director, IE Fab 2 & Fab 3, TSMC ● Associate Engineer, Electronics Research and Service Organization (ERSO), ITRI 	<ul style="list-style-type: none"> ● Independent Director, Ledtech Electronics Corp. ● Chairman, Fubon Investment Co., Ltd.

**Rationale for nomination of independent director who has served
for three consecutive terms or more**

Name	Rationale
Chan-Jane Lin	Dr. Chan-Jan Lin currently serves as the convener of the Company's Audit Committee and possesses exceptional accounting and financial expertise. The Company requires her expertise to guide the company and to provide ongoing professional advice on the operation of the Board of Directors and functional committees. The Board assesses that she continues to demonstrate the necessary independence in performing her duties and therefore she is qualified to continue serving as an independent director.

Attachment 8

**The list of releasing the prohibition on Directors from participation
in competitive business**

Position Name	Item	Company	Present Position
Director Genda Hu	1	GWAA LLC	Manager
	2.	FocalTech Corporation, Ltd.	CEO 、 Director 、 President 、 Secretary 、 Chairman 、 President
	3	FocalTech Systems, Inc.	CEO 、 Director 、 President 、 Secretary
	4	FocalTech Systems, Ltd.	CEO 、 Director 、 President 、 Secretary 、 Chairman
	5	FocalTech Electronics, Ltd.	Director
	6	FocalTech Electronics Co., Ltd.	Chairman
Director GWAA LLC Representative: Han-Ping Shieh	1	Silicon Motion Technology Corporation	Director
	2	Coretronic Co., Ltd.	Director
	3	Key Ware Electronics Co., Ltd	Independent Director
	4	Dynapack International Technology Corporation.	Independent Director
Director GWAA LLC Representative: Jeff Chang	1	Heng Yuan Investment Co., Ltd.	Director
Director Acer Incorporated	1	AOPEN Inc.	Chairman 、 Director
	2	Acer Cyber Security Incorporated.	Chairman 、 Director
	3	Weblink International Inc.	Chairman 、 Director
	4	Acer Synergy Tech Corp.	Chairman 、 Director
	5	Acer Gadget Inc.	Chairman 、 Director
	6	Acer Gaming Inc.	Chairman 、 Director
	7	Acer ITS Inc.	Chairman 、 Director
	8	Acerpure Inc.	Chairman 、 Director
	9	Solmin Green Energy Corp.	Director
	10	HaoRu Electric Co., Ltd.	Chairman
	11	HaoYu Electric Co., Ltd.	Chairman 、 Director
	12	HaoSheng Co., Ltd.	Chairman
	13	StarVR Corporation	Chairman 、 Director
	14	Acer Digital Service Co.	Chairman 、 Director

Position Name	Item	Company	Present Position
	15	Acer SoftCapital Incorporated	Chairman 、 Director
	16	Acer BeingWare Holding Inc.	Chairman 、 Director
	17	Acer Asset Management Incorporated	Chairman 、 Director
	18	Yun Yung Co., Ltd.	Director
	19	Chaoming Electric Co., Ltd.	Director
	20	Haosheng No. 3 Electric Co., Ltd.	Director
	21	APACER TECHNOLOGY INC.	Director
	22	Highpoint Service Network Corporation.	Chairman 、 Director
	23	GreenHarvest Co., Ltd.	Director
	24	CHAO-CHI PROPERTY MANAGEMENT CONSULTING CO., LTD.	Director
	25	Chih He Chin Tan Co., Ltd.	Director
	26	Enrich Investment Incorporated	Chairman 、 Director
Independent Director Chan-Jane Lin	1	National Taiwan University	Emeritus Professor
	2	Chief Telecom Inc.	Independent Director
	3	Advantech Co., Ltd.	Independent Director
	4	Vanguard International Semiconductor Corp.	Independent Director
	5	Accounting Research and Development Foundation (ARDF)	Director
Independent Director Hsing-Chien Tuan	1	Innolux Corporation.	Honorary Chairman and Advisor
Independent Director Jim Lai	1	Silicon Optronics, Inc.	Independent Director
	2	Andes Technology Corporation	Independent Director
	3	Skymizer Taiwan Inc.	Chairman
	4	GIGA Solution Tech Co., Ltd.	Director
	5	Wolley, Inc.(CA Inc.)	Director
	6	M31 Technology Corp.	Director
	7	InPsytech, Inc.	Director
	8	Jmem Technology Co., Ltd.	Director
Independent Director Lung-Chin Tu	1	Ledtech Electronics Corp.	Independent Director
	2	Fubon Investment Co., Ltd.	Chairman

Appendix 1

FocalTech Systems Co., Ltd.
Articles of Incorporation

Section I General Provisions

Article 1 The Company shall be incorporated as a limited liability company with shares defined by the Company Act and its name shall be “FocalTech Systems Co., Ltd.”.

Article 2 The scope of business of the Company shall be as follow:
1. CC01080 Electronic component manufacturing
2. I301010 Information Software Services
3. IG02010 Research and Development Service
4. I501010 Product Design
5. F219010 Retail Sale of Electronic Materials
6. F401010 International Trade
7. I301020 Data Processing Services
8. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

Article 3 The Company shall have its head office in Hsinchu County and, if necessary, may set up branches domestically or overseas after the approval its Board of Directors and the authority.

Article 4 Public notices of the Company shall be made in accordance with Article 28 of the Company Act.

Section II Shares

Article 5 The total capital amount of the Company shall be five billion New Taiwan Dollars accounting for five hundred million shares, at a par value of Ten New Taiwan Dollars (NT\$10) per share. The Board of Directors is authorized to issue the unissued shares in installments

Article 5-1 If the company intends to issue employee stock options at a share price lower than the market price (net book value per share), it shall comply with the provisions of Article 56-1 and 76 of the Code of Dealing with the Offering and Issuance of Securities of the Issuer. After being resolved by the shareholders' meeting, the shares could be issued.

Article 5-2 If the company intends to transfer the shares of the company to the employees at the price lower than the average actual purchase price, it shall comply with the provisions of Article 10-1 and Article 13 of the Measures for Buying Back Stocks of the Company by the Listed and OTC company. The approval by 2/3 of the more than 50% of the attending voting shares in the latest shareholders' meeting is required.

Article 5-3 The employees in subordinate companies are eligible for the transfer of treasury shares, allotment of new shares, the issue of employee stock options and the restriction shares with particular requirements, which are authorized to the board of directors to define.

Article 6 The share certificate of the Company shall be all name registered share certificates and shall be signed by, and affixed with the seals or signed by representative directors of the Company, and issued after duly authentication pursuant to the law. The Company can also issue shares by registering or wiring into account books based on related regulations, rather printing physical shares.

Article 7 The company's stock handling operations, besides the provisions of laws and securities regulations, also shall be in accordance with the "Standards for the Issuance of Stocks of Public Share Issuing Companies". When the relevant laws and regulations are changed, they shall be executed at any time after the change.

Article 8 Registration for transfer of shares shall all be suspended 60 days before the convocation of any ordinary shareholders' meeting, 30 days before the convocation of extraordinary shareholders' meeting, or 5 days before the record day for distribution of dividend, interest and bonus or any other benefit as scheduled by the Company.

Section III Shareholder Meeting

Article 9 The shareholders' meeting is divided into two, ordinary meetings and temporary meetings, the regular meeting shall be convened by the board of directors within six months after the end of each fiscal year; the convening of the temporary meeting shall be conducted in accordance with the relevant laws and regulations of the Republic of China. For the shareholders' meeting convening, shall notify the shareholders and announce the date, place and convening of the meeting before 30 days for ordinary meetings and 15 days for

temporary meetings. For a shareholder holding a registered stock of less than one thousand shares, the notice could be done by announcing.

Article 9-1 Shareholders who hold 1 per cent of the total number of issued shares at the time when the company convened a regular meeting of shareholders could submit no more than one shareholder meeting proposal to the company in writing. Any proposal more than one shall not be included in the shareholders meeting. The operations are handled in accordance with Company Act and related regulations.

Article 10 Resolutions of the shareholders' meeting may be processed in writing or electronically. Except specified by the provisions of Company Act, the resolution should be made by the agreement of more than half of the attending voting shares, which are more than half of the issued shares.

Article 10-1 The shareholders' meeting of the Company can be held via video conference or through other methods as announced by the central competent authority.

Article 11 When the shareholders are unable to attend the shareholders' meeting, according to Article 177 of Company Act, the power of attorney shall specify the scope of authorization and entrust the agent to attend the meeting. The power of attorney shall reach the company five days before the meeting.
The method of entrusting the shareholders to attend shall be handled in accordance with the provisions of the "Provisional Regulations on the Use of Public Companies to Attend Shareholders' Meetings" issued by the competent authority, besides to the provisions of Company Act.

Article 12 Each share has one voting right except for the case defined in Article 179 of Company Act.

Article 13 When the shareholder meeting is held, the Company chairman shall be the meeting chairman. In the absence of the chairman of the board of directors, the chairman shall appoint one director to act as the agent. If not, the directors shall elect one director to represent. If the meeting is not convened by the board of directors, the meeting chairman could be the convener. When there are two or more concentrators, one of them

should be elected to be the meeting chairman.

Article 14 The resolutions of the shareholders' meeting shall be made into meeting records, signed or sealed by the chairman, and the minutes shall be distributed to the shareholders within 20 days after the meeting. The distribution of the records shall be announced in the form of an announcement. The period of record of the minutes of the proceedings and proceedings, attendance at the shareholders' signature book or attendance card, and power of attorney attendance shall be subject to the provisions of Article 183 of Company Act.

Article 15 When the company's shares are proposed not to be traded publicly, this shall be subject to the resolution of the shareholders' meeting, and this provision will not be changed during the listing period.

Section IV Directors and Audit Committee

Article 16 The company has 7 to 9 directors, and adopts the nomination system for candidates and is elected by the shareholders' meeting with the ability to act for a term of three years. If a representative of a legal person shareholder is elected as a director, the legal person may be reassigned at any time, but only to supplement the original term. The company may with the approval of relevant laws and regulations, purchase liability insurance for directors by resolution of the board of directors, so as to reduce the risk of directors being sued by shareholders or other related parties for performing their duties according to law.

Article 16-1 The number of independent directors shall not be less than three, and shall not be less than one-fifth of the number of directors. The candidate nomination system shall be used. The shareholders' meeting shall elect the list of candidates for independent directors. The professional qualifications of the independent directors referred to in the preceding paragraph, restrictions on shareholding and part-time work, nomination methods, and other compliance matters shall be handled in accordance with the relevant provisions of the competent securities authority.

Article 16-2 When the directors of the company perform the duties of the company, regardless of the operating profit and loss of the company, the compensation may be paid and the remuneration is authorized by the

board of directors considering the normal level of the industry. If the company has a profit, the remuneration shall be distributed in accordance with the provisions of Article 26-1.

- Article 16-3 In accordance with the provisions of Article 14-4 of the Securities and Exchange Act, the company sets up an audit committee and the audit committee is responsible for executing the company's law, securities trading law and other laws and regulations stipulating the authority of the supervisor. The audit committee shall consist of all independent directors, the number of whom shall be no less than three, one of which shall be the convener, and at least one shall have accounting or financial expertise. The resolution of the audit committee shall have the agreement of more than one-half of all members.
- Article 17 When the missing amount of directors is up to one-third, the board of directors shall convene a shareholders meeting to elect new Board members within sixty days.
- Article 18 When the term of office of the director is expired but not till the re-election, except as otherwise provided in Company Act, he or she shall extend his or her duties until the re-election.
- Article 19 The Chairman shall be elected by more than 2/3 majority in the Board meeting with at least half members attending. The Chairman conducts all company affairs in accordance with laws, regulations, shareholders' meetings and board resolutions.
- Article 20 Except as otherwise provided in Company Act, the board of directors shall be convened in accordance with the provisions of Company Act. When the board of directors meets at the meeting, the directors should attend in person unless they are otherwise required by Company Act. When the directors are unable to attend in person, they will produce a power of attorney, list the scope of the authorization for the cause of the meeting, and appoint other directors to represent the board of directors. The director acts as an agent for other directors to attend the board of directors, but limited by the commission of one person.
- Article 20-1 The convening of the board of directors shall be notified to all directors by written, E-mail or fax seven days ago.
The Board meeting could be called at any time in an emergency by

notify in writing, by e-mail or by fax.

Article 21 The chairman of the board represents the company. If the chairman leave or other reasons that makes him cannot exercise authority, the chairman of the board of directors shall appoint one person to act as the agent. In the absence of such designation, the deputy shall be elected by the directors.

Article 22 Matters to be resolved by the board of directors shall be made into records and shall be signed or sealed by the chairman. Within 20 days after the meeting, the records will be distributed to all directors. The records of the board meeting shall notice the proceedings of the board of directors, the attendance of the board of directors shall be recorded. The agent's power of attorney attendance will be handled in accordance with Article 207 of Company Act.

Article 23 The Board of Directors shall have the following functions and responsibilities:

1. Decision on business policy
2. Validation of the budget
3. Prepare financial statements to report shareholders' meeting.
4. Amend the proposed articles of association.
5. Execute resolutions of the shareholders meeting.
6. Validation of the main contract.
7. Propose a Ratification for surplus distribution or loss provision.
8. Ratifications for capital increase or reduction.
9. Employment of key staff.
10. The organization rules and business rules formulation
11. Other duties defined by laws and shareholder meeting resolutions

Section V Managers and staff

Article 24 The company may have the position of the manager, whose appointment, dismissal and remuneration are in accordance with Article 29 of Company Act.

Article 24-1 The Company may, subject to the relevant laws and regulations, obtain resolutions from the board of directors and purchase liability insurance for the managers to reduce the risk of the managers being prosecuted by shareholders or other related parties for performing their duties according to law.

Article 25 The company may hire important staffs based on Board resolutions in accordance with the provisions of Article 24 of the Articles of Incorporation.

Section VI Accounting

Article 26 The Board of Directors shall prepare after the close of each accounting fiscal year for the Company (1) Business Report, (2) Financial Statements, (3) Ratification of Distribution of Profit or Making Up of Loss, etc. and submit the same to the general shareholders meeting for acceptance.

Article 26-1 If the If the company makes a profit in the year, it should extract no less than 1% for the employee's remuneration, and no less than 2% of it for the grassroots employees, and be resolute by the board of directors whether to distribute it by stock or cash. The object must be employees who meet certain conditions, and the conditions are authorized by the board of directors to resolute. The company can base on the profit amount, and let the board of directors resolute the director's remuneration which is less than 1.5%. The employee's compensation and the directors' compensation shall be approved by upon a majority of the directors present at a directors meeting, attended by two-thirds or more of directors, and be reported to the shareholders' meeting. However, when the company still has accumulated losses, it should retain the amount of compensation in advance, and then provide employees' compensation and directors' compensation according to the proportion of the preceding paragraph.

Article 27 If the Company has earnings annually, the payments to tax liability and the compensation of the accumulated deficit should be done first. Then 10% of the rest amount should be extracted to the legal reserve. If the legal reserve has reached the amount of paid-in capital of the company, this extraction may not be required. In addition, the special reserve shall be reversed or reserved, according to the law or operating requirements. The remaining amount plus the year beginning undistributed retained earnings is available for distribution in terms of cash or shares, which is proposed by the Board of Directors, and is required to be approved by the shareholders' meeting. The company's dividend policy is based on the current and future

development plans, considering the investment environment, capital needs and domestic and international competition, and taking into account the interests of shareholders, etc., the annual earning is not less than 10% of the annual dividend distribution dividends. When distributing dividends to shareholders, it can be cash or stock, in which the cash dividend is not less than 10% of the total dividend, but the cash dividend of less than NT\$0.5 per share will not be issued.

- Article 28 The company may endorse the external endorsement and may, depending on the needs of the business, lend the funds to others. Its operating methods are determined by the board of directors according to law.
- Article 29 The total amount of the company's investment is not subject to the limit of 40 percent of the paid-in capital of Company Act in Article 13.
- Article 30 The company's organization rules and operation procedures are set by the board of directors.
- Article 30-1 For matters not regulated in this statute, shall be handled in accordance with the provisions of Company Act and other statutes.
- Article 31 This Article was established on December 15, 2005. The first amendment was made on January 19, 2006. The second amendment was made on March 28, 2006. The third amendment was made on October 5, 2006. The fourth amendment was made on May 10, 2007. The fifth amendment was made on June 6, 2008. The sixth amendment was made on June 16, 2009. The seventh amendment was made on June 15, 2011. The eighth amendment was made on June 13, 2012. The ninth amendment was made on June 18, 2013. The tenth amendment was made on June 30, 2014. The eleventh amendment was made on January 5, 2015. The twelfth amendment was made on June 10, 2015. The thirteenth amendment was made on June 22, 2016, the fourteenth Amendment on June 20, 2019, the fifteenth Amendment on June 20, 2020, and the sixteenth Amendment on August 19, 2021, the seventeenth Amendment on June 9, 2022, and the eighteenth Amendment on May 26, 2025.

Appendix 2

Rules of Procedure for Shareholders' Meeting (before amended)

Approved by the Shareholders' Meeting on May 26, 2025

Article 1 To establish a good governance system, sound supervisory capabilities, and strong management capabilities for the Company's shareholders' meetings, and pursuant to the relevant provisions of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Company adopts these Rules.

Article 2 The Company's procedural rules for shareholders' meetings shall, except as otherwise provided by law, regulations, or the Company's Articles of Incorporation, be as provided in these Rules.

Article 3 (Convening shareholders' meetings and notices regarding shareholders' meetings)

Except where otherwise provided by law or regulations, the Company's shareholders' meetings shall be convened by the Board of Directors.

Changes in the manner of convening a shareholders' meeting must be made via resolutions of the Board of Directors, and shall be made no later than mailing of the shareholders' meeting notice.

The Company shall prepare electronic versions of the notice of shareholders' meeting; proxy forms; and reasons for and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, and the election/dismissal of directors, and shall upload said materials to the Market Observation Post System (MOPS) at least 30 days before the date of a regular shareholders' meeting and at least 15 days before the date of a special shareholders' meeting. The Company shall also prepare electronic versions of the shareholders' meeting agenda book and the supplemental meeting materials and upload them to the MOPS at least 21 days before the date of a regular shareholders' meeting and at least 15 days before the date of a special shareholders' meeting. However, in the case of a TWSE or TPEX listed company with paid-in capital reaching NT\$2 billion or more as of the last day of the most recent fiscal year, or in which the aggregate shareholding percentage of foreign investors and Mainland Chinese investors reached 30% or more as recorded in the shareholders' register at the time of holding of the regular shareholders' meeting in the most recent fiscal year,

it shall upload the aforesaid electronic file by 30 days prior to the day on which the regular shareholders' meeting is to be held. In addition, at least 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda book and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

The Company shall make the meeting agenda book and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:

1. For in-person shareholders' meetings, these materials shall be distributed on-site at the meeting.
2. For hybrid shareholders' meetings, these materials shall be distributed on-site at the meeting and electronic files shall be shared on the virtual meeting platform.
3. For virtual-only shareholders' meeting, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders' meeting shall be specified in the notice of meeting and public announcement. With the consent of the addressee, the notice of meeting may be given in electronic form.

Election or dismissal of directors, amendments to the Company's Articles of Incorporation, reduction of capital, application for the approval of ceasing the Company's status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, Paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised as an extemporary motion.

Where both re-election of all directors and their inauguration dates are stated in the notice of the reasons for convening the shareholders' meeting,

after the completion of the re-election in said meeting, such inauguration dates may not be altered by any extemporary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit a proposal to the Company for discussion at a regular shareholders' meeting. The number of matters proposed is limited to one only, and no proposal containing more than one matter shall be included in the meeting agenda. When the circumstances of any Subparagraph of Article 172-1, Paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided that procedurally the number of matters proposed is limited to one only in accordance with Article 172-1 of the Company Act, and no proposal containing more than one matter shall be included in the meeting agenda.

Prior to the book closure date before a regular shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals shall not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words shall be included in the meeting agenda. The shareholder making the proposal shall be present, in person or by proxy, at the regular shareholders' meeting and shall take part in discussion of the proposal.

The Company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.

Article 4 For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

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

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

If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders' meeting online, a written notice of proxy cancellation shall be submitted to the Company two days before the date of the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 (Principles for determining the venue and time of a shareholders' meeting)

The venue for a shareholders' meeting shall be the Company's premises, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting shall begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the venue and time of the meeting.

The restrictions on the venue of the meeting shall not apply when the Company convenes a virtual-only shareholders' meeting.

Article 6 (Preparation of attendance books and other documents)

The time during which attendance registrations for shareholders, solicitors and proxies (collectively referred to as "shareholders") will be accepted shall be at least 30 minutes prior to the time the meeting starts. The place at which attendance registrations are accepted shall be clearly marked, and a sufficient number of competent personnel shall be assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30

minutes before the meeting starts. Shareholders completing registration shall be deemed to have attended the shareholders' meeting in person.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

Shareholders shall attend shareholders' meetings through attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the date of the shareholders' meeting.

In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda book, annual report, and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and shall make this information available until the end of the meeting.

Article 6-1 (Convening virtual shareholders' meetings and particulars to be included in shareholders' meeting notices)

To convene a virtual shareholders' meeting, the Company shall include the following particulars in the shareholders' meeting notice:

1. How shareholders shall attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents, or other force majeure events. This shall cover, at a minimum, the following particulars:
 - (1) The time to which the meeting shall be postponed or from which time the meeting shall resume if the above obstruction continues

and cannot be resolved, and the date to which the meeting shall be postponed or on which the meeting will resume.

- (2) Shareholders who have not registered to attend an affected virtual shareholders' meeting shall not attend the postponed or resumed session.
 - (3) In the event of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if, after deducting those represented by shareholders attending the virtual shareholders' meeting online, the total number of shares represented at the meeting meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed to have abstained from voting on all proposals on that shareholders' meeting agenda.
 - (4) Measures to be taken if the outcome of all proposals have been announced but extemporary motions have not yet been proceeded with.
3. When the Company convenes a virtual-only shareholders' meeting, it furthermore shall specify appropriate alternative measures available to shareholders who have difficulty taking part in a virtual shareholders' meeting.

Article 7 (The chair and non-voting participants of a shareholders' meeting)

If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairperson of the Board. When the chairperson of the Board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

If a shareholders' meeting is convened by a party with the power to convene that is not the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, and related persons retained by it to attend a shareholders' meeting in a non-voting capacity, and to answer related questions during the proceedings.

Article 8 (Documentation of a shareholders' meeting via audio or video)

The Company shall make an uninterrupted audio and video recording of the shareholders' meeting, from the beginning to end, and shall retain the recording for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

For a virtual shareholders' meeting, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast, and results of votes counted by the Company, and shall make continuous and uninterrupted audio and video records of the proceedings of the virtual meeting, from beginning to end.

The information and audio and video recordings in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and the Company shall provide copies of the audio and video recordings to the party appointed to handle matters of the virtual meeting for retention.

Article 9 Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated in accordance with the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised via correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of non-voting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement; there shall be no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the

Company shall also declare the meeting adjourned on the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted in accordance with Article 175, Paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall re-register to the Company in accordance with Article 6.

When, prior to the conclusion of a meeting, the attending shareholders reach a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting in accordance with Article 174 of the Company Act.

Article 10 (Proposal Discussion)

If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda (including extemporaneous motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

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

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

When the chair is of the opinion that a proposal, its amendments, or extemporaneous motions put forward by the shareholders have been

discussed sufficiently to put such to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11 (Shareholder speeches)

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

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed not to have spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Shareholders are allowed to speak or raise a question regarding the matters on the agenda only after all the matters on the agenda have been read out or reported by the chair or his/her/its appointee. A shareholder may not speak more than twice, and a single speech may not exceed five minutes. However, with the consent of the chair, a shareholder may extend the speech for five minutes; such an extension may be granted only once.

The time and number of speeches made by shareholders in response to each of the motions for recognition and discussion of the matters listed on the agenda and to each of the proposals put forward in the extemporary motion procedure shall be subject to the rules specified in the preceding paragraph.

The time and number of questions raised and speeches made by shareholders regarding motions that are not listed as matters on the agenda during the proceedings of extemporary motions shall be subject to the rules specified in paragraph 1.

If a shareholder's speech violates the rules stipulated in the preceding paragraph or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violations.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

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 time the chair declares the meeting open until the chair declares the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 8 do not apply.

Article 12 (Calculation of voting shares and recusal system)

Voting at a shareholders' meeting shall be calculated based on the number of shares.

With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the Company's interests, that shareholder shall not vote on that item, nor shall they exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy shall not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed to be non-voting shares under Article 179, Paragraph 2 of the Company Act.

When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means or by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic

means shall be deemed to have attended the meeting in person, but to have waived his/her/its rights with respect to the extemporaneous motions and amendments to original proposals of that meeting.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, two days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail. Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals shall then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be the shareholders of the Company.

Vote counting shall be conducted in public at the place of the shareholders' meeting. The results of the voting shall be announced on-site at the meeting, and a record made of the vote.

When the Company 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 that the voting session has ended, or they shall be deemed to have 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.

When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the in-person shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.

When shareholders exercise voting rights via correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for extemporary motions, they shall not exercise voting rights on the original proposals, make any amendments to the original proposals, nor exercise voting rights on amendments to the original proposal.

Article 14 (Matters related to election)

The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, as well as the names of directors not elected and number of votes they received.

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

Article 15 Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting, and a copy distributed to each

shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS. The meeting minutes shall accurately record the year, month, day, and venue of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and, in the event of an election of directors, the number of voting rights won by each candidate shall also be disclosed. The minutes shall be retained for the duration of the existence of the Company.

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's full name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholders' meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes the alternative measures available to shareholders who have difficulties in attending a virtual-only shareholders' meeting online.

Article 16 (Public disclosure)

On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies, and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the venue of the shareholders' meeting. In the event a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and make this information available until the end of the meeting.

During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented by the attending shareholders shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented by the attending shareholders is calculated and a new tally of votes is released during the meeting.

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

Article 17 (Maintaining order at the meeting place)

Staff handling administrative affairs for a shareholders' meeting shall wear identification cards or arm bands.

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

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

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

Article 18 (Recess and resumption of a shareholders' meeting)

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

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

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

Article 19 (Disclosure of information at virtual meetings)

In the event of a virtual shareholders' meeting, the Company shall in accordance with the regulations disclose real-time voting and election results immediately after the end of the voting session on the virtual meeting platform, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20 (Location of the chair and secretary of virtual-only shareholders' meeting)

When the Company convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall announce said location's address when the meeting is called to order.

Article 21 (Handling of disconnection)

In the event of a virtual shareholders' meeting, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents, or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for 30 minutes or longer, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.

When a company postpones or reconvenes a meeting under paragraph 1, shareholders who registered to take part by video conferencing in the originally scheduled shareholders' meeting and completed sign-in, but do not participate in the postponed or reconvened meeting, the number of shares represented by them and voting rights and election rights exercised by them shall be counted toward the total number of shares, number of voting rights and number of election rights of shareholders represented at the postponed or reconvened meeting.

During a postponed or resumed session of a shareholders' meeting held under the paragraph 1, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in paragraph 1, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and no postponement or resumption thereof under paragraph 1 is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed to have abstained from voting on all proposals on that shareholders' meeting agenda.

When postponing or resuming a meeting in accordance with paragraph 1, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, Paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates and periods set forth under Article 12, second half, and Article 13, Paragraph 3 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, Paragraph 2, Article 44-15, and Article 44-17, Paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle such a matter based on the date of the shareholders' meeting that is postponed or resumed under paragraph 1.

Article 22 (Handling of digital divide)

When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.

Article 23 This rule will be implemented after approval by the shareholders' meeting and the amendment will follow the same procedure.

Appendix 3

Rules for Election of Directors

Article 1

Unless otherwise provided for in the Company Act or the Articles of Incorporation of the Company, the Directors of the Company shall be elected in accordance with the Rules specified herein.

Article 2

Election of Directors of the Company shall be held at the shareholders' meeting.

Article 3

The election of the Company's Directors shall be conducted in accordance with Article 192-1 of the Company Act under the system of nomination of candidates.

Article 4

In the election of Directors of the Company, the single recorded cumulative voting system is implemented. Each share shall have voting rights equivalent to the number of seats to be elected, and such voting rights can be combined to vote for one person, or be divided to vote for several persons.

Article 5

The board of directors shall prepare the same number of electoral votes as the number of directors to be elected, add their weights, and distribute the shareholders present at the shareholders' meeting. Elector's name could be replaced by the attendance card number printed on the voting paper.

Article 6

The directors of the company shall calculate the voting rights of independent directors and non-independent directors separately according to the Articles of Incorporation of the Company. Those with the same weight will be drawn by lot, and those who are not present will be drawn by the chairman.

Article 7

Before the start of the election, the chairman shall designate a number of scrutineers and tellers to perform various related duties. The scrutineers shall have shareholder status. The ballot box is prepared by the board of directors, and it is opened for inspection by the scrutineers before the vote.

Article 8

If the elector is a shareholder, the elector must fill in the elector's account name and shareholder account number in the electoral column of the ballot paper. However,

if the legal person shareholder is the elected person, the name of the elected person in the electoral vote shall be filled with the name of the legal person, and the name of the legal person and its representative may also be filled in. When there are several representatives, the name of the representative should be added separately.

Article 9

Ballots shall be deemed void in either one of the following conditions:

- (1). Ballots not used by following rules ;
- (2). Those who put a blank ballot into the ballot box
- (3). The ballot that are blurred or unrecognizable due to alteration.
- (4). If the candidate is a shareholder of the Company, the name or shareholder's number of the candidate filled in the ballot is inconsistent with the shareholders' register; if the candidate is not a shareholder of the Company, the name or identity document number of the candidate filled in the ballot is incorrect;
- (5). In addition to the account name (name) or shareholder account number (identity document number) of the candidate, write other characters.
- (6). If the name of the elected candidate is the same as that of other shareholders, but the shareholder account number or identity document number is not filled in for identification.

Article 10

The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.

Article 11

The elected director shall be notified by the company of the election.

Article 12

The Rules and any revision thereof shall become effective after approval at the shareholder's meeting.

These rules are implemented after approval by the shareholders' meeting on June 16, 2006. The first revision was at the shareholders meeting on June 06, 2008. The second amendment was held on June 13, 2012. The third amendment was held on June 22, 2016.

Appendix 4

FocalTech Directors' Shareholding Status

Record Date: March 28, 2026

Position	Name	Gender	Shareholding Status	
			Number of shares	Shareholding Ratio
Chairman	Genda Hu	Male	1,803,787	0.82%
Director	GWAA LLC Representative Person : Han-Ping Shieh	Male	4,158,691	1.88%
Director	GWAA LLC Representative Person : Jeff Chang	Male		
Director	Acer Inc. Representative: Jason Chen	Male	8,732,688	3.95%
Independent Director	Chin-Tay Shih	Male	0	0%
Independent Director	Chan-Jane Lin	Female	0	0%
Independent Director	Hsing-Chien Tuan	Male	0	0%
Independent Director	Jim Lai	Male	0	0%
Total of All Directors			14,695,166	6.65%

Note:

1. Total shares issued: 221,312,881 common shares.
2. Minimum number of shares that all directors should hold in total is 12,000,000 shares on March 28, 2026.
3. The number of shares held by individual and all directors are listed above summarized from the shareholders' register on the date of suspension of transfer, which fulfills the requirement of Article 26 of the Securities Exchange Act.