

# Etron Technology, Inc.

## 2026 Annual Shareholders' Meeting Minutes

**Time:** 9:00 a.m., June 5 , 2026 (Friday)

**Venue:** (The Company's Meeting Room) No. 6, Technology 5th Road, Hsinchu Science Park

**Attendants:**

Attending shareholders and proxies represented 198,470,512 shares, accounting for 60.42% of the Company's total outstanding shares of 328,464,781.

**Directors Present:**

Nicky Lu, Chairman

Elvis Deng, Director

Mei-Ling Hsu, Representative of Kai Chun Investment Corp.

Ai-Chen Wang, Independent Director and Convener of the Audit Committee

Wilson Wang, Independent Director

A total of 5 directors attended in person, accounting for 55.56% of the Company's 9 board seats.

**Chairperson:** Chairman Nicky Lu

**Recorder:** Yu-Chia, Cheng

**I. Call the Meeting to Order:** The aggregate shareholding of the shareholders present constituted a quorum. The Chairman called the meeting to order.

**II. Chairperson Remarks:** (Omitted)

**III. Reports**

(I) 2025 Business Report

For the Company's 2025 Business Report, please refer to Attachment I.

(II) Audit Committee's Review Report

For the 2025 Audit Committee's Review Report of the Company, please refer to Attachment II.

(III) Other Reports

There's no other matter to be reported this time.

## IV. Ratifications

### Proposal 1

#### Proposed by the Board of Directors

Subject: 2025 Business Report and Financial Statements.

Description: For the Company's 2025 Business Report, Individual Financial Statements, and Consolidated Financial Statements, please refer to Attachment I, Attachment III, and Attachment IV, among which the Individual Financial Statements and Consolidated Financial Statements have been audited by CPA Hsieh, Chih-cheng and CPA Hsu, Sheng-Zhong from PwC Taiwan, and Audit Report has been issued.

Resolution: The proposal was approved as proposed. Shares represented at the time of voting were 198,470,512. The voting results are as follows:

| Voting Results  | % of the total represented share present |
|---|--|
| Approval votes:155,704,257 (including electronic voting 18,370,934)           | 78.45%                                   |
| Disapproval votes:75,625 (including electronic voting 75,625)                 | 0.04%                                    |
| Invalid votes:0 (including electronic voting 0)                               | 0.00%                                    |
| Abstention votes/No votes:42,690,630 (including electronic voting 42,690,630) | 21.51%                                   |

### Proposal 2

#### Proposed by the Board of Directors

Subject: 2025 Deficit Compensation.

Description: The Company's net loss in 2025 was NT\$ 497,493,830. For the Deficit Compensation Table, please refer to Attachment V.

Resolution: The proposal was approved as proposed. Shares represented at the time of voting were 198,470,512. The voting results are as follows:

| Voting Results  | % of the total represented share present |
|---|--|
| Approval votes:155,647,389 (including electronic voting 18,314,066)           | 78.43%                                   |
| Disapproval votes:127,441 (including electronic voting 127,441)               | 0.06%                                    |
| Invalid votes:0 (including electronic voting 0)                               | 0.00%                                    |
| Abstention votes/No votes:42,695,682 (including electronic voting 42,695,682) | 21.51%                                   |

## V. Discussions

### Proposal 1

#### Proposed by the Board of Directors

Subject: Release Directors from Non-competition Restrictions.

Description: It is specified in paragraph 1 of Article 209 of the Company Act that "the important contents of Director's acts for himself/herself or for others within the scope of the company's business shall be explained to the shareholders' meeting, and the permit from shareholders' meeting shall be obtained for such acts." For the Company Director's acts for himself/herself or for others within the scope of the Company's business, please refer to Attachment VI. It is proposed and applied to annual Shareholders' Meeting, in accordance with law, for approval of release of Directors from non-competition restrictions.

Resolution: The proposal was approved as proposed. Shares represented at the time of voting were 198,470,512. The voting results are as follows:

| Voting Results  | % of the total represented share present |
|---|--|
| Approval votes:155,555,591 (including electronic voting 18,222,268)           | 78.38%                                   |
| Disapproval votes:239,242 (including electronic voting 239,242)               | 0.12%                                    |
| Invalid votes:0 (including electronic voting 0)                               | 0.00%                                    |
| Abstention votes/No votes:42,675,679 (including electronic voting 42,675,679) | 21.50%                                   |

## Proposal 2

### Proposed by the Board of Directors

Subject: Amendments to the Procedures for Acquisition or Disposal of Assets.

Description: Amendments have been made in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and the Company's practical needs, please refer to the comparison table in Attachment VII.

Resolution: The proposal was approved as proposed. Shares represented at the time of voting were 198,470,512. The voting results are as follows:

| Voting Results  | % of the total represented share present |
|---|--|
| Approval votes:153,878,508 (including electronic voting 16,545,185)           | 77.53%                                   |
| Disapproval votes:1,923,788 (including electronic voting 1,923,788)           | 0.97%                                    |
| Invalid votes:0 (including electronic voting 0)                               | 0.00%                                    |
| Abstention votes/No votes:42,668,216 (including electronic voting 42,668,216) | 21.50%                                   |

## VI. Other Motions: None.

## VII. Adjournment (at 9:28 a.m. on the same day)

※ No shareholders raised any questions during this Annual Meeting. In accordance with Article 183, Paragraph 4 of the Company Act, the minutes of the meeting only record the key points and results of the meeting. Procedures, methods, speeches, responses, and contents of the meeting shall be subject to the audio and video recordings of this Annual Meeting.

## 2025 Business Report of Etron Technology, Inc.

In 2025, the global semiconductor industry continued its robust growth, driven by the AI wave. According to data released by the Semiconductor Industry Association (SIA) in February 2026, global semiconductor market revenue reached approximately US\$791.7 billion in 2025, a year-on-year increase of 26%. The Industry, Science and Technology International Strategy Center of the Industrial Technology Research Institute (ITRI) estimated that Taiwan's semiconductor industry output would reach NT\$6.5 trillion in 2025, a year-on-year increase of 22%. In the memory market, 2025 saw a significant structural shift. Strong demand for High Bandwidth Memory (HBM) led major manufacturers to redirect capacity toward HBM production, causing supply tightness in the conventional DRAM market and ushering in a "super cycle" for the overall industry. Taiwan's total DRAM industry revenue was estimated at NT\$203.9 billion, a year-on-year increase of 16%. According to forecasts from multiple global market research firms, this structural supply-demand imbalance is expected to persist through 2027.

### Operating Achievements

The Company's consolidated operating revenues for 2025 was NT\$4.037 billion, a 16% growth over the previous year. The consolidated net loss after tax was NT\$583 million, a reduction of NT\$31 million compared to the prior year, with a loss per share of NT\$1.53. The Company returned to profitability in Q4 2025, posting consolidated net income after tax of NT\$52 million for the quarter, a 132% increase over Q3, with earnings per share of NT\$0.21, reflecting a positive growth trajectory.

### Operations Policy and Business Strategy

The Group's product development strategy focuses on equipping electronic products with capabilities analogous to a brain, eyes, nervous system, and privacy protection through IC products. We concentrate our resources on drive product development and organizational integration. This strategy combines innovative inventions with a commitment to corporate sustainability, continuously advancing forward-looking research in semiconductor components and processes. The Group also focuses on accumulating competitive intellectual property rights from innovative inventions, leveraging both homogeneous and heterogeneous integration technologies to promote breakthroughs in semiconductor technologies and memory products, in order to seize the opportunities brought about by AI development. On the business front, we continue to reshape our approach by focusing on cost control, expense reduction, enhancing operational efficiency, and improving organizational resilience. We are quality-centered and focus on the delivery of technical services to maintain long-term and stable partnerships with globally leading companies. We harness our technical and business capabilities by optimizing our product portfolio and actively developing new products and new markets, and we work with different systems integrators to create innovative products that can meet the needs of the future, while transforming ourselves from a component vendor, to software, application and system developer and finally to a secondary system provider to bring forth value-added products. We also strengthen our relationship with our strategic partners from different sectors and work with them on matters related to production capacity, technology, markets, and capital, thereby fueling the Group's growth dynamics and securing our foothold in long-term development.

### Research & Development

The Group focuses on four core areas:

#### I. Specialty Buffer Memory

Our specialized DRAM products are renowned for their high quality, superior performance, and cost-effectiveness. They offer exceptional advantages in terms of ultra-high bandwidth and super-low power consumption. In addition to providing commercial specifications for consumer markets, we also offer customized KGD (Known Good Die) solutions for industrial and automotive applications, where the operating environment is demanding and high quality and reliability are critical. Our product line consists of SDR, DDR, DDR2, DDR3, DDR3L, DDR4,

LPDDR2, and LPDDR4/4X, with input and output from 4 to 64 bits and capacity from 16 Mb to 32 Gb. In particular, our high-density products such as DDR2, DDR3, DDR3L, DDR4, and LPDDR4/4X are manufactured by 2x/1x nm advanced process mass production. Our specialty DRAM products have been widely used in an array of emerging and booming fields, including network communications, set-top boxes, digital TVs, surveillance devices, computer peripherals, 5G broadband communications, and the rapidly growing fields of endpoint AI, smart homes, robots, and cloud storage.

In recent years, the Company has continued to make strides in development and innovation, and we have implemented innovative circuit designs to overcome the limitations of traditional DRAM. We successfully developed the Long Retention Time (LRT) technology, which complies with the JEDEC standard interface, and introduced LRTDRAM™ products. These products greatly improve overall system performance in high-temperature and high-capacity applications, including automotive, heterogeneous integration, and KGD.

In the field of AI, to fulfill the high demand for miniature end devices in the AI-generation, we have also launched the world's first RPC DRAM® offered in WLCSP (Wafer Level Chip Scale Package), it is currently the smallest form factor DRAM product that also offers the dual advantages in cost and power consumption. It is suitable for industrial, robotics, AR/VR, edge AI, and wearable or mobile AI endpoint applications. Having passed AEC-Q100 Grade-2 automotive reliability testing standards, it has entered the supply chains of leading international automotive brands. Additionally, the Company's one-stop innovative AI memory platform "MemorAiLink," which integrates memory, memory controller IP, and packaging technologies across hardware and software architectures, has been used to create the next-generation 3D visual depth sensing solution "RPC inside G120 Subsystem." Compared with conventional DDR3 products, this solution reduces pin count by over 50% and PCB area by 90%, dramatically simplifying wire bonding and package design while lowering overall system costs. It delivers an optimized memory solution for compact, low-power devices. This solution was also honored with the 2025 Hsinchu Science Park Innovative Product Award.

Concurrently, the Company is actively developing DWB (Direct-Wide-Bus) DRAM to provide high bandwidth, low power consumption, and cost-effective AI memory for large language models in edge computing. DWB also offers a total solution that includes DRAM, PHY, and Controller. Through our proprietary design technology, power consumption is significantly reduced on both the DRAM and memory controller sides. Additionally, the product features high adaptability, with the ability to scale from 8Gb to 32Gb or larger capacities as needed, achieving bandwidth of up to 102.4GB/s or higher to meet the requirements of various high-performance, high-bandwidth, low-power, and compact applications.

## II. High-speed USB Chips

The Group leads the global market with IC solutions that simultaneously support both USB Type-C and Thunderbolt interfaces, compliant with USB4 specifications. Our solutions cater to the next-generation DP2.1, USB4, and Thunderbolt 5 specifications, incorporating new applications for PD IC and Emarker IC, while also ensuring backward compatibility. In addition, the new generation of 4K@60Hz video capture IC supports H.265 and H.264 hardware-compressed video data and integrates various audio and video processing functions, which can be applied to live broadcasting, broadcasting machine, gaming, conference systems, healthcare, industrial control, and other markets, and further enter into the Pro AV professional audio and video market. In the USB 4.0 high-speed transfer domain, the Group plans to launch USB 4.0 device applications that, in addition to 40G high-speed data transfer, support up to 80G bandwidth for video, aiming to build out a comprehensive hardware and software ecosystem.

### III. 3D Video Chips and AI Applications

Built on a foundation of 3D imaging and depth sensing IC technology, the Group has accumulated key technologies in wide-angle imaging, depth point cloud modeling, binocular and multi-view stereo vision, with broad applications in machine vision, intelligent surveillance, industrial automation, and smart IoT, establishing a solid sensing and image computing base. As artificial intelligence rapidly extends from the cloud to the edge, the product positioning has evolved from 3D imaging ICs to a "Sense & React" intelligent system platform built on machine vision and integrating edge AI, generative AI, and large language models. This enables machines not only to perceive their environment in real time but also to understand task commands, make dynamic decisions, and drive physical actions, forming a complete Hybrid Physical AI technology framework.

In terms of technical architecture, the platform integrates control and sensing ICs, LiDAR and ToF depth modules, multi-sensor fusion engines, and real-time AI inference architectures. Convolutional neural networks (CNN) and large language models are incorporated at the perception and decision-making layers, building a modular and scalable intelligent sensing and human-machine interaction system.

On the product and market front, the AMR (Autonomous Mobile Robot) barebones system serves as the core commercialized product line. Through a PaaS architecture, it provides mapping and localization, autonomous exploration, 2D/3D intelligent obstacle avoidance, cross-floor navigation, multi-robot collaboration, and cloud-based dispatch management. LLM are also integrated at the task orchestration, human-machine interaction, and multi-robot collaborative decision-making levels, accelerating real-world deployment across smart services, logistics, and urban application scenarios.

In terms of business model, the Group employs a turnkey hardware-software integration strategy, combining ODM/OEM and platform licensing models to help system integrators and end customers rapidly adopt Physical AI solutions, continuously expanding application scale and industry influence in both domestic and international markets.

### IV. Privacy-Aware Intelligent Computing

With the widespread use of AI and cloud applications, "privacy" and "cybersecurity" have become a significant concern. The Group combines privacy-preserving computing with AI technology to provide hardware and software solutions for "privacy-aware intelligent computing" across fields such as smart robotics, smart healthcare, and intelligent security. The core product, the AipA (AI Privacy Agent) platform, is a computing platform that integrates multi-modal AI with privacy-enhancing technologies. It is widely used in healthcare monitoring, smart city security, industrial automation, and autonomous robot operations, balancing high-performance AI computing with real-time responsiveness while complying with international data protection standards such as GDPR and HIPAA. Products developed on this platform — DeCloakFace™, DeCloakVision™, and DeCloakBrain™ — have been honored with CES Innovation Awards three times and have been successfully deployed in major healthcare institutions, demonstrating the Group's ability to commercialize its technology and its high-potential market value.

The Group is committed to providing high-end and high-value-added products. We exert our expertise in soft- and hardware design, and focus on software, hardware, and firmware R&D. As of the end of 2025, the Group had obtained 990 patents in Taiwan and abroad, as well as 420 pending patent applications, which demonstrates our solid R&D capability.

## **Future Operating Outlook**

As the semiconductor industry is entering the trillion-dollar era, the Group has been following the industrial trend of heterogeneous integration. Also, it has adopted the concept of sustainability of green design and non-polluting industry and continues to develop high speed, high bandwidth, low voltage, low power consumption, suitable density/capacity, and low cost specialty DRAMs and logic chip products to provide for the emerging application markets (such as broadband communications, wireless networks, virtual reality, consumer electronics, surveillance systems, smart homes, intelligent cars and drone, AI, and machine learning), so that we can respond to the latest demand of the fast-growing industry. At the same time, we have also set foot in the business of industrial- and auto-motive-grade products, and are thus developing a new operating model and expanding our product lines. Looking ahead to 2026, the semiconductor industry is entering a critical growth phase as AI transitions from infrastructure to edge computing applications. Buoyed by continued expansion in AI server demand and the extension of data center requirements for high-bandwidth, high-density memory from the core to cloud and edge AI domains, the structural momentum in the DRAM industry is clear. The Group will continue to deepen its technology positioning, accelerate innovative R&D, continue to optimize our product portfolios, build new customer bases in new markets, increase market shares in targeted application markets, and strengthen long-term competitiveness to ultimately ensure steady growth.

Chairman & CEO: Nicky Lu

President: Elvis Deng

Accounting Supervisor: Yu-Chia, Cheng

## **Audit Committee's Review Report**

The Board of Directors has submitted the Company's 2025 Financial Statements, 2025 Deficit Compensation Table, and 2025 Business Report, among which the Financial Statements have been audited, and Audit Report has been issued, by PwC Taiwan. The said Financial Statements, Deficit Compensation Table, and Business Report have been reviewed by us, the Audit Committee. We have not found any inconsistencies. Therefore, we, the Audit Committee, issue this Report in compliance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, for your review.

Sincerely,  
2026 Annual Shareholders' Meeting of Etron Technology, Inc.

Convener of Audit Committee's Meeting: Ai-Chen, Wang

March 11, 2026

## CPA's Audit Report and 2025 Individual Financial Statements

Independent Auditors' Report

(2026) Cai-Shen-Bao-Zi No. 25003527

To the Board of Directors and Shareholders of Etron Technology, Inc.:

### Opinion

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

In our opinion, based on our audits and the report of other auditors (please refer to the Other matter section), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years ended 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinions

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the report of other auditors, 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 Company's 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2025 parent company only financial statements of the current period are stated as follows:

## **Key audit matters - Valuation of accounts receivable**

### **Description**

Please refer to Note 4(10) for accounting policies on valuation of accounts receivable, Note 5 for the uncertainty of accounting estimates and assumptions related to valuation of accounts receivable, and Note 6(5) for details of accounts receivable. As of December 31, 2025, the total amount of accounts receivable and allowance for uncollectible accounts were NT\$1,067,517 thousand and NT\$76,017 thousand, respectively.

The Company assesses the allowance for uncollectible accounts receivable by each individual counterparty when there are significant past due accounts receivable arising from each individual counterparty. The valuation of allowance for uncollectible accounts receivable for the remaining counterparties is based on the default risk and expected loss rate. The amount of accounts receivable is material to the parent company only financial statements and the valuation involves subjective judgment made by management. Thus, we consider the valuation of accounts receivable a key audit matter.

### **How our audit addressed the matter**

The procedures performed by us for the impairment assessment of accounts receivable are summarized as follows:

1. Obtain an understanding and evaluating the design and operating effectiveness of internal controls related to sales and collection cycle.
2. Obtain the aging analysis report and validate its accuracy.
3. Obtain relevant assessment made by management in identifying significant expected credit loss for each individual customer and respective supporting documents. Evaluate the reasonableness of expected credit loss ratios based on the historical data of similar credit risk groups while also considering forward-looking information.
4. Perform subsequent collection testing to assess the reasonableness of allowance for uncollectible accounts receivables.

## **Key audit matters - Valuation of inventories**

### **Description**

Refer to Note 4(13) for accounting policies on valuation of inventories, Note 5 for the uncertainty of accounting estimates and assumptions related to valuation of inventories, and Note 6(6) for details of inventories. As of December 31, 2025, the total amount of inventories and allowance for inventory valuation loss were NT\$3,030,487 thousand and NT\$434,825 thousand, respectively.

The Company is primarily engaged in the design, manufacturing and sale of niche memory chips. Due to rapidly technology changing and market demand, there is a higher risk of decline in market values of inventories or obsolescence. The Company's inventories are measured at the lower of cost and net realizable value. The estimation of net realizable value for inventories aged over a certain period of time and individually identified as obsolete involves management's subjective judgment and the amount of inventories is material to the Company's financial statements. Thus, we consider the valuation of inventories a key audit matter.

### **How our audit addressed the matter**

The procedures performed by us for the assessment of allowance for inventory valuation loss are summarized as follows:

1. Understand and assess the reasonableness of the policy for recognizing allowance for inventory valuation losses.
2. Test the inventory aging report, including randomly inspecting year-end inventory quantities and amounts to ensure consistency with the inventory details and confirm the accuracy of the aging classification.
3. Evaluate and validate the reasonableness of the estimated net realizable value to confirm the adequacy of the allowance for inventory valuation loss.

## **Other matter - Reference to the audits of other auditors**

We did not audit the financial statements of certain investments accounted for under the equity method recognized by the Company's investee accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balances of these investments accounted for under the equity method amounted to NT\$309,578 thousand and NT\$302,780 thousand, constituting 4.13% and 4.65% of the parent company only total assets as at December 31, 2025 and 2024, and the comprehensive income recognized from investments accounted for under the equity method amounted to NT\$18,130 thousand and NT(\$2,491) thousand, constituting (7.78%) and 0.41% of the parent company only total comprehensive income for the years then ended, respectively.

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

To ensure that the Parent Company Only Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent Parent Company Only Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for preparing and maintaining necessary internal control procedures pertaining to the Parent Company Only Financial Statements.

In preparing the parent company only financial statements, management 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 the audit committee, are responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Parent Company Only Financial Statements as a whole are free from material misstatements, 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 parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit and forming an opinion on the parent company only financial statements.

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 the key audit matters of the Company in the audit of the parent company only financial statements for the year ended December 31, 2025. 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.

For and on Behalf of PricewaterhouseCoopers, Taiwan

Hsieh, Chih-Cheng

CPA

Hsu, Sheng-Chung

Former Executive Yuan Financial Supervisory Commission  
Approved letter No.: Jin-Guan-Zheng-Shen-Zi No. 0990042599  
Financial Supervisory Commission  
Approved letter No.: Jin-Guan-Zheng-Shen-Zi No. 1010034097

March 11, 2026

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The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**ETRON TECHNOLOGY, INC.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2025 AND 2024**

Expressed in thousands of NTD

| Assets                    |   | December 31, 2025   |            | December 31, 2024   |            |
|---------------------------|---|---------------------|------------|---------------------|------------|
|                           |   | Amount              | %          | Amount              | %          |
| <b>Current Assets</b>     |   |                     |            |                     |            |
| 1100                      | Cash and cash equivalents   | \$ 613,158          | 8          | \$ 412,495          | 6          |
| 1110                      | Financial assets at fair value through profit or loss - current                 | 6,359               | -          | 7,200               | -          |
| 1136                      | Financial assets at amortized cost - current                                    | 2,000               | -          | 2,000               | -          |
| 1150                      | Notes receivable, net   | -                   | -          | 28,361              | 1          |
| 1170                      | Accounts receivable, net  | 932,646             | 12         | 702,794             | 11         |
| 1180                      | Accounts receivable - related parties, net                                      | 58,854              | 1          | 28,805              | -          |
| 1200                      | Other receivables   | 814                 | -          | 692                 | -          |
| 1210                      | Other receivables - related parties   | 26,250              | -          | 8,667               | -          |
| 1220                      | Current income tax assets   | 408                 | -          | 3,398               | -          |
| 130X                      | Inventories   | 2,595,662           | 35         | 2,449,258           | 38         |
| 1410                      | Prepayments   | 64,443              | 1          | 54,039              | 1          |
| 1470                      | Other current assets  | 416,679             | 6          | 739                 | -          |
| 11XX                      | <b>Total current assets</b>   | <u>4,717,273</u>    | <u>63</u>  | <u>3,698,448</u>    | <u>57</u>  |
| <b>Non-current assets</b> |   |                     |            |                     |            |
| 1510                      | Financial assets at fair value through profit or loss - current                 | 13,956              | -          | -                   | -          |
| 1517                      | Financial assets at fair value through other comprehensive income - non-current | 16,170              | -          | 58,790              | 1          |
| 1535                      | Financial assets at amortized cost - non-current                                | 5,941               | -          | 5,941               | -          |
| 1550                      | Investments Accounted for Using the Equity Method                               | 1,701,142           | 23         | 1,371,134           | 21         |
| 1600                      | Property, plant, and equipment  | 594,497             | 8          | 567,847             | 9          |
| 1755                      | Right-of-use assets   | 141,455             | 2          | 168,042             | 3          |
| 1780                      | Intangible assets   | 32,908              | -          | 15,615              | -          |
| 1840                      | Deferred income tax assets  | 203,880             | 3          | 209,005             | 3          |
| 1900                      | Other non-current assets  | 59,637              | 1          | 423,520             | 6          |
| 15XX                      | <b>Total non-current assets</b>   | <u>2,769,586</u>    | <u>37</u>  | <u>2,819,894</u>    | <u>43</u>  |
| 1XXX                      | <b>Total assets</b>   | <u>\$ 7,486,859</u> | <u>100</u> | <u>\$ 6,518,342</u> | <u>100</u> |

(Continued)

**ETRON TECHNOLOGY, INC.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2025 AND 2024**

Expressed in thousands of NTD

| Liabilities and Equity   |  | December 31, 2025   |            | December 31, 2024   |            |
|--|--|---------------------|------------|---------------------|------------|
|  |  | Amount              | %          | Amount              | %          |
| <b>Current Liabilities</b>   |  |                     |            |                     |            |
| 2100   | Short-term borrowings  | \$ 273,436          | 4          | \$ 460,153          | 7          |
| 2120   | Financial liabilities at fair value through profit or loss - current | 719                 | -          | 16,358              | -          |
| 2130   | Contract liabilities - current                                       | 44,038              | 1          | 58,985              | 1          |
| 2150   | Notes payable  | 3,926               | -          | 3,904               | -          |
| 2170   | Accounts payable   | 845,873             | 11         | 589,869             | 9          |
| 2200   | Other payables   | 221,796             | 3          | 195,899             | 3          |
| 2280   | Lease liabilities - current  | 24,390              | -          | 23,549              | 1          |
| 2320   | Long-term liabilities, current portion                               | 583,691             | 8          | 784,795             | 12         |
| 2399   | Other current liabilities, other                                     | 55,184              | 1          | 12,029              | -          |
| 21XX   | <b>Total current liabilities</b>                                     | <u>2,053,053</u>    | <u>28</u>  | <u>2,145,541</u>    | <u>33</u>  |
| <b>Non-current liabilities</b>   |  |                     |            |                     |            |
| 2540   | Long-term borrowings   | 1,353,551           | 18         | 15,602              | -          |
| 2570   | Deferred income tax liabilities                                      | 1,723               | -          | 848                 | -          |
| 2580   | Lease liabilities - non-current                                      | 124,986             | 2          | 151,694             | 2          |
| 2600   | Other non-current liabilities  | 42,084              | -          | 39,078              | 1          |
| 25XX   | <b>Total non-current liabilities</b>                                 | <u>1,522,344</u>    | <u>20</u>  | <u>207,222</u>      | <u>3</u>   |
| 2XXX   | <b>Total liabilities</b>   | <u>3,575,397</u>    | <u>48</u>  | <u>2,352,763</u>    | <u>36</u>  |
| <b>Equity</b>  |  |                     |            |                     |            |
| Share capital  |  |                     |            |                     |            |
| 3110   | Capital stock - common shares  | 3,255,958           | 43         | 3,255,958           | 50         |
| 3140   | Capital collected in advance   | 5,088               | -          | -                   | -          |
| Capital surplus  |  |                     |            |                     |            |
| 3200   | Capital surplus  | 796,472             | 11         | 1,419,142           | 22         |
| Retained earnings  |  |                     |            |                     |            |
| 3350   | Accumulated deficit  | ( 499,243)          | ( 7)       | ( 596,602)          | ( 9)       |
| 3400   | Other equity interest  | 353,187             | 5          | 87,081              | 1          |
| 3XXX   | <b>Total equity</b>  | <u>3,911,462</u>    | <u>52</u>  | <u>4,165,579</u>    | <u>64</u>  |
| Significant Contingent Liabilities and Unrecognized Contract Commitments |  |                     |            |                     |            |
| Significant Events after the Balance Sheet Date                          |  |                     |            |                     |            |
| 3X2X   | <b>Total liabilities and equity</b>                                  | <u>\$ 7,486,859</u> | <u>100</u> | <u>\$ 6,518,342</u> | <u>100</u> |

**ETRON TECHNOLOGY, INC.**  
**Parent Company Only Statements of Comprehensive Income**  
**YEARS ENDED DECEMBER 31, 2025 AND 2024**

Expressed in thousands of NTD  
(Except for loss per share of NTD)

Year end December 31

| Item   | 2025                 |              | 2024                 |              |
|--|----------------------|--------------|----------------------|--------------|
|  | Amount               | %            | Amount               | %            |
| 4000 Operating revenue   | \$ 3,854,406         | 100          | \$ 3,325,533         | 100          |
| 5000 Operating costs   | ( 3,347,446)         | ( 87)        | ( 2,965,025)         | ( 89)        |
| 5950 Gross profit from operations  | 506,960              | 13           | 360,508              | 11           |
| Operating expenses   |                      |              |                      |              |
| 6100 Selling expenses  | ( 162,643)           | ( 4)         | ( 175,796)           | ( 5)         |
| 6200 Administrative expenses   | ( 218,783)           | ( 6)         | ( 222,923)           | ( 7)         |
| 6300 Research and development expenses   | ( 455,421)           | ( 12)        | ( 389,906)           | ( 12)        |
| 6450 Expected credit impairment gain   | -                    | -            | -                    | -            |
| 6000 Total operating expenses  | ( 836,847)           | ( 22)        | ( 788,625)           | ( 24)        |
| 6500 Other operating income and expenses - net   | 67,278               | 2            | 67,913               | 2            |
| 6900 Operating loss  | ( 262,609)           | ( 7)         | ( 360,204)           | ( 11)        |
| Non-operating income and expenses  |                      |              |                      |              |
| 7100 Interest income   | 3,248                | -            | 5,243                | -            |
| 7010 Other income  | 8,614                | -            | 5,362                | -            |
| 7020 Other gains and losses  | ( 7,301)             | -            | ( 8,678)             | -            |
| 7050 Finance costs   | ( 89,701)            | ( 2)         | ( 59,320)            | ( 2)         |
| 7070 Share of profit or loss of subsidiaries, associates, and joint ventures accounted for using equity method   | ( 143,745)           | ( 4)         | ( 123,043)           | ( 3)         |
| 7000 Total non-operating income and expenses   | ( 228,885)           | ( 6)         | ( 180,436)           | ( 5)         |
| 7900 <b>Net loss before income tax</b>   | ( 491,494)           | ( 13)        | ( 540,640)           | ( 16)        |
| 7950 Income tax expense  | 6,000                | -            | -                    | -            |
| 8200 <b>Net loss for the year</b>  | <u>( \$ 497,494)</u> | <u>( 13)</u> | <u>( \$ 540,640)</u> | <u>( 16)</u> |
| <b>Other comprehensive income (loss)</b>   |                      |              |                      |              |
| <b>Components that will not be reclassified to profit or loss</b>  |                      |              |                      |              |
| 8311 Gains (losses) on re-measurements of defined benefit plans  | ( \$ 1,749)          | -            | \$ 8,580             | -            |
| 8316 Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income   | ( 42,620)            | ( 1)         | 916                  | -            |
| 8330 Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss | 334,295              | 9            | ( 139,674)           | ( 4)         |
| <b>Components that may be reclassified to profit or loss</b>   |                      |              |                      |              |
| 8380 Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that may be reclassified to profit or loss      | ( 25,569)            | ( 1)         | 57,608               | 2            |
| 8300 <b>Other comprehensive income (net)</b>   | <u>\$ 264,357</u>    | <u>7</u>     | <u>( \$ 72,570)</u>  | <u>( 2)</u>  |
| 8500 <b>Total comprehensive income for the year</b>  | <u>( \$ 233,137)</u> | <u>( 6)</u>  | <u>( \$ 613,210)</u> | <u>( 18)</u> |
| 9750 Basic loss per share  | ( \$ 1.53)           |              | ( \$ 1.77)           |              |
| 9850 Diluted loss per share  | ( \$ 1.53)           |              | ( \$ 1.77)           |              |

ETRON TECHNOLOGY, INC.  
Parent Company Only Statements of Changes in Equity  
YEARS ENDED DECEMBER 31, 2025 AND 2024

Expressed in thousands of NTD

|   | Share capital                 |                              |                     | Retained earnings |  |                   | Other equity interest | Total equity |
|---|-------------------------------|------------------------------|---------------------|-------------------|--|-------------------|-----------------------|--------------|
|   | Capital stock - common shares | Capital collected in advance | Capital surplus     | Legal reserve     | Unappropriated retained earnings (Accumulated deficit) |                   |                       |              |
| <u>2024</u>   |                               |                              |                     |                   |  |                   |                       |              |
| Balance at January 1, 2024  | \$ 2,889,328                  | \$ 17,143                    | \$ 718,483          | \$ 96,910         | (\$ 468,959)   | \$ 168,230        | \$ 3,421,135          |              |
| Net loss for the year   | -                             | -                            | -                   | -                 | ( 540,640)   | -                 | ( 540,640)            |              |
| Other comprehensive income (loss) for the year                                  | -                             | -                            | -                   | -                 | 8,580  | ( 81,150)         | ( 72,570)             |              |
| Total comprehensive income for the year   | -                             | -                            | -                   | -                 | ( 532,060)   | ( 81,150)         | ( 613,210)            |              |
| Appropriation and distribution of 2023 retained earnings:                       |                               |                              |                     |                   |  |                   |                       |              |
| Legal reserve for loss compensation   | -                             | -                            | -                   | ( 96,910)         | 96,910   | -                 | -                     |              |
| Capital surplus for loss compensation   | -                             | -                            | ( 307,508)          | -                 | 307,508  | -                 | -                     |              |
| Cash capital increase   | 350,000                       | -                            | 974,775             | -                 | -  | -                 | 1,324,775             |              |
| Exercise of employee share options  | 16,630                        | ( 17,143)                    | 34,240              | -                 | -  | -                 | 33,727                |              |
| Net change in equity of associates  | -                             | -                            | 1,213               | -                 | -  | -                 | 1,213                 |              |
| Cost of share-based compensation  | -                             | -                            | 15,198              | -                 | -  | -                 | 15,198                |              |
| Changes in ownership interests in subsidiaries                                  | -                             | -                            | ( 38,182)           | -                 | -  | -                 | ( 38,182)             |              |
| Capital contribution from non-controlling interests                             | -                             | -                            | 20,923              | -                 | -  | -                 | 20,923                |              |
| Disposal of equity instruments at fair value through other comprehensive income | -                             | -                            | -                   | -                 | ( 1)   | 1                 | -                     |              |
| Balance at December 31, 2024  | <u>\$ 3,255,958</u>           | <u>\$ -</u>                  | <u>\$ 1,419,142</u> | <u>\$ -</u>       | <u>(\$ 596,602)</u>                                    | <u>\$ 87,081</u>  | <u>\$ 4,165,579</u>   |              |
| <u>2025</u>   |                               |                              |                     |                   |  |                   |                       |              |
| Balance at January 1, 2025  | \$ 3,255,958                  | \$ -                         | \$ 1,419,142        | \$ -              | (\$ 596,602)   | \$ 87,081         | \$ 4,165,579          |              |
| Net loss for the year   | -                             | -                            | -                   | -                 | ( 497,494)   | -                 | ( 497,494)            |              |
| Other comprehensive income (loss) for the year                                  | -                             | -                            | -                   | -                 | ( 1,749)   | 266,106           | 264,357               |              |
| Total comprehensive income for the year   | -                             | -                            | -                   | -                 | ( 499,243)   | 266,106           | ( 233,137)            |              |
| Capital surplus for loss compensation   | -                             | -                            | ( 596,602)          | -                 | 596,602  | -                 | -                     |              |
| Exercise of employee share options  | -                             | 5,088                        | -                   | -                 | -  | -                 | 5,088                 |              |
| Net change in equity of associates  | -                             | -                            | ( 525)              | -                 | -  | -                 | ( 525)                |              |
| Cost of share-based compensation  | -                             | -                            | 3,853               | -                 | -  | -                 | 3,853                 |              |
| Changes in ownership interests in subsidiaries                                  | -                             | -                            | ( 31,113)           | -                 | -  | -                 | ( 31,113)             |              |
| Capital contribution from non-controlling interests                             | -                             | -                            | 1,717               | -                 | -  | -                 | 1,717                 |              |
| Balance at December 31, 2025  | <u>\$ 3,255,958</u>           | <u>\$ 5,088</u>              | <u>\$ 796,472</u>   | <u>\$ -</u>       | <u>(\$ 499,243)</u>                                    | <u>\$ 353,187</u> | <u>\$ 3,911,462</u>   |              |

**ETRON TECHNOLOGY, INC.**  
**Parent Company Only Statements of Cash Flows**  
**YEARS ENDED DECEMBER 31, 2025 AND 2024**

Expressed in thousands of NTD  
Year end December 31

|  | 2025          | 2024          |
|--|---------------|---------------|
| <b><u>Cash flows from operating activities</u></b>                   |               |               |
| Net loss before tax for the year                                     | (\$ 491,494 ) | (\$ 540,640 ) |
| Adjustments  |               |               |
| Adjustments to reconcile profit (loss)                               |               |               |
| Depreciation expenses  | 134,477       | 124,909       |
| Amortization expenses  | 76,100        | 61,199        |
| Loss (gain) on financial assets at fair value through profit or loss | ( 12,351 )    | 18,687        |
| Cost of share-based compensation                                     | 3,853         | 15,198        |
| Interest expenses  | 86,418        | 55,545        |
| Interest expense from lease liabilities                              | 3,283         | 3,775         |
| Interest income  | ( 3,248 )     | ( 5,243 )     |
| Dividend income  | ( 54 )        | ( 64 )        |
| Share of loss of associates accounted for using the equity method    | 143,745       | 123,043       |
| Gain on disposal of property, plant, and equipment                   | -             | ( 154 )       |
| Losses (gains) arising from lease modifications                      | -             | 122           |
| Gains on disposals of investments                                    | -             | ( 1,797 )     |
| Changes in operating assets and liabilities                          |               |               |
| Changes in operating assets  |               |               |
| Notes receivable   | 28,361        | ( 26,543 )    |
| Accounts receivable  | ( 229,852 )   | ( 97,586 )    |
| Accounts receivable - related parties                                | ( 30,049 )    | ( 4,551 )     |
| Other receivables  | 2,874         | 10,441        |
| Other receivables - related parties                                  | ( 17,583 )    | 19,818        |
| Inventories  | ( 146,404 )   | 248,628       |
| Prepayments  | ( 10,404 )    | ( 2,628 )     |
| Other current assets   | ( 215 )       | ( 123 )       |
| Changes in operating liabilities                                     |               |               |
| Contract liabilities   | ( 14,947 )    | ( 4,183 )     |
| Notes payable  | 22            | ( 1,423 )     |
| Accounts payable   | 256,004       | 196,031       |
| Other payables   | 14,845        | 6,176         |
| Other current liabilities  | 43,155        | 7,095         |
| Net defined benefit liabilities                                      | ( 1,029 )     | ( 1,078 )     |
| Cash (outflow) inflow generated from operations                      | ( 164,493 )   | 204,654       |
| Interest received  | 3,242         | 5,406         |
| Dividends received   | 54            | 64            |
| Interest paid  | ( 59,164 )    | ( 50,206 )    |
| Net cash (outflows) inflows generated from operating activities      | ( 220,361 )   | 159,918       |

(Continued)

ETRON TECHNOLOGY, INC.  
Parent Company Only Statements of Cash Flows  
YEARS ENDED DECEMBER 31, 2025 AND 2024

Expressed in thousands of NTD  
Year end December 31

|  | 2025          | 2024          |
|--|---------------|---------------|
| <u>Cash flows from investing activities</u>  |               |               |
| Acquisition of financial assets at fair value through profit or loss                               | (\$ 16,403 )  | \$ -          |
| Acquisition of financial assets at fair value through other comprehensive income                   | -             | ( 57,874 )    |
| Proceeds from capital reduction of investment accounted for using equity method                    | 29,925        | -             |
| Acquisition of investments accounted for using equity method - subsidiaries                        | ( 242,873 )   | ( 240,553 )   |
| Dividends received from investments accounted for using equity method                              | 13,481        | -             |
| Cash distribution from capital surplus received from investments accounted for using equity method | 4,519         | 10,140        |
| Acquisition of property, plant, and equipment  | ( 137,362 )   | ( 30,300 )    |
| Proceeds from disposal of property, plant, and equipment   | -             | 528           |
| Acquisition of intangible assets   | ( 120,744 )   | ( 57,818 )    |
| Increase in refundable deposits  | 68            | ( 134 )       |
| Decrease in other non-current assets   | ( 13,119 )    | -             |
| Net cash flows used in investing activities  | ( 482,508 )   | ( 376,011 )   |
| <u>Cash flows from financing activities</u>  |               |               |
| Increase in short-term loans   | 3,123,029     | 3,720,915     |
| Decrease in short-term loans   | ( 3,309,746 ) | ( 4,215,986 ) |
| Increase in long-term loans  | 2,549,000     | -             |
| Decrease in long-term loans  | ( 647,892 )   | ( 610,737 )   |
| Cash capital increase  | -             | 1,324,775     |
| Increase in guarantee deposits   | 2,286         | 3             |
| Payment of lease principal   | ( 23,833 )    | ( 23,185 )    |
| Redemption of convertible bonds  | ( 794,400 )   | -             |
| Exercise of employee share options   | 5,088         | 33,727        |
| Net cash flows (used in) from financing activities   | 903,532       | 229,512       |
| Increase in cash and cash equivalents  | 200,663       | 13,419        |
| Cash and cash equivalents at beginning of year   | 412,495       | 399,076       |
| Cash and cash equivalents at end of year   | \$ 613,158    | \$ 412,495    |

## CPA's Audit Report and 2025 Consolidated Financial Statements

Independent Auditors' Report

(2026) Cai-Shen-Bao-Zi No. 25003506

To the Board of Directors and Shareholders of Etron Technology, Inc.:

### Opinion

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

In our opinion, based on our audits and the report of other auditors (please refer to the Other matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 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, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

### Basis for Opinions

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the report of other auditors, 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 Group's 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2025 consolidated financial statements are stated as follows:

### **Key audit matters - Valuation of accounts receivable**

#### **Description**

Please refer to Note 4(11) for accounting policies on valuation of accounts receivable, Note 5 for the uncertainty of accounting estimates and assumptions related to valuation of accounts receivable, and Note 6(5) for details of accounts receivable. As of December 31, 2025, the total amount of accounts receivable and allowance for uncollectible accounts were NT\$1,109,258 thousand and NT\$76,718 thousand, respectively.

The Group assesses the allowance for uncollectible accounts receivable by each individual counterparty when there are significant past due accounts receivable arising from each individual counterparty. The valuation of allowance for uncollectible accounts receivable for the remaining counterparties is based on the default risk and expected loss rate. The amount of accounts receivable is material to the parent company only financial statements and the valuation involves subjective judgment made by management. Thus, we consider the valuation of accounts receivable a key audit matter.

#### **How our audit addressed the matter**

The procedures performed by us for the impairment assessment of accounts receivable are summarized as follows:

1. Obtain an understanding and evaluating the design and operating effectiveness of internal controls related to sales and collection cycle.
2. Obtain the aging analysis report and validate its accuracy.
3. Obtain relevant assessment made by management in identifying significant expected credit loss for each individual customer and respective supporting documents. Evaluate the reasonableness of expected credit loss ratios based on the historical data of similar credit risk groups while also considering forward-looking information.
4. Perform subsequent collection testing to assess the reasonableness of allowance for uncollectible accounts receivables.

## **Key audit matters - Valuation of inventories**

### **Description**

Refer to Note 4(14) for accounting policies on valuation of inventories, Note 5 of the consolidated financial statements for the uncertainty of accounting estimates and assumptions related to valuation of inventories, and Note 6(6) of the consolidated financial statements for details of inventories. As of December 31, 2025, the total amount of inventories and allowance for inventory valuation loss were NT\$3,141,889 thousand and NT\$440,180 thousand, respectively.

The Group is primarily engaged in the design, manufacturing and sale of niche memory chips. Due to rapidly technology changing and market demand, there is a higher risk of decline in market values of inventories or obsolescence. The Group's inventories are measured at the lower of cost and net realizable value. The estimation of net realizable value for inventories aged over a certain period of time and individually identified as obsolete involves management's subjective judgment and the amount of inventories is material to the Group's financial statements. Thus, we consider the valuation of inventories a key audit matter.

### **How our audit addressed the matter**

The procedures performed by us for the assessment of allowance for inventory valuation loss are summarized as follows:

1. Understand and assess the reasonableness of the policy for recognizing allowance for inventory valuation losses.
2. Test the inventory aging report, including randomly inspecting year-end inventory quantities and amounts to ensure consistency with the inventory details and confirm the accuracy of the aging classification.
3. Evaluate and validate the reasonableness of the estimated net realizable value to confirm the adequacy of the allowance for inventory valuation loss.

### **Other matter - Reference to the audits of other auditors**

We did not audit the financial statements of certain investments accounted for under the equity method recognized by the Group's investee accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balances of these investments accounted for under the equity method amounted to NT\$309,578 thousand

and NT\$302,780 thousand, constituting 4.01% and 4.50% of the consolidated total assets as at December 31, 2025 and 2024, and the comprehensive income recognized from investments accounted for under the equity method amounted to NT\$18,130 thousand and NT(\$2,491) thousand, constituting (5.67%) and 0.36% of the consolidated total comprehensive income for the years then ended, respectively.

### **Other matter - Parent company only financial reports**

We have audited and expressed an unqualified opinion with other matter section on the parent company only financial statements of Etron Technology, Inc. as at and for the years ended December 31, 2025 and 2024.

### **Responsibilities of management and those charged with governance for the consolidated financial statements**

To ensure that the consolidated financial statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the IFRS, IAS, law and regulation reviews and their announcements recognized and announced by the Financial Supervisory Commission, and for preparing and maintaining necessary internal control procedures pertaining to the consolidated financial statements.

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 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 appropriate audit evidence regarding the financial information of the 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 the key audit matters of the Group in the audit of the consolidated financial statements for the year ended December 31, 2025. 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.

For and on Behalf of PricewaterhouseCoopers, Taiwan

Hsieh, Chih-Cheng

CPA

Hsu, Sheng-Chung

Former Executive Yuan Financial Supervisory Commission  
Approved letter No.: Jin-Guan-Zheng-Shen-Zi No. 0990042599  
Financial Supervisory Commission  
Approved letter No.: Jin-Guan-Zheng-Shen-Zi No. 1010034097

March 11, 2026

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**ETRON TECHNOLOGY, INC. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**DECEMBER 31, 2025 AND 2024**

| Assets                    |   | December 31, 2025   |            | Expressed in thousands of NTD<br>December 31, 2024 |            |
|---------------------------|---|---------------------|------------|--|------------|
|                           |   | Amount              | %          | Amount   | %          |
| <b>Current Assets</b>     |   |                     |            |  |            |
| 1100                      | Cash and cash equivalents   | \$ 873,575          | 11         | \$ 785,230   | 12         |
| 1110                      | Financial assets at fair value through profit or loss - current                 | 7,556               | -          | 7,653  | -          |
| 1136                      | Financial assets at amortized cost - current                                    | 7,100               | -          | 7,150  | -          |
| 1150                      | Notes receivable, net   | 1,620               | -          | 28,361   | -          |
| 1170                      | Accounts receivable, net  | 1,032,540           | 14         | 759,408  | 11         |
| 1200                      | Other receivables   | 10,764              | -          | 3,561  | -          |
| 1220                      | Current income tax assets   | 679                 | -          | 3,547  | -          |
| 130X                      | Inventories   | 2,701,709           | 35         | 2,536,856  | 38         |
| 1410                      | Prepayments   | 84,696              | 1          | 69,110   | 1          |
| 1470                      | Other current assets  | 417,383             | 6          | 1,521  | -          |
| 11XX                      | <b>Total current assets</b>   | <u>5,137,622</u>    | <u>67</u>  | <u>4,202,397</u>                                   | <u>62</u>  |
| <b>Non-current assets</b> |   |                     |            |  |            |
| 1510                      | Financial assets at fair value through profit or loss - non-current             | 13,956              | -          | -  | -          |
| 1517                      | Financial assets at fair value through other comprehensive income - non-current | 1,033,424           | 13         | 744,857  | 11         |
| 1535                      | Financial assets at amortized cost - non-current                                | 5,941               | -          | 5,941  | -          |
| 1550                      | Investments Accounted for Using the Equity Method                               | 408,849             | 5          | 302,780  | 5          |
| 1600                      | Property, plant, and equipment  | 673,248             | 9          | 653,148  | 10         |
| 1755                      | Right-of-use assets   | 142,137             | 2          | 169,972  | 3          |
| 1780                      | Intangible assets   | 36,849              | -          | 18,981   | -          |
| 1840                      | Deferred income tax assets  | 203,880             | 3          | 209,005  | 3          |
| 1900                      | Other non-current assets  | 60,381              | 1          | 423,923  | 6          |
| 15XX                      | <b>Total non-current assets</b>   | <u>2,578,665</u>    | <u>33</u>  | <u>2,528,607</u>                                   | <u>38</u>  |
| 1XXX                      | <b>Total assets</b>   | <u>\$ 7,716,287</u> | <u>100</u> | <u>\$ 6,731,004</u>                                | <u>100</u> |

(Continued)

**ETRON TECHNOLOGY, INC. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**DECEMBER 31, 2025 AND 2024**

| Liabilities and Equity   |  | December 31, 2025   |            | Expressed in thousands of NTD<br>December 31, 2024 |            |
|--|--|---------------------|------------|--|------------|
|  |  | Amount              | %          | Amount   | %          |
| <b>Current Liabilities</b>   |  |                     |            |  |            |
| 2100   | Short-term borrowings  | \$ 303,936          | 4          | \$ 471,153   | 7          |
| 2120   | Financial liabilities at fair value through profit or loss - current | 719                 | -          | 16,358   | -          |
| 2130   | Contract liabilities - current                                       | 47,354              | 1          | 58,985   | 1          |
| 2150   | Notes payable  | 3,926               | -          | 3,909  | -          |
| 2170   | Accounts payable   | 867,977             | 11         | 600,903  | 9          |
| 2200   | Other payables   | 307,396             | 4          | 263,952  | 4          |
| 2280   | Lease liabilities - current  | 25,091              | -          | 24,780   | -          |
| 2320   | Long-term liabilities, current portion                               | 583,759             | 7          | 784,864  | 12         |
| 2399   | Other current liabilities, other                                     | 61,564              | 1          | 15,912   | -          |
| 21XX   | <b>Total current liabilities</b>                                     | <b>2,201,722</b>    | <b>28</b>  | <b>2,240,816</b>                                   | <b>33</b>  |
| <b>Non-current liabilities</b>   |  |                     |            |  |            |
| 2540   | Long-term borrowings   | 1,355,901           | 18         | 18,125   | -          |
| 2570   | Deferred income tax liabilities                                      | 1,723               | -          | 848  | -          |
| 2580   | Lease liabilities - non-current                                      | 124,986             | 2          | 152,425  | 2          |
| 2600   | Other non-current liabilities  | 39,558              | -          | 38,837   | 1          |
| 25XX   | <b>Total non-current liabilities</b>                                 | <b>1,522,168</b>    | <b>20</b>  | <b>210,235</b>                                     | <b>3</b>   |
| 2XXX   | <b>Total liabilities</b>   | <b>3,723,890</b>    | <b>48</b>  | <b>2,451,051</b>                                   | <b>36</b>  |
| <b>Equity attributable to owners of the parent company</b>   |  |                     |            |  |            |
| Share capital  |  |                     |            |  |            |
| 3110   | Capital stock - common shares  | 3,255,958           | 42         | 3,255,958  | 48         |
| 3140   | Capital collected in advance   | 5,088               | -          | -  | -          |
| Capital surplus  |  |                     |            |  |            |
| 3200   | Capital surplus  | 796,472             | 11         | 1,419,142  | 21         |
| Retained earnings  |  |                     |            |  |            |
| 3350   | Accumulated deficit  | ( 499,243 )         | ( 7 )      | ( 596,602 )  | ( 9 )      |
| 3400   | Other equity interest  | 353,187             | 5          | 87,081   | 2          |
| 31XX   | <b>Equity attributable to owners of the parent company</b>           | <b>3,911,462</b>    | <b>51</b>  | <b>4,165,579</b>                                   | <b>62</b>  |
| 36XX   | <b>Non-controlling interests</b>                                     | <b>80,935</b>       | <b>1</b>   | <b>114,374</b>                                     | <b>2</b>   |
| 3XXX   | <b>Total equity</b>  | <b>3,992,397</b>    | <b>52</b>  | <b>4,279,953</b>                                   | <b>64</b>  |
| Significant Contingent Liabilities and<br>Unrecognized Contract Commitments<br>Significant Events after the Balance Sheet Date |  |                     |            |  |            |
| 3X2X   | <b>Total liabilities and equity</b>                                  | <b>\$ 7,716,287</b> | <b>100</b> | <b>\$ 6,731,004</b>                                | <b>100</b> |

**ETRON TECHNOLOGY, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**YEARS ENDED DECEMBER 31, 2025 AND 2024**

|      |  | Expressed in thousands of NTD<br>(Except for losses per share of NTD) |        |                |        |
|------|--|---|--------|----------------|--------|
|      |  | 2025  |        | 2024           |        |
| Item |  | Amount  | %      | Amount         | %      |
| 4000 | Operating revenue  | \$ 4,036,779  | 100    | \$ 3,473,217   | 100    |
| 5000 | Operating costs  | ( 3,418,415 )   | ( 85 ) | ( 3,030,402 )  | ( 87 ) |
| 5950 | Gross profit from operations   | 618,364   | 15     | 442,815        | 13     |
|      | Operating expenses   |   |        |                |        |
| 6100 | Selling expenses   | ( 208,553 )   | ( 5 )  | ( 231,070 )    | ( 7 )  |
| 6200 | Administrative expenses  | ( 273,363 )   | ( 7 )  | ( 274,290 )    | ( 8 )  |
| 6300 | Research and development expenses  | ( 782,085 )   | ( 19 ) | ( 657,539 )    | ( 19 ) |
| 6450 | Expected credit impairment (loss) gain   | ( 474 )   | -      | 536            | -      |
| 6000 | Total operating expenses   | ( 1,264,475 )   | ( 31 ) | ( 1,162,363 )  | ( 34 ) |
| 6500 | Other operating income and expenses - net  | 66,372  | 2      | 67,555         | 2      |
| 6900 | Operating loss   | ( 579,739 )   | ( 14 ) | ( 651,993 )    | ( 19 ) |
|      | Non-operating income and expenses  |   |        |                |        |
| 7100 | Interest income  | 6,727   | -      | 9,592          | -      |
| 7010 | Other income   | 80,833  | 2      | 110,496        | 3      |
| 7020 | Other gains and losses   | ( 9,478 )   | -      | ( 9,533 )      | -      |
| 7050 | Finance costs  | ( 90,254 )  | ( 2 )  | ( 60,617 )     | ( 2 )  |
| 7060 | Share of profit (loss) of associates and joint ventures accounted for using the equity method  | 14,940  | -      | ( 12,197 )     | -      |
| 7000 | Total non-operating income and expenses  | 2,768   | -      | 37,741         | 1      |
| 7900 | <b>Net loss before income tax</b>  | ( 576,971 )   | ( 14 ) | ( 614,252 )    | ( 18 ) |
| 7950 | Income tax expense   | ( 6,000 )   | -      | -              | -      |
| 8200 | <b>Net loss for the year</b>   | ( \$ 582,971 )  | ( 14 ) | ( \$ 614,252 ) | ( 18 ) |
|      | <b>Other comprehensive income (loss)</b>   |   |        |                |        |
|      | <b>Components that will not be reclassified to profit or loss</b>  |   |        |                |        |
| 8311 | (losses) Gains on re-measurements of defined benefit plans   | ( \$ 1,749 )  | -      | \$ 8,580       | -      |
| 8316 | Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income  | 294,275   | 7      | ( 143,165 )    | ( 4 )  |
| 8320 | Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss | ( 2,600 )   | -      | 4,407          | -      |
| 8310 | Components that will not be reclassified to profit or loss   | 289,926   | 7      | ( 130,178 )    | ( 4 )  |
|      | <b>Components that may be reclassified to profit or loss</b>   |   |        |                |        |
| 8361 | Currency translation differences of foreign operations   | ( 31,932 )  | ( 1 )  | 53,928         | 2      |
| 8370 | Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that may be reclassified to profit or loss      | 5,061   | -      | 5,299          | -      |
| 8360 | Components that may be reclassified to profit or loss  | ( 26,871 )  | ( 1 )  | 59,227         | 2      |
| 8300 | <b>Other comprehensive income (loss) (net)</b>   | \$ 263,055  | 6      | ( \$ 70,951 )  | ( 2 )  |
| 8500 | <b>Total comprehensive income (loss) for the year</b>  | ( \$ 319,916 )  | ( 8 )  | ( \$ 685,203 ) | ( 20 ) |
|      | Net income (loss) attributable to:   |   |        |                |        |
| 8610 | Owners of the parent company   | ( \$ 497,494 )  | ( 12 ) | ( \$ 540,640 ) | ( 16 ) |
| 8620 | Non-controlling interests  | ( 85,477 )  | ( 2 )  | ( 73,612 )     | ( 2 )  |
|      |  | ( \$ 582,971 )  | ( 14 ) | ( \$ 614,252 ) | ( 18 ) |
|      | Total comprehensive income (loss) attributable to:   |   |        |                |        |
| 8710 | Owners of the parent company   | ( \$ 233,137 )  | ( 6 )  | ( \$ 613,210 ) | ( 18 ) |
| 8720 | Non-controlling interests  | ( 86,779 )  | ( 2 )  | ( 71,993 )     | ( 2 )  |
|      |  | ( \$ 319,916 )  | ( 8 )  | ( \$ 685,203 ) | ( 20 ) |
| 9750 | Basic losses per share   | ( \$ 1.53 )   |        | ( \$ 1.77 )    |        |
| 9850 | Diluted losses per share   | ( \$ 1.53 )   |        | ( \$ 1.77 )    |        |

**ETRON TECHNOLOGY, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Changes in Equity**  
**YEARS ENDED DECEMBER 31, 2025 AND 2024**

Expressed in thousands of NTD

|   | Equity attributable to owners of the parent company |                 |                     |                      |                       |                  |                     |                  | Non-controlling interests | Total equity          |
|---|---|-----------------|---------------------|----------------------|-----------------------|------------------|---------------------|------------------|---------------------------|-----------------------|
|   | Share capital                                       | Capital surplus | Legal reserve       | Accumulated deficits | Other equity interest | Total            | Share capital       |                  |                           |                       |
| Capital stock - common shares   | Capital collected in advance                        |                 |                     |                      |                       |                  | Capital surplus     | Legal reserve    | Accumulated deficits      | Other equity interest |
| <u>2024</u>   |   |                 |                     |                      |                       |                  |                     |                  |                           |                       |
| Balance at January 1, 2024  | \$ 2,889,328  | \$ 17,143       | \$ 718,483          | \$ 96,910            | ( \$ 468,959 )        | \$168,230        | \$ 3,421,135        | \$ 61,083        | \$3,482,218               |                       |
| Net loss for the year   | -   | -               | -                   | -                    | ( 540,640 )           | -                | ( 540,640 )         | ( 73,612 )       | ( 614,252 )               |                       |
| Other comprehensive income (loss) for the year                                  | -   | -               | -                   | -                    | 8,580                 | ( 81,150 )       | ( 72,570 )          | 1,619            | ( 70,951 )                |                       |
| Total comprehensive income (loss) for the year                                  | -   | -               | -                   | -                    | ( 532,060 )           | ( 81,150 )       | ( 613,210 )         | ( 71,993 )       | ( 685,203 )               |                       |
| Appropriation and distribution of 2023 retained earnings:                       |   |                 |                     |                      |                       |                  |                     |                  |                           |                       |
| Legal reserve for loss compensation   | -   | -               | -                   | ( 96,910 )           | 96,910                | -                | -                   | -                | -                         |                       |
| Capital surplus for loss compensation   | -   | -               | ( 307,508 )         | -                    | 307,508               | -                | -                   | -                | -                         |                       |
| Cash capital increase   | 350,000   | -               | 974,775             | -                    | -                     | -                | 1,324,775           | -                | 1,324,775                 |                       |
| Exercise of employee share options  | 16,630  | ( 17,143 )      | 34,240              | -                    | -                     | -                | 33,727              | -                | 33,727                    |                       |
| Net change in equity of associates  | -   | -               | 1,213               | -                    | -                     | -                | 1,213               | -                | 1,213                     |                       |
| Cost of share-based compensation  | -   | -               | 15,198              | -                    | -                     | -                | 15,198              | 2,508            | 17,706                    |                       |
| Changes in ownership interests in subsidiaries                                  | -   | -               | ( 38,182 )          | -                    | -                     | -                | ( 38,182 )          | 40,050           | 1,868                     |                       |
| Capital contribution from non-controlling interests                             | -   | -               | 20,923              | -                    | -                     | -                | 20,923              | 82,726           | 103,649                   |                       |
| Disposal of equity instruments at fair value through other comprehensive income | -   | -               | -                   | -                    | ( 1 )                 | 1                | -                   | -                | -                         |                       |
| Balance at December 31, 2024  | <u>\$ 3,255,958</u>                                 | <u>\$ -</u>     | <u>\$ 1,419,142</u> | <u>\$ -</u>          | <u>( \$ 596,602 )</u> | <u>\$ 87,081</u> | <u>\$ 4,165,579</u> | <u>\$114,374</u> | <u>\$4,279,953</u>        |                       |
| <u>2025</u>   |   |                 |                     |                      |                       |                  |                     |                  |                           |                       |
| Balance at January 1, 2025  | \$ 3,255,958  | \$ -            | \$ 1,419,142        | \$ -                 | ( \$ 596,602 )        | \$ 87,081        | \$ 4,165,579        | \$114,374        | \$4,279,953               |                       |
| Net loss for the year   | -   | -               | -                   | -                    | ( 497,494 )           | -                | ( 497,494 )         | ( 85,477 )       | ( 582,971 )               |                       |
| Other comprehensive income (loss) for the year                                  | -   | -               | -                   | -                    | ( 1,749 )             | 266,106          | 264,357             | ( 1,302 )        | 263,055                   |                       |
| Total comprehensive income (loss) for the year                                  | -   | -               | -                   | -                    | ( 499,243 )           | 266,106          | ( 233,137 )         | ( 86,779 )       | ( 319,916 )               |                       |
| Capital surplus for loss compensation   | -   | -               | ( 596,602 )         | -                    | 596,602               | -                | -                   | -                | -                         |                       |
| Exercise of employee share options  | -   | 5,088           | -                   | -                    | -                     | -                | 5,088               | -                | 5,088                     |                       |
| Net change in equity of associates  | -   | -               | ( 525 )             | -                    | -                     | -                | ( 525 )             | -                | ( 525 )                   |                       |
| Cost of share-based compensation  | -   | -               | 3,853               | -                    | -                     | -                | 3,853               | 6,217            | 10,070                    |                       |
| Changes in ownership interests in subsidiaries                                  | -   | -               | ( 31,113 )          | -                    | -                     | -                | ( 31,113 )          | 31,113           | -                         |                       |
| Capital contribution from non-controlling interests                             | -   | -               | 1,717               | -                    | -                     | -                | 1,717               | 16,010           | 17,727                    |                       |
| Balance at December 31, 2025  | <u>\$ 3,255,958</u>                                 | <u>\$ 5,088</u> | <u>\$ 796,472</u>   | <u>\$ -</u>          | <u>( \$ 499,243 )</u> | <u>\$353,187</u> | <u>\$ 3,911,462</u> | <u>\$ 80,935</u> | <u>\$3,992,397</u>        |                       |

ETRON TECHNOLOGY, INC. AND SUBSIDIARIES  
Consolidated Statements of Cash Flows  
YEARS ENDED DECEMBER 31, 2025 AND 2024

Expressed in thousands of NTD

|  | 2025          | 2024          |
|--|---------------|---------------|
| <u>Cash flows from operating activities</u>                              |               |               |
| Net loss before tax for the year   | (\$ 576,971 ) | (\$ 614,252 ) |
| Adjustments  |               |               |
| Adjustments to reconcile profit (loss)                                   |               |               |
| Expected credit impairment loss (gain)                                   | 474           | ( 536 )       |
| Depreciation expenses  | 150,940       | 139,148       |
| Amortization expenses  | 80,092        | 71,900        |
| Net (gain)loss on financial assets at fair value through profit or loss  | ( 13,783 )    | 18,883        |
| Cost of share-based compensation   | 10,070        | 17,706        |
| Interest expenses  | 86,940        | 56,782        |
| Interest expense from lease liabilities                                  | 3,314         | 3,835         |
| Interest income  | ( 6,727 )     | ( 9,592 )     |
| Dividend income  | ( 66,233 )    | ( 96,404 )    |
| Share of (gain) loss of associates accounted for using the equity method | ( 14,940 )    | 12,197        |
| Losses on disposal of property, plant, and equipment                     | -             | 13            |
| Losses arising from lease modifications                                  | -             | 122           |
| Changes in operating assets and liabilities                              |               |               |
| Changes in operating assets  |               |               |
| Notes receivable   | 26,741        | ( 26,543 )    |
| Accounts receivable  | ( 273,606 )   | ( 114,272 )   |
| Other receivables  | ( 7,290 )     | 17,121        |
| Inventories  | ( 164,853 )   | 244,709       |
| Prepayments  | ( 15,586 )    | 2,715         |
| Other current assets   | ( 137 )       | 387           |
| Changes in operating liabilities   |               |               |
| Contract liabilities   | ( 11,631 )    | ( 5,069 )     |
| Notes payable  | 17            | ( 1,418 )     |
| Accounts payable   | 267,074       | 200,925       |
| Other payables   | 31,639        | 7,430         |
| Other current liabilities  | 45,652        | 9,408         |
| Net defined benefit liabilities  | ( 1,029 )     | ( 1,078 )     |
| Cash outflow generated from operations                                   | ( 449,833 )   | ( 65,883 )    |
| Interest received  | 6,814         | 9,599         |
| Dividends received   | 66,233        | 96,404        |
| Interest paid  | ( 59,717 )    | ( 51,504 )    |
| Net cash outflows generated from operating activities                    | ( 436,503 )   | ( 11,384 )    |

(Continued)

ETRON TECHNOLOGY, INC. AND SUBSIDIARIES  
Consolidated Statements of Cash Flows  
YEARS ENDED DECEMBER 31, 2025 AND 2024

Expressed in thousands of NTD

|  | 2025          | 2024          |
|--|---------------|---------------|
| <u>Cash flows from investing activities</u>  |               |               |
| Acquisition of financial assets at fair value through profit or loss                               | (\$ 16,403 )  | \$ -          |
| Acquisition of financial assets at fair value through other comprehensive income                   | ( 13,356 )    | ( 78,377 )    |
| Recovery of investment cost from financial assets at fair value through other comprehensive income | 6,711         | 3,786         |
| Increase on financial assets at amortized cost   | ( 4,500 )     | ( 4,850 )     |
| Decrease on financial assets at amortized cost   | 4,550         | 1,007         |
| Acquisition of investments accounted for using equity method                                       | ( 100,000 )   | -             |
| Acquisition of property, plant, and equipment  | ( 147,445 )   | ( 106,404 )   |
| Proceeds from disposal of property, plant, and equipment   | -             | 115           |
| Acquisition of intangible assets   | ( 125,403 )   | ( 60,701 )    |
| (Increase) decrease in refundable deposits   | ( 330 )       | 296           |
| Increase in other non-current assets   | ( 13,119 )    | -             |
| Net cash used in investing activities  | ( 409,295 )   | ( 245,128 )   |
| <u>Cash flows from financing activities</u>  |               |               |
| Increase in short-term loans   | 3,284,517     | 3,728,565     |
| Decrease in short-term loans   | ( 3,451,734 ) | ( 4,242,036 ) |
| Increase in long-term loans  | 2,549,000     | -             |
| Decrease in long-term loans  | ( 647,958 )   | ( 610,801 )   |
| Cash capital increase  | -             | 1,324,775     |
| Increase (decrease) in guarantee deposits  | 2             | ( 3 )         |
| Payment of lease principal   | ( 25,004 )    | ( 24,362 )    |
| Redemption of convertible bonds  | ( 794,400 )   | -             |
| Capital contribution from non-controlling interests  | 17,727        | 103,649       |
| Exercise of employee share options   | 5,088         | 33,727        |
| Net cash flows from financing activities   | 937,238       | 313,514       |
| Effect of change in exchange rate  | ( 3,095 )     | 21,133        |
| Increase in cash and cash equivalents  | 88,345        | 78,135        |
| Cash and cash equivalents at beginning of year   | 785,230       | 707,095       |
| Cash and cash equivalents at end of year   | \$ 873,575    | \$ 785,230    |

**Etron Technology, Inc.**  
**Deficit Compensation Table**  
**2025**

Unit: NT\$

| Item  | Amount        |
|---|---------------|
| Opening Loss to be Recovered                            | 0             |
| Less: 2025 Net Loss after Tax                           | (497,493,830) |
| Less: Actuarial Gains or Losses on Defined Benefit Plan | (1,749,149)   |
| Loss to be Recovered at End of Period                   | (499,242,979) |

Chairman &amp; CEO: Nicky Lu

President: Elvis Deng

Accounting Supervisor :  
Yu-Chia, Cheng

**Etron Technology, Inc.****Director's Acts for Himself or for Others Within the Scope of the Company's Business**

| Name of Director   | Name of Competing Company       | Major business items of the company | Position              |
|--|---------------------------------|-------------------------------------|-----------------------|
| Representative of Kai Chun Investment Corp.:<br>Bor-Doou, Rong | MemoLead Technology Corporation | Memory Product Design Services      | Senior Vice President |

## Etron Technology, Inc.

## Comparison Table of Amendments to the Procedures for Acquisition or Disposal of Assets

| Articles After Amendment   | Articles Before Amendment   | Explanation   |
|--|---|---|
| <p>Article 3:<br/>The definitions of terms used in these Procedures are as follows:<br/>(omitted)</p> <p>IX. When the Company's shares have no par value or a par value other than NT\$10 per share, the transaction amount thresholds based on 20% of paid-in capital shall be calculated as 10% of equity attributable to owners of the parent; <u>thresholds based on 5% of paid-in capital shall be calculated as 2.5% of equity attributable to owners of the parent;</u> thresholds based on paid-in capital of NT\$10 billion shall be calculated as equity attributable to owners of the parent of NT\$20 billion; <u>and thresholds based on paid-in capital of NT\$50 billion shall be calculated as equity attributable to owners of the parent of NT\$100 billion.</u></p> | <p>Article 3:<br/>The definitions of terms used in these Procedures are as follows:<br/>(omitted)</p> <p>IX. When the Company's shares have no par value or a par value other than NT\$10 per share, the transaction amount thresholds based on 20% of paid-in capital shall be calculated as 10% of equity attributable to owners of the parent; thresholds based on paid-in capital of NT\$10 billion shall be calculated as equity attributable to owners of the parent of NT\$20 billion.</p>   | <p>Amended in line with the revision to Article 35 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."</p> |
| <p>Article 6:<br/>The executing units, authorized amounts, and authorization levels for the Company's acquisition or disposal of assets are as follows:<br/>(omitted)</p> <p>II. Authorized amounts and levels:<br/>(I) Long- and short-term securities: Transactions reaching 20% of paid-in capital or NT\$400 million or more shall require Board approval before execution; transactions below such amounts <u>shall be handled in accordance with the applicable approval authority.</u></p> <p>(II) Real property, equipment, or right-of-use assets thereof: Transactions reaching 20% of</p>   | <p>Article 6:<br/>The executing units, authorized amounts, and authorization levels for the Company's acquisition or disposal of assets are as follows:<br/>(omitted)</p> <p>II. Authorized amounts and levels:<br/>(I) Long- and short-term securities: Transactions reaching 20% of paid-in capital or NT\$400 million or more shall require Board approval before execution; <u>the Chairman is authorized to handle</u> transactions below such amounts.</p> <p>(II) Real property, equipment, or right-of-use assets thereof: Transactions reaching 20% of</p> | <p>Wording adjusted to reflect the Company's actual practices.</p>  |

| Articles After Amendment  | Articles Before Amendment   | Explanation   |
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| <p>paid-in capital or NT\$400 million or more shall require Board approval before execution; transactions below such amounts <u>shall be handled in accordance with the applicable approval authority.</u></p> <p>(III) Intangible assets, right-of-use assets thereof, or memberships: Transactions involving intangible assets or right-of-use assets thereof reaching 10% of paid-in capital or NT\$200 million or more, or membership transactions reaching NT\$3 million or more, shall require Board approval before execution; transactions below such amounts <u>shall be handled in accordance with the applicable approval authority.</u></p>   | <p>paid-in capital or NT\$400 million or more shall require Board approval before execution; <u>the Chairman is authorized to handle</u> transactions below such amounts.</p> <p>(III) Intangible assets, right-of-use assets thereof, or memberships: Transactions involving intangible assets or right-of-use assets thereof reaching 10% of paid-in capital or NT\$200 million or more, or membership transactions reaching NT\$3 million or more, shall require Board approval before execution; <u>the Chairman is authorized to handle</u> transactions below such amounts.</p>   |   |
| <p>Article 7:<br/>Investment limits for non-operating real property, right-of-use assets thereof, and securities are as follows:</p> <p>I. Non-operating real property and right-of-use assets thereof: The Company's total investment shall not exceed 20% of its net worth; each subsidiary's total investment shall not exceed 10% of the Company's net worth.</p> <p>II. Long- and short-term negotiable securities:<br/>The Company's total investment shall not exceed <u>140%</u> of its net worth; each subsidiary's total investment shall not exceed <u>60%</u> of the Company's net worth.</p> <p>III. Individual negotiable securities: The Company's long-term holdings shall not exceed <u>60%</u> of its net worth, and short-term holdings shall not exceed 10% of its net worth; each subsidiary's in-</p> | <p>Article 7:<br/>Investment limits for non-operating real property, right-of-use assets thereof, and securities are as follows:</p> <p>I. Non-operating real property and right-of-use assets thereof: The Company's total investment shall not exceed 20% of its net worth; each subsidiary's total investment shall not exceed 10% of the Company's net worth.</p> <p>II. Long- and short-term negotiable securities:<br/>The Company's total investment shall not exceed <u>120%</u> of its net worth; each subsidiary's total investment shall not exceed <u>40%</u> of the Company's net worth.</p> <p>III. Individual negotiable securities: The Company's long-term holdings shall not exceed <u>40%</u> of its net worth, and short-term holdings shall not exceed 10% of its net worth; each subsidiary's in-</p> | <p>Amended to reflect the Company's actual practices.</p> |

| Articles After Amendment  | Articles Before Amendment  | Explanation   |
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| vestment in individual securities shall not exceed <u>60%</u> of the Company's net worth.   | vestment in individual securities shall not exceed <u>40%</u> of the Company's net worth.  |   |
| <p>Article 15:<br/>When the Company acquires or disposes of assets under any of the following circumstances, it shall publicly announce and report the relevant information on the website designated by the competent authority within two days from the date of occurrence, in the format and with the content prescribed by the competent authority according to the nature of the transaction:<br/>(omitted)</p> <p>IV. Acquisition or disposal of equipment for business use or right-of-use assets thereof, where the counterparty is not a related party: if the Company's paid-in capital is less than NT\$10 billion, for transaction amounts of NT\$500 million or more; if the Company's paid-in capital is NT\$10 billion or more <u>but less than NT\$50 billion</u>, for transaction amounts of NT\$1 billion or more; <u>if the Company's paid-in capital is NT\$50 billion or more, for transaction amounts reaching 5% or more of paid-in capital.</u></p> <p>(omitted)</p> <p><u>(VI)When the Company's paid-in capital is NT\$50 billion or more, for trading of government bonds, ordinary corporate bonds, and general financial bonds not involving equity rights (excluding subordinated bonds) on a securities exchange or at a securities firm's place of business, where the circumstances do not fall under the proviso of Subparagraph 7 and the counterparty is not a related party, for transaction amounts reaching 5% or more of paid-in capital.</u></p> | <p>Article 15:<br/>When the Company acquires or disposes of assets under any of the following circumstances, it shall publicly announce and report the relevant information on the website designated by the competent authority within two days from the date of occurrence, in the format and with the content prescribed by the competent authority according to the nature of the transaction:<br/>(omitted)</p> <p>IV. Acquisition or disposal of <u>as-</u><br/><u>sets that are</u> equipment for business use or <u>other</u> right-of-use assets thereof, where the counterparty is not a related party: if the Company's paid-in capital is less than NT\$10 billion, for transaction amounts of NT\$500 million or more; if the Company's paid-in capital is NT\$10 billion or more, for transaction amounts of NT\$1 billion or more.</p> <p>(omitted)</p> | <p>Amended in line with the revision to Article 31 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."</p> |

| Articles After Amendment   | Articles Before Amendment   | Explanation |
|--|---|-------------|
| <p><u>VII.</u>For asset transactions or investments in mainland China other than those covered in the preceding <u>six</u> subparagraphs, where the transaction amount reaches 20% of paid-in capital or NT\$300 million or more. However, the following circumstances are excluded:<br/>(omitted)</p> | <p><u>VI.</u> For asset transactions or investments in mainland China other than those covered in the preceding <u>five</u> subparagraphs, where the transaction amount reaches 20% of paid-in capital or NT\$300 million or more. However, the following circumstances are excluded:<br/>(omitted)</p> |             |