(Translation — In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

PHIHONG TECHNOLOGY CO., LTD.

2026 ANNUAL SHAREHOLDERS' MEETING MINUTES

(Translation)

Time: Thursday, June 11, 2026 at 9:00 a.m.
Place: Fullon Hotel Taoyuan Airport Access MRT A8
(3F., No. 2, Fuxing 1st Rd., Guishan Dist., Taoyuan City)
Total Outstanding Shares of PHIHONG TECHNOLOGY CO., LTD.: 424,772,416 shares.
Total Shares Represented by Shareholders Present In Person or by Proxy: 262,542,617 shares.
Percentage of Outstanding Share Held By Shareholders Present In Person or By Proxy:61.80%
Board Members Present:
Chung-Ming Lin,
Kuan-Hong Lin (Representative of Kuan Feng Investment Ltd.),
Wei-Feng Chiang (Representative of Kuan Feng Investment Ltd.),
Fei-Hong Lin,
Yu-Yuan Hong (Independent Director, Chairman of the Audit Committee),
Kuei-Hung Lin (Independent Director),
Chung-Shu Wu (Independent Director),
Hui-Mei Kang (Independent Director).
A total of 8 directors attended the meeting in person, constituting more than half of the 9 board seats.
Attendance: Kuo-Tyan Hong, Zhi-Yi Chang (CPAs, Deloitte & Touche),
Zheng-Xian Lin (Lin & Associates Law Firm),
Ta-Jen Chou (Independent Candidate).
Chairman: Chung-Ming Lin **Recorder:** Pei-Yi Li
Commencement: The aggregate number of shares present in person or by proxy constituted a quorum. The Chairman called the meeting to order.
Chairman's address: Omitted

I. Report:

1.2025 Business Report. (Please refer to Attachment 1)

2.Audit Committee's Review Report of the 2025 final account books and statements.
(Please refer to Attachment 2)

3.Report on the Implementation Status of the Company's Share Repurchase, submitted for review.

Description: The Company, pursuant to the resolution approved by the Board of Directors on April 10, 2025, has carried out a share repurchase in accordance with the law to maintain the Company's creditworthiness and protect shareholders' interests. The actual implementation status of the share repurchase is shown in the table below:

	Planned Repurchase	Actual Repurchase
Number of Shares Repurchased	6,600 thousand shares	6,436 thousand shares
Repurchase Period	April 11, 2025 to June 10, 2025	April 22, 2025 to June 3, 2025
Repurchase Price Range (Average) (NTD)	NT$14.5 – NT$45.0	NT$24.66
Total Repurchase Amount (NTD)	NT$297,000,000 (maximum limit)	NT$158,704,831
Date of Share Cancellation Completed	October 31, 2025	
Number of Shares Cancelled in This Round	6,436 thousand shares	
Number of Shares Not Yet Cancelled	0 shares	

II. Ratification:

1. The 2025 Financial Statements are submitted for ratification.

(Proposed by the Board of Directors)

Description: (1) The 2025 Business Report and Financial Statements were approved by the Board on March 12, 2026, and the financial statements were audited by CPAs Chang, Chih-I and Hong, Kuo-Tien from Deloitte & Touche.

(2) The Audit Committee reviewed the final account books and statements and issued the Review Report.

(3) The following books and statements are enclosed:

1. 2025 Business Report. (Please refer to Attachment 1)

2. 2025 Consolidated Financial Statements and Parent Company Only Financial Statements. (Please refer to Attachment 3~4)

Voting Results:

Voting Results (including votes casted electronically)		Percentage of outstanding share held by shareholders present in person or by proxy
In favor votes	249,552,823 votes	95.52%
Against votes	460,769 votes	0.17%
Invalid votes	0 votes	0.00%
Invalidly cast or abstained votes	11,232,557 votes	4.29%

Approved, that the above proposal be and hereby were accepted as submitted.

2. **The proposal for the earnings distribution for 2025 is submitted for ratification. (Proposed by the board of directors)**

Description: (1)The net loss after tax in 2025 was NT$634,668,111, and the accumulated earnings at the beginning of the period were NT$514,748,104, plus the remeasurement of the defined benefit plan of NT$997,834; according to the Articles of Incorporation and relevant laws and regulations, no legal reserve is appropriated for the current period due to the net loss, and the accumulated deficit of NT$118,922,173 is proposed to be offset against the legal reserve of NT$353,185,871. After the offset, the legal reserve will amount to NT$234,263,698, and the accumulated deficit will be reduced to NT$0.

(2) According to Article 21-1, the distributable earnings for 2025 amounted to NT$0, which is less than 15% of the paid-in capital; therefore, the Company does not intend to distribute earnings.

(3) The "Table of Earning Distribution for 2025" is enclosed. (Please refer to Attachment 5)

Voting Results:

Voting Results (including votes casted electronically)	Percentage of outstanding share held by shareholders present in person or by proxy

In favor votes	249,627,965 votes	95.55%
Against votes	521,705 votes	0.19%
Invalid votes	0 votes	0.00%
Invalidly cast or abstained votes	11,096,479 votes	4.24%

Approved, that the above proposal be and hereby were accepted as submitted.

III. Election:

1. **The re-election of all Directors is submitted for election.**

(Proposed by the Board of Directors)

Description:

(1) The term of office of the current Directors (including Independent Directors) will expire on June 8, 2026. According to Article 13 of the Articles of Incorporation, the Company shall have 9 to 11 Directors, and Article 13-1 provides that there shall be at least 3 Independent Directors.

(2) The election of Directors adopts the candidate nomination system, and the list of Director candidates has been resolved and approved by the Board of Directors. Shareholders shall elect Directors from the list of candidates. (Please refer to Attachment 6)

(3) After the re-election, there will be 9 Directors (including 4 Independent Directors), with a term from June 11, 2026 to June 10, 2029.

(4) The election was conducted in accordance with the Company's Procedures for Election of Directors.

Election Result:

The following individual were duly elected:

Title	Name	Elected voting number
Director	Lin, Chung-Min	253,624,714 Votes
Director	Chen, Chun-Cheng	250,622,460 Votes

Title	Name	Elected voting number
Director	Kuan Feng Investment Ltd. Representative: Lin, Kuan-Hong	249,657,829 Votes
Director	Lin, Fei-Hong	248,605,347 Votes
Director	Kuan Feng Investment Ltd. Representative: Chiang, Wei-Feng	244,856,873 Votes
Independent Director	Wu, Chung-Shu	247,031,917 Votes
Independent Director	Chou, Ta-Jen	245,903,413 Votes
Independent Director	Kang, Hui-Mei	243,825,378 Votes
Independent Director	Lin, Kuei-Hong	240,844,581 Votes

IV. Other Matter:

1. **The proposal to release newly elected Directors from the non-compete restriction is submitted for approval.**

   (Proposed by the Board of Directors)

   Description: (1) In accordance with Article 209 of the Company Act, "a Director who acts for himself/herself or on behalf of another person within the business scope of the Company shall disclose the material content of such act to the shareholders' meeting and obtain its approval."

   (2) In order to meet actual business needs and for the purpose of investment or other business development considerations, and without prejudice to the interests of the Company, it is proposed to release the non-compete restriction on the Directors (including Independent Directors). (Please refer to Attachment 7)

   Voting Results:

Voting Results (including votes casted electronically)		Percentage of outstanding share held by shareholders present in person or by proxy
In favor votes	248,402,601 votes	95.08%
Against votes	1,034,819 votes	0.39%
Invalid votes	0 votes	0.00%

Invalidly cast or abstained votes	11,808,729 votes	4.52%

Approved, that the above proposal be and hereby were accepted as submitted.

V. Extempore Motion: None.

There is no questions to extemporary motions raised by the shareholders.

VI. Meeting Adjourned:

The Chairman declared the meeting adjourned at 9:30 a.m.

(Note：These minutes have been prepared in accordance with Article 183 of the Company Act and record only the method of adopting resolutions, a summary of the proceedings, and the results thereof. For detailed contents of the meeting, please refer to the audio and video recordings of the meeting.)

【Attachment 1】 Business Report

Dear shareholders,

In 2025, the global economy exhibited highly volatile and divergent trends, impacted by three major headwinds: U.S. tariff policies, China's industrial overcapacity, and significant exchange rate fluctuations. First, when the Trump administration announced reciprocal tariffs on 60 countries in Q2, it initially triggered a substantial surge in front-loading shipments. However, as inventories became saturated, exports to the U.S. stagnated in the second half of the year, and momentum for new investment and restocking continued to wane, resulting in severe volatility in annual trade data. Second, the supply-demand imbalance in Chinese industries intensified. Faced with the dual pressures of domestic overcapacity and tariff hikes, low-priced Chinese goods flooded into third-party markets, severely eroding the export competitiveness and profitability of overlapping industries globally. Furthermore, the previously strong U.S. dollar trend reversed after Trump took office, prompting global financial institutions to accelerate currency hedging operations, which further exacerbated the U.S. dollar's depreciation. This led to a rapid and significant appreciation of the New Taiwan Dollar in Q2, resulting in severe foreign exchange losses that impacted the operating profits of numerous companies.

The performance of the Zerova electric vehicle energy business fell short of expectations in 2025. Key factors included a contraction in North American charging station market demand due to shifts in U.S. energy and EV subsidy policies, irrational price-cutting by competitors to clear excess inventory, and delays in new product launches. These challenges resulted in a marked decline in revenue, capacity utilization, and gross margins during the first half of the year. In response, the Company swiftly recalibrated its sales and operational strategies while implementing rigorous cost controls. By the second half of the year, operations had stabilized, with overall performance outperforming industry peers. The Power Supply Business achieved annual revenue growth of approximately 4% and a reduction in expenses of about 9%. However, the rapid and significant appreciation of the New Taiwan Dollar in Q2 triggered severe non-operating foreign exchange losses and eroded gross margins, weighing on overall results. Additionally, between September and December, the Company negotiated with customers to phase out high-volume, low-margin models to bolster future profitability. Furthermore, driven by the growing "China+" demand, the Vietnam facility's output now accounts for 51% of revenue and continues to rise. While the Group's 2025 performance did not meet original targets, management has proactively adjusted sales and product strategies, executed capacity consolidation, and applied rigorous cost-containment protocols. The benefits of these measures became evident in the second half of the year, positioning the Group for a return to profitability in 2026.

Global economic growth in 2026 is expected to remain resilient, though overall momentum may moderate or plateau compared to 2025. The economic outlook remains contingent on several pivotal variables: whether the AI industry sustains its rapid expansion or encounters a short-term market correction; the continued manifestation of U.S. tariff policy impacts; the resolution of China's industrial overcapacity; and the management of escalating raw material prices driven by geopolitical tensions and climate change. The global landscape will likely be defined by significant volatility, presenting a divergent array of risks and opportunities across regions and sectors. Management will remain vigilant in monitoring these developments, proactively capturing business opportunities, while maintaining the agility required to navigate ongoing uncertainties.

I. Financial performance

(I) Implementation Results of Operating Plan and Budget Execution Status

The company's net operating revenue for 2025 was NT$9,795,567,000, a decrease of approximately 10.11% compared to the net operating revenue of NT$10,897,729,000 for 2024. The net loss after tax for 2025 was NT$634,668,000, a decrease of approximately 407.61% compared to the net profit after tax of NT$206,325,000 for

2024. The overall operational performance for 2025 has met the internal targets set.

(II) Analysis of Financial Income/Expenses and Profitability

1. Analysis of Financial Income and Expenses

Unit: NT$ Thousands; %

Year / Item	2024	2025	Change %
Non-operating Income & Expenses	451,833	43,563	(90.36%)

The decrease in the company's non-operating income and expenses in 2025 compared to 2024 was mainly due to a decrease in exchange gains resulting from exchange rate fluctuations in 2025.

2. Profitability Analysis

Year / Analysis Item			2024	2025
Profitability	Return on Assets (%)		1.62	(3.96)
	Return on Equity (%)		2.13	(6.69)
	Ratio to Paid-in Capital (%)	Net Operating Loss	(3.54)	(14.12)
		Net Profit (Loss) Before Tax	6.93	(13.09)
	Net Profit Margin (%)		1.89	(6.48)
	Earnings (Loss) Per Share (NT$)		0.48	(1.48)

II. Research and Development Status

(I) Zerova Electric Vehicle Energy Business

- Bidirectional Power Technology Enabling V2G: Effectively utilizes EV battery capacity to enable electric vehicles nationwide to feed power back into the national grid or home energy storage systems via bidirectional power technology during emergencies; completed development of the DW50 series, offering simultaneous dual-port charging, support for bidirectional V2G (UL 1741/9741), and the capability to initiate EV reverse discharge during power outages; these units are available in freestanding, wall-mounted, or portable configurations and feature a 10-inch touchscreen to accommodate various application scenarios
- AD/DD Hybrid Charging and Storage Integrated Charging Station Technology: Supports energy storage systems and bidirectional V2G to enable the energy storage system to feed power back into the grid, thereby reducing power demand, facilitating peak shaving and valley filling to enhance grid efficiency and power stability, and supporting PCS functionality to lower overall costs
- High-Power Charging Product DQ 480: Supports up to 4 charging guns (including up to 2 water-cooled guns), with all 4 guns capable of parallel charging; reaches a charging current of 500A / Boost 750A; maintains a full 480kW power without derating at an ambient temperature of 50°C; equipped with an optional 21-inch advertising screen and a 7-inch control screen, making it ideal for high-power all-in-one charging stations or commercial applications requiring large-screen outdoor advertising charging stations
- MCS Megawatt Heavy-Duty Vehicle Charging Technology Development: Supports Level 2 MCS and CCS, available in dual-port and 16-port configurations to enable parallel charging and Dynamic Power Sharing; supports MCS current output of 1500–3000 A / CCS with 600A boost capability; offers energy density that outperforms industry peer Alpitronic, saving installation space; compatible with all Zerova charging cabinets; designed for heavy-duty vehicles, including long-haul

tankers, electric yachts, and mining transport vehicles; targets commercial, high-end private, and concessionary sectors

(II) Power Supply Business

- By leveraging its core 3rd generation semiconductor product design and manufacturing technologies, as well as its strategic supply chain bargaining power, the Company delivers substantial value through high-efficiency, lightweight, and miniaturized solutions. Its focus on cost-effectiveness and ESG-aligned energy conservation and carbon reduction ensures sustained technological leadership and clear market differentiation.
- ˙By integrating years of expertise in computer simulation and physical design, along with big data collection, the Company ensures 100% design feasibility. This synergy shortens product development cycles, reduces development costs and resources, and secures the professional trust of its customers.
- Targeting power battery charger applications, the Company continues to optimize and develop high-efficiency circuit platforms alongside innovative thermal management and waterproofing solutions. By integrating its software development capabilities, the Company is creating intelligent, high-power charging technologies to meet demands for fast charging, lightweight design, miniaturization, and cost reduction, thereby strengthening its market competitiveness. Furthermore, it is pioneering the industry by introducing USB PD 3.1 Type-C 240W direct battery charging technology to help customers achieve long-term goals of cost reduction and improved energy conversion efficiency.
- By introducing 3rd generation semiconductors, the Company has successfully developed a comprehensive range of USB PD chargers with power ratings of 65W, 100W, 140W, and 240W. The portfolio includes fixed-plug and plug-in wall chargers, as well as desktop chargers that cater to diverse customer needs and product applications, thereby expanding sales opportunities and distribution channels. Additionally, the Company provides both fixed and detachable output cable designs to comply with EU Type-C regulations.
- POE Applications: The Company has completed the development of Fanless / Fan-cooled Open-Frame 100/260/460/550/950W models to penetrate the data center and network switch markets. Furthermore, it has pioneered the industry by developing bidirectional power and data conversion technology between POE and Type-C, enabling customers to build smart home and office applications. By leveraging its POE expertise, the Company has earned the customers' professional trust to begin the development of customized power supplies for low-Earth orbit satellite communications.
- 350-2000W Fully Digital Power Platform Technology and Product Development: Actively entering high-end niche markets such as 5G communications, data centers/network switches, network security systems, and gaming desktop power supplies.

III. Operating Policies and Objectives

(I) Corporate Development:

- Focus on maximizing corporate benefits and implement the 3-year growth strategy plan.
- Strengthen focus on strategy and capital allocation.
- Enhance corporate governance practices, implement pragmatic risk control, and strengthen ESG sustainable development.
- Prioritize shareholder returns and value.

(II) Zerova Electric Vehicle Energy Business:

- Build localized R&D, sales, product testing, and after-sales service teams.
- Introduce AI integration, third-party after-sales service partners, and new business model developments.
- Drive continuous R&D and innovation to improve CSR performance, reduce equipment footprint, advance multi-gun and MCS technologies, and integrate energy storage products to ensure long-term competitiveness.
- Strengthen global procurement capabilities to increase the ratio of transactions with original manufacturers for key components and achieve supply chain localization.
- Establish a cost strategy team combining R&D, procurement, and production units for cost optimization.
- Focus on quality, customer service, and global delivery capabilities.
- Continue to build a resilient business model with diversified revenue streams.

(III) Power Supply Business:

- Focus on improving the cost structure.
- Continue production organization layout and integration to reduce costs and enhance competitiveness.
- Deepen cultivation of strategic niche markets, customers, and product development.
- Emphasize a business model focused on high-margin standard products.
- Perfect production and service quality, enhance delivery capabilities and flexibility to win customer trust and loyalty.
- Build 3rd generation semiconductors core technology and value.
- Build simulation/physical design integration and software/hardware integration technical capabilities to demonstrate professional value.

IV. Production and Sales Policy

We continue to cooperate closely with customers and the supply chain to accelerate global deployment and capacity allocation. When facing raw material shortages and price uncertainty, we actively adopt mutually beneficial solutions for shared prosperity. Key production and sales strategies are as follows:

- Deepen relationships with key strategic markets and customers, expanding the market share of the company's products through customer revenue growth and increased sales ratio to those customers.
- Continue to expand niche product application areas, increasing the revenue share of high-value-added products.
- Refine supply chain and capacity management, enhancing delivery flexibility to meet customer needs during peak/off-peak seasons and urgent orders.
- Continue to improve automated production techniques and intelligent process control capabilities to enhance production efficiency and quality.
- Consolidate factory capacity in response to market trends and effectively control operating expenses through the optimization of internal processes and human resources.
- Continue to perfect the local supply chain in Vietnam until it matures, achieving the ultimate goals of a short chain and cost reductions.

V. Impact of External Competitive Environment, Regulatory Environment, and Overall Business Environment

Regarding the regulatory environment, with rising awareness of environmental sustainability, internationally renowned brand customers have successively established high-standard supplier management codes, requiring supply chain compliance. Adhering to the spirit of sustainable development, the company integrates this spirit into the research, development, and mass production processes to achieve the operational goal of net-zero carbon emissions. The company continuously monitors changes in the legal environment and actively proposes countermeasures to mitigate operational risks.

The global economy remains resilient in 2026, though economic prospects continue to diverge across major regions. The US maintains robust growth, bolstered by strategic AI investment and supportive fiscal policy. Conversely, the Eurozone and the UK face diminishing momentum due to trade tariffs, competitive pressure from China, and tighter fiscal constraints. While Japan continues to promote investment in key industries, its export sector remains hamstrung by tariff barriers. Meanwhile, China faces significant pressure amid weak domestic demand and a sluggish housing market. Overall, the global economic outlook is defined by these divergent regional trends.

Looking ahead to 2026, the business environment remains characterized by complexity and uncertainty. Heightened geopolitical tensions, trade frictions, and volatile tariff policies have added significant pressure to supply chains and capital allocation. In response, the Company is prioritizing operational efficiency and cultivating a flexible, resilient, and smart framework to stay ahead of market volatility and mitigate potential risks. By strengthening its core competitiveness and deepening customer trust, the Company remains committed to sustained growth and profitability, while creating greater value for its customers and shareholders. In light of these product and operating strategies, the Company will refine its product portfolio in 2026, targeting a projected sales of 48 million units.

Finally, we once again sincerely thank all employees and shareholders for their long-term support and encouragement to the company. We extend our deepest gratitude!

We wish all our shareholders good health and all the best.

Chairman: Lin, Chung-Min, Manager: Lin, Kuan, Hong Accounting Officer: Chiang, Yao-Lin

【Attachment 2】 Audit Committee's Review Report

Phihong Technology Co., Ltd.

Audit Committee's Review Report

The Board has prepared the 2025 Business Report, 2025 parent company only and consolidated financial statements, and the proposal for earnings distribution. The 2025 parent company only and consolidated financial statements have been audited by Deloitte & Touche.

The Audit Committee has reviewed the abovementioned 2025 Business Report, 2025 parent company only and consolidated financial statements, and the proposal for earnings distribution, and found them to be in compliance. Therefore, we have made above the report in accordance with the relevant requirements of the Securities and Exchange Act and the Company Act. Please review and acknowledge.

Sincerely,

The 2026 annual shareholders' meeting of Phihong Technology Co., Ltd.

Convener of the Audit Committee:
Hong, Yu-Yuan

March 12, 2026

【Attachment 3】 2025 Individual Auditor’s Report and Consolidated Financial Statements

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements” Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

PHIHONG TECHNOLOGY CO., LTD.

By

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March 12, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Phihong Technology Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Phihong Technology Co., Ltd. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024 and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, based on our audits and the report of other auditors (refer to the Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2025 is stated as follows.

The Accuracy of Sales Revenue from Terminal and Enterprise Application Power Supply

The Group's sales of the terminal and enterprise application power supplies in 2025 have been impacted by shifts in sales strategy, changes in the customer portfolio, and the fact that newly developed products have not yet contributed to operating results. Therefore, the accuracy of the sales revenue from terminal and enterprise application power supply is considered as the key audit matter for the year ended December 31, 2025. Refer to Note 4 to the consolidated financial statements for the related sales revenue disclosures.

In response to the key audit matter, we have performed the procedures to understand internal controls related to the sales process and examined the effectiveness of the design and implementation of the controls. In addition, we have sampled the revenue to review external documents and payment receipts of the samples and implemented the procedures regarding the accuracy of the revenue.

Other Matter

In the consolidated financial statements of the Group, the financial statements of Zerova Group were audited by other auditors. Our opinion, insofar as it relates to the amounts included for Zerova Group, is based solely on the report of other auditors. The total assets of Zerova Group constituted 27.53% and 28.82%, respectively, of consolidated total assets as of December 31, 2025 and 2024; and total revenue constituted 33.07% and 41.41%, respectively, of consolidated total revenue for the years then ended.

We have also audited the parent company only financial statements of Phihong Technology Co., Ltd. as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion with other matter paragraph.

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

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

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chih-Yi Chang and Kuo-Tyan Hong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2026

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

PHIHONG TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

(In New Taiwan Dollars)

	2025		2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 3,498,516	25	$ 4,302,601	29
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	3,138	-	-	-
Financial assets at amortized cost - current (Notes 4, 9 and 32)	529,840	4	525,917	3
Contract assets - current (Note 24)	7,529	-	5,349	-
Trade receivables (Notes 4 and 10)	1,677,054	12	2,131,918	14
Trade receivables from related parties (Notes 10 and 31)	-	-	14,247	-
Other receivables	422,552	3	116,752	1
Current tax assets	35,936	-	84,340	1
Inventories (Notes 4 and 11)	1,858,329	13	2,043,603	14
Non-current assets held for sale	-	-	24,850	-
Other current assets	279,754	2	299,539	2
Total current assets	8,312,648	59	9,549,116	64
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 7)	124,038	1	134,368	1
Investments accounted for using the equity method (Notes 4 and 13)	85,164	1	71,381	1
Property, plant and equipment (Notes 4 and 14)	4,544,303	33	4,322,817	29
Right-of-use assets (Notes 4 and 15)	302,448	2	355,381	2
Investment properties (Note 16)	340,765	2	361,320	2
Other intangible assets (Notes 4 and 17)	48,503	-	63,233	-
Deferred tax assets (Notes 4 and 26)	150,985	1	83,395	1
Other non-current assets	64,341	1	62,139	-
Total non-current assets	5,660,547	41	5,454,034	36
TOTAL	$ 13,973,195	100	$ 15,003,150	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	$ 100,355	1	$ 182,654	1
Contract liabilities - current (Notes 24 and 31)	200,986	1	202,188	2
Trade payables	1,827,447	13	1,995,831	13
Other payables (Note 20)	1,174,164	8	1,024,829	7
Current tax liabilities (Notes 4 and 26)	160,466	1	60,092	1
Provisions - current (Note 21)	240,820	2	191,498	1
Lease liabilities - current (Notes 4 and 15)	38,930	-	44,852	-
Current portion of long-term borrowings (Notes 18 and 19)	814,770	6	14,867	-
Other current liabilities (Note 20)	107,989	1	159,723	1
Total current liabilities	4,665,927	33	3,876,534	26
NON-CURRENT LIABILITIES				
Contract liabilities - non-current (Note 24)	81,095	1	87,549	1
Bonds payable (Notes 4 and 19)	-	-	699,499	5
Long-term borrowings (Note 18)	141,233	1	156,100	1
Provisions - non-current (Note 21)	17,300	-	16,599	-
Deferred tax liabilities (Notes 4 and 26)	11,491	-	33,226	-
Lease liabilities - non-current (Notes 4 and 15)	46,096	1	75,965	-
Net defined benefit liabilities - non-current (Notes 4 and 22)	16,605	-	19,971	-
Other non-current liabilities	21,372	-	22,076	-
Total non-current liabilities	335,192	3	1,110,985	7
Total liabilities	5,001,119	36	4,987,519	33
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 23)				
Ordinary shares	4,247,724	31	4,312,084	29
Capital surplus	4,485,122	32	4,579,383	31
Retained earnings				
Legal reserve	353,186	2	331,904	2
Special reserve	230,859	2	367,518	2
Unappropriated earnings	(118,922)	(1)	399,371	3
Total retained earnings	465,123	3	1,098,793	7
Other equity				
Exchange differences on translating of the financial statements of foreign operations	(127,109)	(1)	106,577	1
Unrealized valuation loss on financial assets at fair value through other comprehensive income	(98,784)	(1)	(81,206)	(1)
Total other equity	(225,893)	(2)	25,371	-
Total equity attributable to owners of the Company	8,972,076	64	10,015,631	67
Total equity	8,972,076	64	10,015,631	67
TOTAL	$ 13,973,195	100	$ 15,003,150	100

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

(With Deloitte & Touche auditors' report dated March 12, 2026)

PHIHONG TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	2025		2024	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUES (Notes 4, 24, 31 and 37)	$ 9,795,567	100	$ 10,897,729	100
OPERATING COSTS (Notes 4, 10 and 31)	7,732,830	79	7,956,668	73
GROSS PROFIT	2,062,737	21	2,941,061	27
OPERATING EXPENSES				
Selling and marketing expenses	902,420	9	1,152,091	10
General and administrative expenses	881,247	9	988,061	9
Research and development expenses	857,787	9	966,376	9
Expected credit loss (gain)	21,064	-	(12,635)	-
Total operating expenses	2,662,518	27	3,093,893	28
(LOSS) PROFIT FROM OPERATIONS	(599,781)	(6)	(152,832)	(1)
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 25)	131,839	1	155,131	1
Other income (Note 25)	135,629	2	195,935	2
Other gains and losses (Note 25)	(161,150)	(1)	156,801	1
Finance costs (Note 25)	(76,539)	(1)	(52,489)	-
Share of profit or loss of associates (Note 13)	13,784	-	(3,545)	-
Total non-operating income and expenses	43,563	1	451,833	4
(LOSS) PROFIT BEFORE INCOME TAX	(556,218)	(5)	299,001	3
INCOME TAX EXPENSE (Notes 4 and 26)	(78,450)	(1)	(92,676)	(1)
NET (LOSS) PROFIT FOR THE YEAR	(634,668)	(6)	206,325	2

(Continued)

PHIHONG TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	2025		2024	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 22)	$ 1,247	-	$ 8,122	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income (Note 23)	(17,578)	-	(7,154)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 26)	(249)	-	(1,624)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating of the financial statements of foreign operations (Note 23)	(233,686)	(3)	393,002	3
Other comprehensive (loss) income for the year, net of income tax	(250,266)	(3)	392,346	3
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR	$ (884,934)	(9)	$ 598,671	5
NET (LOSS) PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ (634,668)	(6)	$ 206,325	2
Non-controlling interests	-	-	-	-
	$ (634,668)	(6)	$ 206,325	2
TOTAL COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ (884,934)	(9)	$ 599,121	5
Non-controlling interests	-	-	(450)	-
	$ (884,934)	(9)	$ 598,671	5
(LOSS) EARNINGS PER SHARE (Note 27)				
Basic earnings (loss) per share	$ (1.48)		$ 0.48	
Diluted earnings per share			$ 0.48	

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

(With Deloitte & Touche auditors' report dated March 12, 2026) (Concluded)

PHIHONG TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company										
			Retained Earnings			Other Equity					
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating of the Financial Statements of Foreign Operations	Unrealized Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares	Total	Non-controlling Interests	Total Equity
BALANCE ON JANUARY 1, 2024	$ 4,312,084	$ 4,579,383	$ 305,119	$ 313,005	$ 267,846	$ (293,466)	$ (74,052)	$ -	$ 9,409,919	$ (9,683)	$ 9,400,236
Appropriation of 2023 earnings											
Legal reserve (Note 23)	-	-	26,785	-	(26,785)	-	-	-	-	-	-
Special reserve (Note 23)	-	-	-	54,513	(54,513)	-	-	-	-	-	-
Changes in percentage of ownership interests in subsidiaries	-	-	-	-	-	6,591	-	-	6,591	10,133	16,724
Net profit for the year ended December 31, 2024	-	-	-	-	206,325	-	-	-	206,325	-	206,325
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	6,498	393,452	(7,154)	-	392,796	(450)	392,346
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	212,823	393,452	(7,154)	-	599,121	(450)	598,671
BALANCE ON DECEMBER 31, 2024	4,312,084	4,579,383	331,904	367,518	399,371	106,577	(81,206)	-	10,015,631	-	10,015,631
Appropriation of 2024 earnings											
Legal reserve (Note 23)	-	-	21,282	-	(21,282)	-	-	-	-	-	-
Special reserve (Note 23)	-	-	-	(136,659)	136,659	-	-	-	-	-	-
Net loss for the year ended December 31, 2025	-	-	-	-	(634,668)	-	-	-	(634,668)	-	(634,668)
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	998	(233,686)	(17,578)	-	(250,266)	-	(250,266)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	(633,670)	(233,686)	(17,578)	-	(884,934)	-	(884,934)
Buy-back of ordinary shares (Note 23)	-	-	-	-	-	-	-	(158,621)	(158,621)	-	(158,621)
Cancelation of ordinary shares (Note 23)	(64,360)	(94,261)	-	-	-	-	-	158,621	-	-	-
BALANCE ON DECEMBER 31, 2025	$ 4,247,724	$ 4,485,122	$ 353,186	$ 230,859	$ (118,922)	$ (127,109)	$ (98,784)	$ -	$ 8,972,076	$ -	$ 8,972,076

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

(With Deloitte & Touche audit report dated March 12, 2026)

PHIHONG TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) income before tax	$ (556,218)	$ 299,001
Adjustments for:		
Depreciation expense	381,617	381,335
Amortization expense	19,877	21,833
Expected credit loss (reversed) recognized on trade receivables	21,064	(12,635)
Finance costs	76,539	52,489
Interest income	(131,839)	(155,131)
Dividend income	(7,695)	(13,332)
Share of loss of associates	(13,784)	3,545
Gain on disposal of property, plant and equipment	(1,323)	(1,240)
Loss on disposal of intangible assets	-	74
Proceeds from disposal of non-current assets held for sale	(41,226)	-
Gain on disposal of associates	-	(77,905)
Impairment loss of assets	34,761	-
Write-down of inventories	25,420	17,229
Loss (gain) on lease modification	237	(266)
Net changes in operating assets and liabilities		
Contract assets	(2,180)	(5,349)
Trade receivables	433,201	(412,642)
Trade receivables from related parties	14,247	(12,061)
Other receivables	(315,319)	(88,125)
Inventories	159,854	542,063
Other current assets	23,929	11,556
Other non-current assets	862	(237)
Contract liabilities	(7,656)	(134,094)
Trade payables	(168,383)	61,904
Trade payables to related parties	-	(4,788)
Other payables	107,362	(278,609)
Provisions	50,023	118,288
Other current liabilities	(51,734)	42,245
Net defined benefit liabilities	(2,119)	(3,926)
Cash generated from operating activities	49,517	351,222
Interest received	141,358	162,714
Interest paid	(73,129)	(69,036)
Income tax paid	(19,247)	(241,459)
Net cash generated from operating activities	98,499	203,441

(Continued)

PHIHONG TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	$ (21,000)	$ (21,000)
Capital reduction and refund from investments accounted for using the fair value through other comprehensive income	13,750	2,083
Purchase of financial assets at amortized cost	(3,383,672)	(339,731)
Proceeds from sale of financial assets at amortized cost	3,361,645	62,600
Purchase of initial recognition of financial assets designated as at fair value through profit or loss	(3,138)	-
Proceeds from disposal for using equity method	-	89,653
Proceeds from disposal of non-current assets held for sale	73,815	-
Payments for property, plant and equipment	(616,042)	(830,244)
Proceeds from disposal of property, plant and equipment	9,298	9,749
Increase in refundable deposits	(3,064)	(16,263)
Payment for intangible assets	(7,773)	(28,350)
Increase in prepayments for equipment	(19,768)	(62,230)
Dividends received	7,695	13,332
Net cash used in investing activities	(588,254)	(1,120,401)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	3,588,032	2,626,616
Repayments of short-term borrowings	(3,632,184)	(3,354,337)
Proceeds from long-term borrowings	1,950,000	450,000
Repayments of long-term borrowings	(1,864,867)	(567,417)
Decrease in guarantee deposits received	(704)	(8,086)
Repayment of the principal portion of lease liabilities	(46,531)	(42,742)
Payments for buy-back of ordinary shares	(158,621)	-
Net cash used in financing activities	(164,875)	(895,966)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(149,455)	263,722
NET DECREASE IN CASH AND CASH EQUIVALENTS	(804,085)	(1,549,204)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	4,302,601	5,851,805
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 3,498,516	$ 4,302,601

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

(With Deloitte & Touche auditors' report dated March 12, 2026) (Concluded)

【Attachment 4】 2025 Individual Auditor's Report and Parent Company Only Financial Statements

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Phihong Technology Co., Ltd.

Opinion

We have audited the accompanying parent company only financial statements of Phihong Technology Co., Ltd. (the "Company") which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

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

Basis for Opinion

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

Key Audit Matters

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

The key audit matter identified in the Company's parent company only financial statements for the year ended December 31, 2025 is stated as follows.

The Occurrence of Sales Revenue from Terminal and Enterprise Application Power Supply

The Company's sales of the terminal and enterprise application power supplies in 2025 have been impacted by shifts in sales strategy, changes in the customer portfolio, and the fact that newly developed products have not yet contributed to operating results. Therefore, the accuracy of the sales revenue from terminal and enterprise application power supply is considered as the key audit matter for the year ended December 31, 2025. Refer to Note 4 to the parent company only financial statements for the related sales revenue disclosures.

In response to the key audit matter, we have performed the procedures to understand internal controls related to the sales process and examined the effectiveness of the design and implementation of the controls. In addition, we have sampled the revenue ledgers to review external documents and payment receipts of the samples and implemented the procedures regarding the occurrence of the revenue.

Other Matter

The financial statements of Zerova Technologies Holdings Limited (ZKH), an associate accounted for using the equity method, were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the accompanying parent company only financial statements for ZKH, is based solely on the reports of other auditors. As of December 31, 2025 and 2024, the aggregate carrying amount of the equity-method investments in ZKH was NT$2,572,051 thousand and NT$2,889,512 thousand, representing 20.84% and 21.64% of the total assets, respectively. For the years ended December 31, 2025 and 2024, the share of profit of ZKH was NT$(235,407) thousand and NT$196,050 thousand, representing 37.16% and 97.54% of the profit before income tax, respectively.

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

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

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 and appropriate audit evidence regarding the financial information of 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. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chih-Yi Chang and Kuo-Tyan Hong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2026

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

PHIHONG TECHNOLOGY CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

	2025		2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 845,051	7	$ 1,283,791	10
Trade receivables (Notes 4 and 8)	726,145	6	640,429	5
Trade receivables from related parties (Notes 4, 8 and 26)	183,603	2	226,388	2
Other receivables (Note 8)	2,591	-	5,423	-
Other receivables from related parties (Notes 8 and 26)	296,964	2	805,187	6
Current tax assets (Notes 4 and 22)	664	-	64,169	-
Inventories (Notes 4 and 9)	6,705	-	13,921	-
Other current assets	115,656	1	98,653	1
Total current assets	2,177,379	18	3,137,961	24
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4, 7 and 25)	122,167	1	132,080	1
Investments accounted for using equity method (Notes 4 and 10)	8,652,080	70	9,112,542	68
Property, plant and equipment (Notes 4 and 11)	1,298,618	11	867,644	7
Right-of-use assets (Notes 4 and 12)	6,260	-	8,021	-
Investment property (Notes 4 and 13)	20,952	-	21,691	-
Other intangible assets (Notes 4 and 14)	20,406	-	26,648	-
Deferred tax assets (Notes 4 and 22)	34,429	-	32,477	-
Other non-current assets	12,618	-	14,027	-
Total non-current assets	10,167,530	82	10,215,130	76
TOTAL	$ 12,344,909	100	$ 13,353,091	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Notes 20 and 26)	$ 39,649	-	$ 13,468	-
Trade payables	5,800	-	5,629	-
Trade payables to related parties (Note 26)	7	-	1,240	-
Other payables (Notes 17 and 26)	1,683,105	14	1,860,597	14
Provisions - current	6,278	-	-	-
Lease liabilities - current (Notes 4 and 12)	2,732	-	4,972	-
Current portion of long-term borrowings (Note 15)	814,770	7	14,867	-
Other current liabilities	53,810	-	74,002	1
Total current liabilities	2,606,151	21	1,974,775	15
NON-CURRENT LIABILITIES				
Bonds payable (Note 16)	-	-	699,499	5
Long-term borrowings (Note 15)	141,233	1	156,100	1
Deferred tax liabilities (Notes 4 and 22)	-	-	19,856	-
Lease liabilities - non-current (Notes 4 and 12)	3,634	-	3,207	-
Net defined benefit liability - non-current (Notes 4 and 18)	16,605	-	19,971	-
Other non-current liabilities (Notes 4 and 10)	605,210	5	464,052	4
Total non-current liabilities	766,682	6	1,362,685	10
Total liabilities	3,372,833	27	3,337,460	25
EQUITY (Notes 4 and 19)				
Ordinary shares	4,247,724	35	4,312,084	32
Capital surplus	4,485,122	36	4,579,383	35
Retained earnings				
Legal reserve	353,186	3	331,904	2
Special reserve	230,859	2	367,518	3
Unappropriated earnings	(118,922)	(1)	399,371	3
Total retained earnings	465,123	4	1,098,793	8
Other equity				
Exchange differences on translating the financial statements of foreign operations	(127,109)	(1)	106,577	1
Unrealized loss on financial assets at fair value through other comprehensive income	(98,784)	(1)	(81,206)	(1)
Total other equity	(225,893)	(2)	25,371	-
Total equity	8,972,076	73	10,015,631	75
TOTAL LIABILITIES AND EQUITY	$ 12,344,909	100	$ 13,353,091	100

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

(With Deloitte & Touche auditors’ report dated March 12, 2026)

PHIHONG TECHNOLOGY CO., LTD.

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

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 20 and 26)	$ 5,538,739	100	$ 5,288,829	100
OPERATING COST (Notes 4, 9 and 26)	5,044,120	91	4,864,174	92
OPERATING GROSS PROFIT	494,619	9	424,655	8
REALIZED (LOSS) GAIN ON TRANSACTIONS WITH ASSOCIATES (Note 4)	(7,315)	-	22,781	1
REALIZED GROSS PROFIT	487,304	9	447,436	9
OPERATING EXPENSES				
Sales and marketing expenses	168,168	3	248,381	5
General and administration expenses	205,344	4	228,580	4
Research and development expenses	354,602	6	369,415	7
Expected credit gain recognized (Note 8)	(2,385)	-	(4,084)	-
Total operating expenses	725,729	13	842,292	16
LOSS FROM OPERATIONS	(238,425)	(4)	(394,856)	(7)
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 21)	37,940	1	58,375	1
Other income (Notes 21 and 26)	47,889	1	128,598	2
Other gains and (losses) (Note 21)	(138,735)	(3)	71,914	1
Finance costs (Note 21)	(51,845)	(1)	(19,775)	-
Share of profit or loss of subsidiaries and associates (Notes 4 and 10)	(290,327)	(5)	356,736	7
Total non-operating income and expenses	(395,078)	(7)	595,848	11
(LOSS) PROFIT BEFORE INCOME TAX	(633,503)	(11)	200,992	4
INCOME TAX (EXPENSE) BENEFIT (Notes 4 and 22)	(1,165)	-	5,333	-
NET (LOSS) PROFIT FOR THE YEAR	(634,668)	(11)	206,325	4

(Continued)

PHIHONG TECHNOLOGY CO., LTD.

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

	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE (LOSS) INCOME				
Items that may not reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 18)	$ 1,247	-	$ 8,122	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income (Note 19)	(17,164)	(1)	(6,969)	-
Share of other comprehensive loss of associates accounted for using the equity method (Note 19)	(414)	-	(185)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 22)	(249)	-	(1,624)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating of the financial statements of foreign operations (Note 19)	(233,686)	(4)	393,452	7
Total other comprehensive income (loss) for the period	(250,266)	(5)	392,796	7
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR	$ (884,934)	(16)	$ 599,121	11
EARNINGS (LOSS) PER SHARE (Note 23)				
Basic earnings (loss) per share	$ (1.48)		$ 0.48	
Diluted earnings per share			$ 0.48	

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

(With Deloitte & Touche auditors' report dated March 12, 2026) (Concluded)

PHIHONG TECHNOLOGY CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

			Retained Earnings			Other Equity			
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares	Total Equity
BALANCE ON JANUARY 1, 2024	$ 4,312,084	$ 4,579,383	$ 305,119	$ 313,005	$ 267,846	$ (293,466)	$ (74,052)	$ -	$ 9,409,919
Appropriation of 2023 earnings									
Legal reserve (Note 19)	-	-	26,785	-	(26,785)	-	-	-	-
Special reserve (Note 19)	-	-	-	54,513	(54,513)	-	-	-	-
Changes in percentage of ownership interests in subsidiaries	-	-	-	-	-	6,591	-	-	6,591
Net profit for the year ended December 31, 2024	-	-	-	-	206,325	-	-	-	206,325
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	6,498	393,452	(7,154)	-	392,796
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	212,823	393,452	(7,154)	-	599,121
BALANCE ON DECEMBER 31, 2024	4,312,084	4,579,383	331,904	367,518	399,371	106,577	(81,206)	-	10,015,631
Appropriation of 2024 earnings									
Legal reserve (Note 19)	-	-	21,282	-	(21,282)	-	-	-	-
Special reserve (Note 19)	-	-	-	(136,659)	136,659	-	-	-	-
Net loss for the year ended December 31, 2025	-	-	-	-	(634,668)	-	-	-	(634,668)
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	998	(233,686)	(17,578)	-	(250,266)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	(633,670)	(233,686)	(17,578)	-	(884,934)
Buy-back of ordinary shares (Note 19)	-	-	-	-	-	-	-	(158,621)	(158,621)
Cancelation of ordinary shares (Note 19)	(64,360)	(94,261)	-	-	-	-	-	158,621	-
BALANCE AT DECEMBER 31, 2025	$ 4,247,724	$ 4,485,122	$ 353,186	$ 230,859	$ (118,922)	$ (127,109)	$ (98,784)	$ -	$ 8,972,076

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

(With Deloitte & Touche auditors' report dated March 12, 2026)

PHIHONG TECHNOLOGY CO., LTD.

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

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax	$ (633,503)	$ 200,992
Adjustments for:		
Depreciation expense	21,653	24,779
Amortization expense	9,689	11,505
Expected credit reversed recognized on trade receivables	(2,385)	(4,084)
Finance costs	51,845	19,775
Interest income	(37,940)	(58,375)
Dividend income	(5,700)	(13,332)
Gain on lease modification	(9)	-
Share of profits of associates	290,327	(356,736)
Loss on disposal of property, plant and equipment	-	800
Loss on disposal of investments accounted for using equity method	-	518
Reversal of write-down of inventories	(1,035)	(90)
Realized loss (gain) on transactions with subsidiaries	7,315	(22,781)
Net changes in operating assets and liabilities		
Trade receivables	(83,331)	(127,876)
Trade receivables from related parties	42,785	(72,236)
Other receivables	2,825	(4,496)
Other receivables from related parties	508,223	(304,564)
Inventories	8,251	(206)
Other current assets	(17,003)	(12,475)
Contract liabilities	26,181	(16,469)
Trade payables	171	554
Trade payables to related parties	(1,233)	(11,562)
Other payables	(222,589)	139,979
Other current liabilities	(13,915)	(6,115)
Net defined benefit liability	(2,119)	(3,926)
Cash used in operating activities	(51,497)	(616,421)
Interest received	37,947	58,536
Interest paid	(50,826)	(19,246)
Income tax paid (received)	40,284	(12,338)
Net cash used in operating activities	(24,092)	(589,469)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(21,000)	(21,000)
Capital reduction of financial assets at fair value through other comprehensive income	13,750	2,083
Purchase of financial assets at amortized cost	(2,921,880)	(52,100)
Proceeds from sale of financial assets at amortized cost	2,921,880	62,600
Proceeds from disposal for using equity method	-	1,917
Capital reduction and refund from investments accounted for using equity method	-	141,732

(Continued)

PHIHONG TECHNOLOGY CO., LTD.

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

	2025	2024
Purchase of property, plant and equipment	$ (400,465)	$ (374,807)
Payment for intangible assets	(1,726)	(6,641)
Decrease in refundable deposits	568	415
Increase in prepayments for equipment	(2,780)	(7,139)
Dividends received	75,577	13,332
Net cash used in investing activities	(336,076)	(239,608)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	1,900,000	450,000
Repayment of long-term borrowings	(1,814,868)	(567,417)
Decrease in guarantee deposits received	-	(1,258)
Repayment of the principal portion of lease liabilities	(5,083)	(6,051)
Capital increase	(158,621)	-
Net cash used in financing activities	(78,572)	(124,726)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(438,740)	(953,803)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,283,791	2,237,594
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 845,051	$ 1,283,791

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

(With Deloitte & Touche auditors' report dated March 12, 2026) (Concluded)

【Attachment 5】 Table of Earning Distribution for 2025

Phihong Technology Co., Ltd.
Table of Earning Distribution for 2025

Unit: NT$

Item	Amount	
	Subtotal	Total
Undistributed earnings at the beginning of the period	514,748,104	
Less:		
Remeasurement of defined benefit plan recognized in retained earnings	997,834	
Net loss after tax for the year	(634,668,111)	
Accumulated deficit to be offset for the current period		(118,922,173)
Items available to offset the deficit		
Legal reserve	-	118,922,173
Ending balance of accumulated deficit to be offset		
Accumulated deficit to be offset at the end of the period		-

Note: The accumulated deficit to be offset for the current year is NT$118,922,173, with a legal reserve of NT$353,185,871. It is proposed that the legal reserve be utilized to offset this deficit. Following the offset, the legal reserve will be NT$234,263,698, and the accumulated deficit to be offset will be NT$0.

Chairman: Lin, Chung-Min　　Manager: Lin, Kuan-Hong　　Accounting Officer: Chiang,Yao-Lin

【Attachment 6】 List of Director Candidates

Phihong Technology Co., Ltd.
List of Director Candidates

Unit: shares

No.	Title	Name	Shareholding (Note)	Education, Work Experience and Current Position	Reasons for Nominating an Independent Director Who Has Served Three Consecutive Terms
1	Director	Lin, Chung-Min	54,541,837	˙Education: Chia-Yi Industrial Vocational High School, Electronic Equipment Repair Department ˙Experience: Sales Engineer, Yi You Electric Co. ˙Current Position: Chairman, Phihong Technology Co., Ltd.	Not Applicable
2	Director	Kuan Feng Investment Ltd. Representative: Lin, Kuan-Hong	3,374,625 3,619,122	˙Education: San Jose State University International Business ˙Experience: Special Assistant & Vice President, Phihong Technology Co., Ltd. ˙Current Position: GM, Phihong Technology Co., Ltd.	Not Applicable
3	Director	Lin, Fei-Hong	3,644,122	˙Education: Takushoku University, Japan ˙Experience: Special Assistant to the Chairman, Phihong Technology Co., Ltd. BU Head, EV Energy Business Group, Phihong Technology Co., Ltd. ˙Current Position: Chairman, Zerova Technologies Co., Ltd.	Not Applicable
4	Director	Kuan Feng Investment Ltd. Representative: Chiang, Wei-Feng	3,374,625 0	˙Education: MBA, National Chung Hsing University ˙Experience: General Manager, H&Q Taiwan Co., Ltd, ˙Current Position: Chairman, Black Marble Capital Management Co., Ltd. Chairman, Wan-Fu Venture Capital Co., Ltd. Chairman, MegaPro Biomedical Co., Ltd. Director, HT Precision Technologies, Inc. Independent Director, Qbic Technology Co., Ltd. Director, Ritek Corporation	Not Applicable
5	Director	Chen, Chun-Cheng	435	˙Education: Department of Electronic Engineering, Chung Yuan Christian University ˙Experience: CTO, Zerova Technologies Co., Ltd. ˙Current Position: Vice Chairman, Phihong Technology Co., Ltd.	Not Applicable
6	Independent Director	Chou, Ta-Jen	0	˙Education: Master of Laws, Harvard Law School, USA ˙Experience: Executive Director, Direct Investment Business Group, China Development Industrial Bank General Manager, Jardine Fleming Ventures ˙Current Position: Member of Investment Committee, IBF Venture Capital Co., Ltd. Juridical Person Representative Director, UBI Pharma Inc. Juridical Person Representative Director, Cenra Inc. Juridical Person Representative Director, United Biomedical, Inc., Asia Independent Director, Aurotek Corporation Supervisor, E-CMOS TECHNOLOGY CORP.	None

No.	Title	Name	Shareholding (Note)	Education, Work Experience and Current Position	Reasons for Nominating an Independent Director Who Has Served Three Consecutive Terms
				Independent Director, AmTRAN Technology Co., Ltd. Chairman, Heli Financial Consulting Co., Ltd.	
7	Independent Director	Wu, Chung-Shu	0	˙Education: Ph.D. in Economics, Northwestern University, USA ˙Experience: President, Chung-Hua Institution for Economic Research ˙Current Position: Chairman, Taiwan Institute of Economic Research Independent Director, Cheng Shin Rubber Ind. Co., Ltd. Director, Far Eastern New Century Corporation	None
8	Independent Director	Lin, Kuei-Hong	20,578	˙Education: Department of Public Administration, Tamkang University ˙Experience: Owner, Owner, LOHAS Outdoor Products Enterprise ˙Current Position: Owner, LOHAS Outdoor Products Enterprise	Having long served on the Board, he is familiar with operations and well-positioned to continue providing support.
9	Independent Director	Kang, Hui-Mei	0	˙Education: EMBA, Graduate Institute of International Business, National Taiwan University ˙Experience: General Manager, IBF Securities Co., Ltd. ˙Current Position: Director & General Manager, WiXtar Corporation Chairman, Wilmar International Limited Independent Director, WONDER PETS ENTERPRISES CORP.	None

Note: Shareholdings are based on information as of the book closure date for the shareholders' meeting on April 13, 2026.

【Attachment 7】List of Directors Subject to Non-Compete Waiver

Phihong Technology Co., Ltd.

List of Directors Subject to Non-Compete Waiver

Title	Name	Non-Compete Waiver Details
Director	Lin, Chung-Min	Chairman, Progen Electronic Technology (Shanghai) Co., Ltd.
Director	Chiang, Wei-Feng	Director, HT Precision Technologies, Inc. Independent Director, Qbic Technology Co., Ltd. Director, Ritek Corp.
Director	Lin, Kuan-Hong	Director, SG Digital Co., Ltd.
Independent Director	Chou, Ta-Jen	Independent Director, Aurotek Corp. Independent Director, AmTRAN Technology Co., Ltd. Independent Director, Cenra Inc.
Independent Director	Kang, Hui-Mei	Director & GM, WiXtar Corp. Chairman, Wilmar International Limited
Independent Director	Wu, Chung-Shu	Independent Director, Cheng Shin Rubber Ind. Co., Ltd. Independent Director, Far Eastern New Century Corp.