

VSO Electronics Co., Ltd.
2026 Annual Shareholders' Meeting Minutes
(Translation)

Meeting Time : 9:00 a.m., Tuesday, May 12, 2026

Meeting Venue : 13F, No. 95, Section 2, Zhongxiao East Road, Taipei City
(Mega Securities Head Office Conference Room)

Meeting Method : physical shareholders' meeting

Attendance : A total of 31,217,131 shares represented by shareholders present in person and by proxy (including 957,578 shares exercised via electronic voting) were represented at the Meeting, accounting for 71.63% of the Company's total outstanding voting shares of 43,580,863 shares (excluding non-voting shares).

Directors Present : Chairman Jerry Chien, Director Chung-Lin Chien, Director T.C Huang, Director Tony Liu, Independent Director Chung-Yuan Hsu (Audit Committee Convener), Independent Director Hui-Chin Chiu, Independent Director Ming-Wei Lai, and Independent Director Yeh-Yun Lin. A total of 8 directors were present, exceeding a majority of the 9 director seats.

Attendees : Deputy GM Annie Chiu, CPA Yeh, Shu-Chuan (Deloitte & Touche)

Chairperson : Jerry Chien

Recorder : Sue Juan

I 、 Call the Meeting to Order :

The chairperson announced the meeting was duly convened in accordance with the law, with the quorum requirement satisfied.

II 、 Chairperson Remarks : Omitted.

III 、 Reported Matters

Proposal 1

Subject : 2025 Business Report.

Explanation : The 2025 Business Report is attached, please refer to Annexes 1.

Proposal 2

Subject : 2025 Audit Committee's Review Report.

Explanation : The Audit Committee's Review Report, please refer to Annexes 2.

Proposal 3

Subject : Report on 2025 Cash Dividend Distribution.

- Explanation : 1. The Company proposes to distribute a cash dividend of NT\$2.5 per share, totaling NT\$108,952,158.
Fractional amounts less than NT\$1 will be rounded based on decimal values from largest to smallest until fully distributed.
The ex-dividend date, payment date, and other related matters are authorized to be handled by the Chairman.
2. If changes in share capital subsequently affect the number of outstanding shares and the dividend payout ratio, the Chairman is authorized to make adjustments accordingly.

Proposal 4

Subject : Report on 2025 Distribution of Employees' and Directors' Remuneration.

- Explanation : 1. In accordance with the Articles of Incorporation, the Company proposes to distribute:
- Employees' remuneration: NT\$9,741,053
 - At least 15% of employees' remuneration will be allocated to grassroots employees
 - Directors' remuneration: NT\$3,562,526
- All remuneration will be paid in cash, and the payment schedule is authorized to be handled by the Chairman.
2. The above amounts are consistent with the estimated expenses recognized in the financial statements.

Proposal 5

Subject : Report on Major Related Party Transactions in 2025.

- Explanation : The execution status of major related party transactions between the Company and its subsidiaries in 2025 is attached , please refer to Annexes 3.

Proposal 6

Subject : Report on the Execution of the Company's First Treasury Share Repurchase.

- Explanation : 1. In accordance with Article 28-2 of the Securities and Exchange Act and the Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies.
2. The execution status of the Company's treasury share repurchase is as follows:

| Repurchase round | First |
|------------------------------|------------------------------|
| Board approval date | April 16, 2025 |
| Purpose | Transfer shares to employees |
| Repurchase period | 2025/04/21 – 2025/06/09 |
| Repurchase price range | NT\$72 – NT\$130 per share |
| Shares repurchased | 268,000 common shares |
| Repurchase amount | NT\$28,985,727 |
| Average price | NT\$108.16 per share |
| Shares transferred/cancelled | Not yet transferred |

Proposal 7

Subject: Report on the Status of the Company's First Domestic Unsecured Convertible Bonds.

- Explanation :
1. The Company's First Domestic Unsecured Convertible Bonds were declared effective by the Financial Supervisory Commission under Letter No. Jin-Guan-Zheng-Fa-1140368921 dated January 13, 2026, and have been traded at securities firms' business premises since March 19, 2026.
 2. The issuance status of the Company's domestic unsecured convertible bonds is attached , please refer to Annexes 4.

IV 、 Acknowledged matters

Proposal 1 (Proposed by the Board)

Adoption of the 2025 Business Report and Financial Statements.

- Explanation :
1. The Company's 2025 Business Report, consolidated financial statements, and parent company only financial statements have been completed.
 2. The 2025 Business Report and the Independent Auditors' Report issued by Deloitte & Touche (CPA Shu-Chuan Yeh and CPA Kuo-Ning Huang) are attached , please refer to Annexes 1 、 Annexes 5.
 3. This proposal has been approved by the Board of Directors, audited and certified by CPAs, reviewed by the Audit Committee, and submitted to the Annual Shareholders' Meeting for ratification.
 4. Submitted for ratification.

Voting Results:

Shares represented at the time of voting: 31,217,131

| Voting Results | % of the total represented share present |
|--|--|
| Votes in favor : 31,200,221 votes (including 940,669 shares voted via electronic transmission) | 99.94% |
| Votes against : 7,133 votes (including 7,133 shares voted via electronic transmission) | 0.02% |
| Votes invalid : 0 votes | 0.00% |
| Votes abstained/Not voted : 9,777 votes (including 9,776 shares voted via electronic transmission) | 0.04% |

RESOLVED, that the above proposal be and hereby were approved as proposed.

Proposal 2 (Proposed by the Board)

Adoption of the 2025 Earnings Distribution Proposal.

Explanation : 1. Net income after tax for 2025 amounted to NT\$189,549,818.

Proposed cash dividend: NT\$2.5 per share, totaling NT\$108,952,158.

Ending undistributed earnings: NT\$341,634,787.

The earnings distribution table is attached, please refer to Annexes 6.

2. Fractional cash dividends less than NT\$1 will be rounded based on decimal values from largest to smallest until fully distributed.

3. If changes in share capital affect the number of outstanding shares and dividend payout ratio, the Chairman is authorized to make adjustments.

4. Submitted for ratification.

Voting Results:

Shares represented at the time of voting: 31,217,131

| Voting Results | % of the total represented share present |
|--|--|
| Votes in favor : 31,195,321 votes (including 935,769 shares voted via electronic transmission) | 99.93% |
| Votes against : 13,233 votes (including 13,233 shares voted via electronic transmission) | 0.04% |
| Votes invalid : 0 votes | 0.00% |
| Votes abstained/Not voted : 8,577 votes (including 8,576 shares voted via electronic transmission) | 0.03% |

RESOLVED, that the above proposal be and hereby were approved as proposed.

V、Matters for Discussion

Proposal 1 (Proposed by the Board)

Proposal for Releasing Directors and Corporate Representative Directors from Non-competition Restrictions.

Explanation : 1. According to Article 209 of the Company Act, a director engaging in business activities within the Company's business scope for themselves or others must explain the important content of such activities to the shareholders' meeting and obtain approval.

2. It is proposed that the shareholders' meeting approve the release of non-competition restrictions on directors and corporate representative directors.

Please refer to Annexes 7.

Voting Results:

Shares represented at the time of voting: 31,217,131

| Voting Results | % of the total represented share present |
|--|--|
| Votes in favor : 31,168,039 votes (including 908,487 shares voted via electronic transmission) | 99.84% |
| Votes against : 34,619 votes (including 34,619 shares voted via electronic transmission) | 0.11% |
| Votes invalid : 0 votes | 0.00% |
| Votes abstained / Not voted : 14,473 votes (including 14,472 shares voted via electronic transmission) | 0.05% |

RESOLVED, that the above proposal be and hereby were approved as proposed.

VI、Extemporary Motions: None.

VII、Adjournment (Adjourned at 09:16 a.m.)

No questions were raised by the shareholders at this Shareholders' Meeting.

**In case of any discrepancy between the English and Chinese version of those minutes of 2026 Annual Shareholders' Meeting, the Chinese version shall prevail.

VSO ELECTRONICS CO., LTD.

2025 Business Report

The Company has long been dedicated to the research and development, manufacturing, and sales of high-end cable assemblies. We focus on the six major industries under the iSMART framework: Industrial IoT, Server & Storage, Medical equipment, Automotive, Renewable Energy, and Telecom 5G communications and related application fields. Benefiting from the growth in AI, cloud computing, and high-performance computing demand in 2025, the Company's revenue continued to grow.

Looking back at the past year, the U.S.-China technology competition continued, and changes in U.S. import tariff regulations led customers to adjust their production locations. The Company's newly established Vietnam production base was unable to ship as expected due to the learning curve and yield management issues, resulting in gross profit falling short of expectations. In addition, to meet customer requirements, additional R&D engineering personnel were recruited, causing R&D expenses to increase by 31.72% compared with 2024.

Looking forward, the external environment is expected to remain highly volatile and technologically demanding. AI-related demand will continue to be the primary growth driver for the industry; however, supply chain restructuring, geopolitical factors, policy changes, and pricing competition pressures will persist. The Company will continue to adhere to its core strategies of "technological leadership, supply chain flexibility, risk diversification, and financial stability" to ensure competitive advantages and long-term growth in a rapidly changing industrial environment.

The Company hereby reports the operating results for 2025 and provides an overview of the 2026 business plan to all shareholders as follows:

I. 2025 Business Report

(i) Operating Results

The Company's consolidated net operating revenue for 2025 amounted to NT\$2,631,512 thousand, representing an increase of approximately 21.66% compared with NT\$2,162,996 thousand in 2024.

Consolidated net income after tax was NT\$203,730 thousand, of which net income attributable to owners of the parent was NT\$189,549 thousand, and earnings per share after tax were NT\$4.34.

(ii) Financial Performance and Profitability Analysis

Unit: NT\$ thousand, %

| Item / Year | | 2025 | 2024 |
|--|---|-----------|-----------|
| Financial Income and Expenditure | Net cash inflow from operating activities (in thousands) | 205,639 | 50,405 |
| | Net cash outflow from investing activities (in thousands) | (344,027) | (401,271) |
| | Net cash inflow from financing activities (in thousands) | 172,412 | 139,891 |
| profitability | Return on assets (%) | 7.92 | 9.42 |
| | Return on equity (%) | 12.60 | 14.88 |
| | Net income before tax to paid-in capital (%) | 58.17 | 61.74 |
| | Net profit margin (%) | 7.74 | 9.12 |
| | Earnings per share (NT\$) | 4.34 | 4.55 |

(iii) Research and Development

The Group's research and development expenditures in 2025 amounted to NT\$125,991 thousand, representing an increase of 31.72% compared with the previous year, accounting for 4.79% of consolidated revenue. The Company will continue to strengthen research and development in the future.

II. Summary of 2026 Business Plan

(i) Business Policy

- (1) Continue to focus on the six major industries under the iSMART framework and strengthen core market advantages.
- (2) The Hanoi, Vietnam plant construction project is expected to be completed and commence production before Q4 2026 to meet customers' supply chain deployment strategies.
- (3) Continue to optimize the SAP ERP system and integrate it with intelligent systems to improve overall operational efficiency. In the second half of 2026, the intelligent system and SAP ERP system will be fully implemented in coordination with the completion of the South Hanoi plant.
- (4) In response to the rapid development of AI, continue R&D and investment in high-speed cable products for data centers. The Company will place greater emphasis on

recruiting high-end technical talent and enhancing management systems as operations transition from technology-intensive development to capital-intensive mass production.

(ii) Production and Sales Overview and Policy

- (1) Demand for high-speed cable assemblies for servers and automotive cable assemblies continues to increase, and Vietnam production capacity will be expanded to meet demand. The Hanoi plant in Vietnam is expected to begin operations in the fourth quarter.
- (2) Due to delayed shipments caused by DRAM shortages affecting end customers, production capacity will be dynamically adjusted, and cost structure optimization will continue.
- (3) Continue to focus on high-speed internal cable assemblies for data centers and cloud servers and expand into rack backplane high-speed cable assemblies and automotive product markets.

(iii) Research and Development Plan

Product development is the key to enhancing market position and corporate value. The Company will continue to focus on high-speed transmission solutions for servers, collaborate with customers in co-development, improve R&D implementation efficiency, shorten development cycles, and promote modular design and small-batch rapid prototyping.

(iv) Impact of External Competitive Environment, Regulatory Environment, and Macroeconomic Environment

(1) External Competitive Environment

Generative AI, large language models (LLM), edge computing, and high-performance computing (HPC) continue to expand, driving demand for high-speed and high-frequency signal transmission solutions. However, competition will intensify due to stricter customer validation standards, price competition and capacity expansion by peers, and regionalized production strategies driven by supply chain diversification. The Company will continue to deepen AI server-related product development, strengthen early-stage co-development with key customers, and enhance automation and yield management to stabilize gross margins.

(2) Regulatory Environment

International trade policies remain uncertain, including U.S. tariff issues and

increasing requirements for cybersecurity, product safety, and material traceability. Escalating geopolitical tensions or expanded trade restrictions may affect raw material supply stability, cross-border production costs, and customer order allocation. The Company will strengthen compliance monitoring mechanisms, update regulatory requirements in real time, evaluate multi-location production and backup capacity, and enhance supply chain transparency and material traceability management.

(3) Macroeconomic Environment

Global economic growth may continue to be affected by the lagged effects of high interest rates and geopolitical risks. If the Federal Reserve enters a rate-cutting cycle, corporate capital expenditures may recover; however, inflation volatility or financial market fluctuations may delay investment decisions. Cloud service providers' capital expenditures remain concentrated in AI infrastructure, supporting continued growth in AI server demand.

(v) Continued Efforts Toward Sustainability Goals

- (1) Plan to obtain ISO 27001 international information security certification in 2026 to enhance cybersecurity resilience and ensure compliance.
- (2) Continue social participation by sponsoring the Yilan County Cycling Association talent development program.
- (3) Strengthen risk management and disclose and implement ESG matters in accordance with regulations.

(vi) Future Outlook and Strategies

Looking ahead, the Company will build on quality, supported by supply chain strength, driven by talent, centered on innovative products, accelerated by AI tools, and committed to corporate social responsibility. The goal is to achieve steady annual growth in revenue, gross margin, ROA, ROE, ESG performance, and other indicators to reflect the Company's value.

Finally, we sincerely thank all shareholders for their trust and support, and wish all shareholders good health and prosperity.

Chairman :

Manager :

Accounting Supervisor :

VSO ELECTRONICS CO., LTD.

Audit Committee Review Report

The Audit Committee has reviewed the Company's 2025 Business Report, Financial Statements, and Proposal for Distribution of Earnings and other relevant documents. The review has been completed and no inconsistencies were found. Therefore, this report is submitted in accordance with Article 14-4 of the Company Act and Article 14-5 of the Securities and Exchange Act for your review.

Respectfully submitted to

The 2026 Annual General Shareholders' Meeting of VSO Electronics Co., Ltd.

Audit Committee of VSO Electronics Co., Ltd.

Convener : Hsu, Chung-Yuan

March 20, 2026

Report on the Implementation Status of Related Party Transactions for 2025

In accordance with Article 6.21 of the Company's Corporate Governance Best Practice Principles, any financial or business transactions between the Company and its related parties or shareholders shall be conducted based on the principles of fairness and reasonableness. Written regulations governing financial and business operations between the parties shall be established, and any material transactions shall be submitted to the Board of Directors for approval and to the shareholders' meeting for approval or reporting.

All related party transactions for 2025 have been disclosed in the related party transactions section of the parent company only financial statements and consolidated financial statements. In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, information regarding material transactions is disclosed as follows:

I. Purchase and Sales Transactions

Unit: NT\$ thousand

| Purchases (Sales) Company | Transaction Counterparty Name | Relationship | Transaction Details | | | | Transaction Conditions Differing from Standard Transactions Circumstances and Reasons | | Notes Receivable (Payable), Accounts Receivable (Payable) | |
|-----------------------------------|--------------------------------|----------------|---------------------|------------|--|----------------------------|---|---------------|---|---|
| | | | Purchases (Sales) | Amount | Percentage of Total Purchases (Sales) of Total Purchases (Sales) | Credit Period | Unit Price | Credit Period | Balance | Percentage of Total Notes and Accounts Receivable/Payable Ratio |
| VSO Electronics Co., Ltd. | Ji An VSO Electronics Co., LTD | Subsidiary | Purchase | \$ 844,705 | 68% | Monthly Settlement 60 Days | Pricing based on internal transfer method | — | (\$ 167,891) | (73%) |
| Ji An VSO Electronics Co., LTD | VSO Electronics Co., Ltd. | Parent company | Sales | (844,705) | (69%) | Monthly Settlement 60 Days | Pricing based on internal transfer method | — | 167,891 | 58% |
| VSO Electronics (Suzhou) Co., LTD | Ji An VSO Electronics Co., LTD | Brothers | Purchase | 164,938 | 63% | Monthly Settlement 60 Days | Pricing based on internal transfer method | — | (40,218) | (65%) |

| | | | | | | | | | | |
|--|--|----------------|----------|------------|--------|----------------------------|---|---|-----------|--------|
| Ji An VSO Electronics Co., LTD | VSO Electronics (Suzhou) Co., LTD | Brothers | Sales | (164,938) | (13%) | Monthly Settlement 60 Days | Pricing based on internal transfer method | — | 40,218 | 14% |
| VSO (Viet Nam) Electronics Co., LTD | Ji An VSO Electronics Co., LTD | Brothers | Purchase | 100,839 | 25% | Monthly Settlement 60 Days | Pricing based on internal transfer method | — | (42,174) | (68%) |
| Ji An VSO Electronics Co., LTD | VSO (Viet Nam) Electronics Co., LTD | Brothers | Sales | (100,839) | (15%) | Monthly Settlement 60 Days | Pricing based on internal transfer method | — | 42,174 | 17% |
| VSO Electronics Co., Ltd. | VSO (Viet Nam) Electronics Co., LTD | Subsidiary | Purchase | 328,195 | 26% | Monthly Settlement 60 Days | Pricing based on internal transfer method | — | (50,210) | (22%) |
| VSO (Viet Nam) Electronics Co., LTD | VSO Electronics Co., Ltd. | Parent company | Sales | (328,195) | (83%) | Monthly Settlement 60 Days | Pricing based on internal transfer method | — | 50,210 | 81% |
| Zhangjiagang Free Trade Zone Linkupon Material Trading Limited Company | LINKUPON INTERNATIONAL LIMITED | Parent company | Purchase | 132,813 | 46% | Monthly Settlement 60 Days | Pricing based on internal transfer method | — | (22,985) | (47%) |
| LINKUPON INTERNATIONAL LIMITED | Zhangjiagang Free Trade Zone Linkupon Material Trading Limited Company | Subsidiary | Sales | (132,813) | (41%) | Monthly Settlement 60 Days | Pricing based on internal transfer method | — | 22,985 | 39% |

Note: All transactions among consolidated companies have been eliminated in the preparation of the consolidated financial statements.

II. Lending of Funds to Others

Unit: NT\$ thousand

| Company to Which Funds Were Loaned | Borrowing Entity | Related Party | Highest Balance for Current Period (Notes 4) | Ending Balance (Note 4) | Actual Amount Disbursed | Interest Rate Range | Funding Loans Nature (Note 1) | Business Transactions Amount | Reason for Short-Term Financing Need | For individual borrowers Loan limit (Note 2) | Loan Total Limit (Note 3) |
|------------------------------------|-------------------------------------|---------------|--|-------------------------|-------------------------|---------------------|-------------------------------|------------------------------|--------------------------------------|--|---------------------------|
| VSO Electronics Co., Ltd. | VSO (Viet Nam) Electronics Co., LTD | Yes | \$ 124,109 (USD 3,950 仟元) | \$ - | \$ - | 5.22-5.4 | 2 | \$ - | short-term financing | \$ 621,534 | \$ 621,534 |
| VSO Electronics Co., Ltd. | VSO (Viet Nam) Electronics Co., LTD | Yes | 28,278 (USD900 仟元) | 28,278 (USD900 仟元) | 28,278 (USD900 仟元) | 4.83 | 1 | 328,195 | business transactions | 164,097 | 621,534 |

Note 1: The nature of fund lending shall be filled in as follows:

(1) Enter 1 for those with business transactions.

(2) Enter 2 for those with a need for short-term financing.

Note 2: For individual lending amounts based on business transactions, the amount shall not exceed 50% of the business transaction amount between the two parties; for individual lending amounts based on the need for short-term financing, the amount shall not exceed 40% of net worth.

Note 3: The total amount of fund lending by the Company shall not exceed 40% of the Company's net worth, and the limit for each individual counterparty shall not exceed 40% of the Company's net worth.

Note 4: Amounts in New Taiwan Dollars are translated at the year-end exchange rate.

III. Endorsements and Guarantees for Others

Unit: NT\$ thousand

| Name of Company Providing Endorsement Guarantee | Guarantee Recipient | | For a single enterprise Guarantee Limit (Note 1) | Maximum Guarantee Balance for the Current Period Balance (Note 2) | Balance at End of Period Guarantee Balance (Note 2) | Actual Amount Drawn (Note 2) | Ratio of Cumulative Guarantee Amount to Net Value in Latest Financial Statements (%) | Guarantee Maximum Limit (Note 1) |
|---|--|---|--|---|---|------------------------------|--|----------------------------------|
| | Company Name | Relationship | | | | | | |
| VSO Electronics Co., Ltd. | LINKUPON INTERNATIONAL LIMITED | Companies in which the company directly and indirectly holds more than 60% of the voting shares | \$ 466,150 | \$ 150,000 | \$ 150,000 | \$ 116,833 | 9.65% | \$ 1,243,068 |
| | Hongjun Energy Co., Ltd. (Preparatory Office) (Note 2) | Companies in which the company directly and | 466,150 | 30,000 | 30,000 | - | 1.93% | 1,243,068 |

| | | | | | | | | |
|--|-------------------------------------|---|---------|--------------------------|--------------------------|-------------------------|--------|-----------|
| | VSO (Viet Nam) Electronics Co., LTD | indirectly holds more than 51% of the voting shares Companies in which the company directly and indirectly holds more than 100% of the voting shares | 621,534 | 172,810 (USD5,500 仟元) | 172,810 (USD5,500 仟元) | 44,300 (USD1,410 仟元) | 11.12% | 1,243,068 |
|--|-------------------------------------|---|---------|--------------------------|--------------------------|-------------------------|--------|-----------|

Note 1: The total amount of endorsements and guarantees provided by the Company and its subsidiaries to external parties shall not exceed 80% of the net worth stated in each company's most recent financial statements. The amount of endorsements and guarantees provided by the Company to a single subsidiary shall not exceed 30% of the net worth stated in each company's most recent financial statements; the amount of endorsements and guarantees provided by the Company to a single subsidiary in which the Company directly or indirectly holds 100% of the voting shares shall not exceed 40% of the net worth stated in each company's most recent financial statements.

Note 2: On August 11, 2025, the Company's Board of Directors approved a plan to assist the new energy subsidiary under preparation, Hongjun Energy Co., Ltd., in obtaining bank credit facilities to support its operational needs. The Company would provide endorsements and guarantees to facilitate the subsidiary's application to Taipei Fubon Bank for working capital and forward letter of credit facilities in the amount of NTD 30,000 thousand, which may only be utilized after the subsidiary is formally established. The subsidiary name has been preliminarily approved and reserved by the Ministry of Economic Affairs. As of December 31, 2025, the subsidiary had not yet been established.

In addition, on March 12, 2026, the Company's Board of Directors approved the cancellation of the plan to establish the new energy subsidiary Hongjun Energy Co., Ltd. in Taiwan and revoked the endorsement and guarantee credit line.

Note 3: Amounts in New Taiwan Dollars are translated at the year-end exchange rate.

Note 4: Transactions among consolidated companies have been fully eliminated in the preparation of the consolidated financial statements.

IV. Acquisition or Disposal of Assets Transactions

Board of Directors Approval Dates: August 12, 2024; March 13, 2025

| | |
|---|---|
| Subject and Nature of Transaction | VSOVN ELECTRONICS (HANOI) COMPANY LIMITED common stock |
| Actual Transaction Amount | The total transaction amount is USD 15 million, and VSOVN ELECTRONICS (HANOI) COMPANY LIMITED has completed a cash capital increase of USD 9.5 million. |
| Transaction Counterparty | VSOVN ELECTRONICS (HANOI) COMPANY LIMITED |
| Relationship with the Company | 100% wholly owned subsidiary |
| Original Acquisition Date, Price, and Transaction Details | Original Acquisition Date : Not applicable Original Transaction Price : Not applicable |

| | |
|--|--|
| | Original Transaction Counterparty : Not applicable Relationship with the Company and Related Parties : Not applicable |
| Purpose and Use of Acquisition or Disposal | Long-term equity investment |
| Reason for Selecting the Related Party as the Transaction Counterparty | Capital increase in cash |
| Valuation Report/Accountant's Opinion | Not applicable |
| Transaction Restrictions and Other Important Agreements | Investment to be made in installments based on actual conditions |

Status of the First Domestic Unsecured Convertible Bonds

| | |
|-------------------------------------|--|
| Type of Corporate Bonds | First Domestic Unsecured Convertible Bonds |
| Issue (Handling) Date | March 19, 2026 |
| Par Value | NT\$100,000 per bond |
| Place of Issuance and Trading | Taipei Exchange (TPEX) |
| Issue Price | Issued at 109.55% of the par value |
| Total Amount | NT\$450,000,000 |
| Interest Rate | Coupon rate: 0% |
| Term | 3 years (Maturity Date: March 19, 2029) |
| Guarantor | Not applicable |
| Trustee | Mega International Commercial Bank Co., Ltd. |
| Underwriter | Mega Securities Co., Ltd. |
| Certifying Lawyer | Not applicable |
| Certifying CPA | Not applicable |
| Repayment Method | Except where bondholders convert the convertible bonds into the Company's common shares in accordance with Article 10 of the issuance and conversion rules, exercise the put option under Article 19, the Company redeems the bonds early under Article 18, or the Company repurchases and cancels the bonds through securities firms, the Company shall repay the bonds in full in cash at par value within ten business days from the day following the maturity date. If such date falls on a non-business day of the Taipei securities centralized exchange market, the repayment shall be postponed to the next business day. |
| Outstanding Principal | NT\$450,000,000 |
| Redemption or Early Repayment Terms | Please refer to the Issuance and Conversion Rules of the Company's First Domestic Unsecured Convertible Bonds |
| Restrictive Covenants | Please refer to the Issuance and Conversion Rules of the Company's First Domestic Unsecured |

| | | |
|--|--|---|
| | | Convertible Bonds |
| Credit Rating Agency, Rating Date, and Bond Rating | | Not applicable |
| Other Rights Attached | Amount Converted into Common Shares, Overseas Depositary Receipts, or Other Securities as of the Annual Report Printing Date | None converted |
| | Issuance and Conversion (Exchange or Subscription) Rules | Please refer to the Issuance and Conversion Rules of the Company's First Domestic Unsecured Convertible Bonds |
| Potential Dilution of Equity and Impact on Existing Shareholders | | Assuming full conversion of the outstanding convertible bonds at the current conversion price, approximately 3,571,428 common shares will be issued. Based on the Company's current outstanding shares of 43,848,863 shares plus the convertible shares, the impact on shareholders' equity is limited. |
| Custodian Institution of Underlying Securities | | None |

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

Independent Auditors' Report

To the Board of Directors and Shareholders of VSO ELECTRONICS CO., LTD.

Opinions

We have audited the accompanying consolidated balance sheets of VSO ELECTRONICS CO., LTD. and its 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 material accounting policies.

In our opinion, 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 of Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant in 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 judgement, 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:

Occurrence of operating revenues

The Group develops, manufactures, and sells a variety of connecting cables for the Internet of Things, cloud, industrial control, medical, and automotive applications. Since the products are customized and developed according to the needs of customers, the occurrence or non-occurrence of the sales transactions related to the operating revenues from specific customers has a significant impact on the consolidated financial statements. Therefore, we have determined that the occurrence of the aforementioned customer-specific revenue is a material adjustment to our consolidated financial statements.

How our audit addressed the matter

We have performed primary audit procedures for the above matter as follows:

1. Understand and evaluate the effectiveness of internal control design and implementation in relation to the occurrence of consolidated revenue;
2. Sampling sales revenue details of specific customers, and verifying sales transactions by cross-referencing customer orders, shipping documents, sales invoices, and collection of accounts receivable.

Other Matter

We have audited and expressed an unmodified opinion on the parent company only financial statements of VSO Electronics Co., Ltd. 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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into

effect as endorsed by the Financial Supervisory Commission, 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 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 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 ~6~ 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 those

matters that were of most significance in the audit of the consolidated financial statements of the current period 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 auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Yeh Shu-Chuan

For and on behalf of Deloitte & Touche, Taiwan

March 20, 2026

Huang Kuo-Ning.

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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review 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' review report and consolidated financial statements shall prevail.

VSO ELECTRONICS CO., LTD. and Subsidiaries

Consolidated Balance Sheet

As of December 31, 2025 and 2024

Unit: NT\$ thousand

| Code | Assets | December 31, 2025 | | December 31, 2024 | |
|------|---|---------------------|------------|---------------------|------------|
| | | Amount | % | Amount | % |
| | Current Assets | | | | |
| 1100 | Cash and Cash Equivalents (Notes 4 and 6) | \$ 348,704 | 12 | \$ 320,793 | 13 |
| 1110 | Financial assets at fair value through profit or loss-current (Notes 4, 7, and 30) | 5,133 | - | 5,056 | - |
| 1136 | Financial assets at amortized cost-current (Notes 8 and 30) | 378,443 | 13 | 338,208 | 14 |
| 1150 | Notes receivable (Notes 4, 9, and 23) | 8,707 | - | 8,052 | - |
| 1170 | Accounts receivable (Notes 4, 9, and 23) | 890,080 | 31 | 762,301 | 32 |
| 1180 | Accounts receivable-related parties (Notes 4, 9, 23, and 31) | 37,540 | 1 | 41,681 | 2 |
| 1200 | Other receivables (Notes 9 and 30) | 1,292 | - | 2,933 | - |
| 1220 | Current income tax assets (Notes 4 and 25) | 1,401 | - | 2,366 | - |
| 130X | Inventories (Notes 4 and 10) | 291,184 | 10 | 231,983 | 10 |
| 1470 | Other current assets (Notes 16 and 21) | 19,934 | 1 | 26,805 | 1 |
| 11XX | Total Current Assets | <u>1,982,418</u> | <u>68</u> | <u>1,740,178</u> | <u>72</u> |
| | Total Non-Current Assets | | | | |
| 1550 | Investments accounted for using the equity method (Notes 4 and 12) | 50,019 | 2 | 48,495 | 2 |
| 1600 | Property, plant, and equipment (Notes 4, 13, 28, 32, and 33) | 718,521 | 25 | 417,009 | 17 |
| 1755 | Right-of-use assets (Notes 4, 14, and 32) | 104,388 | 4 | 120,477 | 5 |
| 1780 | Intangible assets (Notes 4, 15, and 33) | 25,961 | 1 | 23,302 | 1 |
| 1840 | Deferred income tax assets (Notes 4 and 25) | 11,757 | - | 9,052 | 1 |
| 1900 | Other non-current assets (Notes 16 and 32) | 13,596 | - | 42,082 | 2 |
| 15XX | Total Non-Current Assets | <u>924,242</u> | <u>32</u> | <u>660,417</u> | <u>28</u> |
| 1XXX | Total Assets | <u>\$ 2,906,660</u> | <u>100</u> | <u>\$ 2,400,595</u> | <u>100</u> |
| | Liabilities and Equity | | | | |
| | Current Liabilities | | | | |
| 2100 | Short-term borrowings (Notes 4 and 17) | \$ 228,778 | 8 | \$ 34,750 | 1 |
| 2120 | Financial liabilities at fair value through profit or loss—current (Notes 7 and 30) | 1,904 | - | - | - |
| 2130 | Contractual liabilities-current (Notes 23) | 913 | - | 1,042 | - |
| 2170 | Accounts Payable (Notes 4 and 18) | 419,617 | 15 | 371,451 | 16 |
| 2180 | Accounts Payable-Related Parties (Notes 4 and 31) | 123 | - | 2,531 | - |
| 2200 | Other payables (Notes 4 and 19) | 335,942 | 12 | 286,133 | 12 |
| 2220 | Other Payables-Related Parties (Notes 4 and 31) | 355 | - | 701 | - |
| 2230 | Current income tax liability (Notes 4 and 25) | 34,770 | 1 | 14,148 | 1 |
| 2250 | Liabilities and provisions-current (Notes 4 and 20) | 2,956 | - | 2,107 | - |
| 2280 | Lease liabilities-current (Notes 4 and 14) | 9,339 | - | 7,545 | - |
| 2300 | Other current liabilities (Notes 4, 19, 23, 28, and 31) | 10,239 | - | 4,774 | - |
| 21XX | Total Current Liabilities | <u>1,044,936</u> | <u>36</u> | <u>725,182</u> | <u>30</u> |
| | Total Non-Current Liabilities | | | | |
| 2540 | Long-term borrowings (Notes 4, 17, 28, 29, and 32) | 124,294 | 4 | 9,853 | 1 |
| 2570 | Deferred income tax liabilities (Notes 4 and 25) | 78,248 | 3 | 74,317 | 3 |
| 2580 | Lease liabilities-non-current (Notes 4 and 14) | 7,385 | - | 8,868 | - |
| 2640 | Other non-current liabilities (Notes 4, 19, and 28) | 964 | - | 105 | - |
| 25XX | Total Non-Current Liabilities | <u>210,891</u> | <u>7</u> | <u>93,143</u> | <u>4</u> |
| 2XXX | Total Liabilities | <u>1,255,827</u> | <u>43</u> | <u>818,325</u> | <u>34</u> |
| | Equity (Note 22) | | | | |
| | Equity of the Company | | | | |
| 3110 | Share Capital-Common Stock | 438,488 | 15 | 417,165 | 17 |
| 3200 | Capital surplus | 569,554 | 20 | 565,514 | 24 |
| | Retained earnings | | | | |
| 3310 | Legal reserve | 105,221 | 4 | 86,676 | 3 |
| 3320 | Special surplus reserve | 34,452 | 1 | 52,481 | 2 |
| 3350 | Retained earnings | 486,799 | 17 | 402,057 | 17 |
| 3300 | Total retained earnings | <u>626,472</u> | <u>22</u> | <u>541,214</u> | <u>22</u> |
| 3400 | Other equity | (51,709) | (2) | (34,451) | (1) |
| 3500 | Treasury stock | (28,969) | (1) | - | - |
| 31XX | Total Equity of the Company | 1,553,836 | 54 | 1,489,442 | 62 |
| 36XX | Non-controlling interests | 96,997 | 3 | 92,828 | 4 |
| 3XXX | Total Equity | <u>1,650,833</u> | <u>57</u> | <u>1,582,270</u> | <u>66</u> |
| | Total Liabilities and Equity | <u>\$ 2,906,660</u> | <u>100</u> | <u>\$ 2,400,595</u> | <u>100</u> |

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

VSO ELECTRONICS CO., LTD. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousand, except
Earnings per share in NT\$

| Code | | 2025 | | 2024 | |
|------|---|------------------|-----------|------------------|-----------|
| | | Amount | % | Amount | % |
| 4000 | Net Revenue (Notes 4, 23, 31, and 37) | \$ 2,631,512 | 100 | \$ 2,162,996 | 100 |
| 5000 | Cost of sales (Notes 4, 10, 15, 24, and 31) | <u>1,917,817</u> | <u>73</u> | <u>1,570,608</u> | <u>73</u> |
| 5900 | Gross Profit | <u>713,695</u> | <u>27</u> | <u>592,388</u> | <u>27</u> |
| | Operating Expenses (Notes 9, 15, 21, 24, and 31) | | | | |
| 6100 | Selling expenses | 126,295 | 5 | 104,168 | 5 |
| 6200 | Management expenses | 201,208 | 7 | 168,970 | 8 |
| 6300 | Research and development expenses | 125,991 | 5 | 95,648 | 4 |
| 6450 | Gain on reversal of expected credit losses | (<u>2,112</u>) | <u>-</u> | (<u>1,123</u>) | <u>-</u> |
| 6000 | Total operating expenses | <u>451,382</u> | <u>17</u> | <u>367,663</u> | <u>17</u> |
| 6900 | Net operating profit | <u>262,313</u> | <u>10</u> | <u>224,725</u> | <u>10</u> |
| | Non-operating income and expenses | | | | |
| 7100 | Interest income (Note 24) | 8,900 | 1 | 8,374 | 1 |
| 7010 | Other income (Notes 4, 24, 28, and 31) | 8,059 | - | 4,222 | - |
| 7210 | Other gains and losses (Notes 7, 24, and 35) | (18,346) | (1) | 23,860 | 1 |
| 7050 | Financial expenses (Note 24) | (8,150) | - | (5,134) | - |
| 7060 | Share of profit or loss of associates accounted for using the equity method | <u>2,292</u> | <u>-</u> | <u>1,526</u> | <u>-</u> |
| 7000 | Total non-operating income and expenses | (<u>7,245</u>) | <u>-</u> | <u>32,848</u> | <u>2</u> |

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

| Code | | 2025 | | 2024 | |
|------|--|-------------------|----------|-------------------|-----------|
| | | Amount | % | Amount | % |
| 7900 | Pre-tax net profit | \$ 255,068 | 10 | \$ 257,573 | 12 |
| 7950 | Income tax expense (Notes 4 and 25) | (51,338) | (2) | (60,258) | (3) |
| 8200 | Net profit for the year | <u>203,730</u> | <u>8</u> | <u>197,315</u> | <u>9</u> |
| | Other comprehensive income (Notes 21, 22, and 25) | | | | |
| 8310 | Items not reclassified to profit or loss | | | | |
| 8349 | Income taxes related to items not reclassified to profit or loss | - | - | (87) | - |
| 8360 | Items that may be reclassified to profit or loss | | | | |
| 8361 | Exchange differences arising from the translation of financial statements of foreign operations | (17,163) | (1) | 18,295 | 1 |
| 8370 | Share of other comprehensive income of associates and joint ventures accounted for using the equity method | <u>293</u> | <u>-</u> | <u>1,583</u> | <u>-</u> |
| 8300 | Total other comprehensive income (net) | (16,870) | (1) | <u>19,791</u> | <u>1</u> |
| 8500 | Total comprehensive income for the year | <u>\$ 186,860</u> | <u>7</u> | <u>\$ 217,106</u> | <u>10</u> |
| | Net income attributable to: | | | | |
| 8610 | Owners of the Company | \$ 189,549 | 7 | \$ 185,572 | 9 |
| 8620 | Non-controlling interests | <u>14,181</u> | <u>1</u> | <u>11,743</u> | <u>-</u> |
| 8600 | | <u>\$ 203,730</u> | <u>8</u> | <u>\$ 197,315</u> | <u>9</u> |
| | Total comprehensive income attributable to: | | | | |
| 8710 | Owners of the Company | \$ 172,291 | 6 | \$ 203,515 | 9 |
| 8720 | Non-controlling interests | <u>14,569</u> | <u>1</u> | <u>13,591</u> | <u>1</u> |
| 8700 | | <u>\$ 186,860</u> | <u>7</u> | <u>\$ 217,106</u> | <u>10</u> |
| | Earnings per share (Note 26) | | | | |
| 9710 | Basic | <u>\$ 4.34</u> | | <u>\$ 4.55</u> | |
| 9810 | Dilution | <u>\$ 4.33</u> | | <u>\$ 4.52</u> | |

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

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

VSO ELECTRONICS CO., LTD. and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousand

| | | Equity Attributable to Owners of the Company | | | | | | | | | | |
|------|--|--|------------|------------------------------|-------------------------------------|-----------------|-------------------|--|-----------------------------|--------------|---|--------------|
| Code | | Share Capital (Note 22) | | Capital surplus (Note 22) | Retained earnings (Notes 22 and 25) | | | Foreign Operations Financial Statement Translation Exchange differences (Note 22) | Treasury stock (Note 22) | Total | Non-controlling interests (Note 22) | Total Equity |
| | | Number of shares (thousands) | Amount | | Legal Reserve | Special Reserve | Retained earnings | | | | | |
| A1 | Balance as of January 1, 2024 | 37,530 | \$ 375,302 | \$ 227,844 | \$ 75,181 | \$ 40,666 | \$ 315,846 | (\$ 52,481) | \$ - | \$ 982,358 | \$ 87,594 | \$ 1,069,952 |
| | Allocation and Distribution of Fiscal Year 2023 Surplus | | | | | | | | | | | |
| B1 | Statutory Surplus Reserve | - | - | - | 11,495 | - | (11,495) | - | - | - | - | - |
| B3 | Allocation to Special Retained Earnings | - | - | - | - | 11,815 | (11,815) | - | - | - | - | - |
| B5 | Cash Dividends to Shareholders | - | - | - | - | - | (75,921) | - | - | (75,921) | - | (75,921) |
| C17 | Exercise the right of consolidation | - | - | 928 | - | - | - | - | - | 928 | - | 928 |
| E1 | Cash Capital Increase | 3,660 | 36,600 | 328,977 | - | - | - | - | - | 365,577 | - | 365,577 |
| O1 | Subsidiary distributes cash dividends to shareholders of non-controlling interests | - | - | - | - | - | - | - | - | - | (8,400) | (8,400) |
| M7 | Changes in ownership interests in subsidiaries | - | - | - | - | - | (43) | - | - | (43) | 43 | - |
| N1 | Stock-based compensation expense | - | - | 2,129 | - | - | - | - | - | 2,129 | - | 2,129 |
| N1 | Common stock issued under the employee stock option plan | 526 | 5,263 | 5,636 | - | - | - | - | - | 10,899 | - | 10,899 |
| D1 | FY 2024 Net Profit | - | - | - | - | - | 185,572 | - | - | 185,572 | 11,743 | 197,315 |
| D3 | Other Comprehensive Income (Loss) After Tax for Fiscal Year 2024 | - | - | - | - | - | (87) | 18,030 | - | 17,943 | 1,848 | 19,791 |
| Z1 | Balance as of December 31, 2024 | 41,716 | 417,165 | 565,514 | 86,676 | 52,481 | 402,057 | (34,451) | - | 1,489,442 | 92,828 | 1,582,270 |
| | Allocation and Distribution of Surplus for Fiscal Year 2024 | | | | | | | | | | | |
| B1 | Statutory surplus reserve | - | - | - | 18,545 | - | (18,545) | - | - | - | - | - |
| B3 | Special Surplus Reserve | - | - | - | - | (18,029) | 18,029 | - | - | - | - | - |
| B5 | Cash Dividends to Shareholders | - | - | - | - | - | (83,433) | - | - | (83,433) | - | (83,433) |
| B9 | Stock dividends to shareholders | 2,086 | 20,858 | - | - | - | (20,858) | - | - | - | - | - |
| C17 | Exercise of the right of set-off | - | - | 256 | - | - | - | - | - | 256 | - | 256 |
| O1 | Subsidiary distributes cash dividends to shareholders holding non-controlling interests | - | - | - | - | - | - | - | - | - | (10,400) | (10,400) |
| N1 | Employee stock option compensation expense | - | - | 2,854 | - | - | - | - | - | 2,854 | - | 2,854 |
| N1 | Common stock issued under the employee stock option plan | 46 | 465 | 930 | - | - | - | - | - | 1,395 | - | 1,395 |
| L1 | Purchase of treasury stock | - | - | - | - | - | - | - | (28,969) | (28,969) | - | (28,969) |
| D1 | Net Profit for Fiscal Year 2025 | - | - | - | - | - | 189,549 | - | - | 189,549 | 14,181 | 203,730 |
| D3 | Other Comprehensive Income (Loss) After Tax for Fiscal Year 2025 | - | - | - | - | - | - | (17,258) | - | (17,258) | 388 | (16,870) |
| Z1 | Balance as of December 31, 2025 | 43,848 | \$ 438,488 | \$ 569,554 | \$ 105,221 | \$ 34,452 | \$ 486,799 | (\$ 51,709) | (\$ 28,969) | \$ 1,553,836 | \$ 96,997 | \$ 1,650,833 |

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

VSO ELECTRONICS CO., LTD. and Subsidiaries

Consolidated Statement of Cash Flows

January 1 to December 31, 2025 and 2024

Unit: NT\$ thousand

| Code | | 2025 | 2024 |
|--------|---|------------|------------|
| | Net Cash Flow from Operating Activities | | |
| | Net Income Before Tax for the | | |
| A10000 | Current Year | \$ 255,068 | \$ 257,573 |
| | Income and Expense Items: | | |
| | Depreciation Expense | | |
| A20100 | | 69,684 | 53,213 |
| | Amortization expense | | |
| A20200 | | 11,335 | 9,262 |
| | Gain on reversal of expected | | |
| A20300 | credit losses | (2,112) | (1,123) |
| | Net loss on financial assets and | | |
| A20400 | liabilities measured at fair | | |
| | value through profit or loss | 4,187 | 729 |
| | Financial expenses | | |
| A20900 | | 8,150 | 5,134 |
| | Interest Income | | |
| A21200 | | (8,900) | (8,374) |
| | Equity-based compensation | | |
| A21900 | expense | 2,854 | 2,129 |
| | Share of profit or loss of | | |
| A22300 | associates accounted for using | | |
| | the equity method | (2,292) | (1,526) |
| | Gain on disposal of real estate, | | |
| A22500 | plant, and equipment | (350) | (475) |
| | Losses on inventory | | |
| A23700 | write-downs and obsolescence | 7,163 | - |
| | Gains on Reversal of Inventory | | |
| A23800 | Write-downs and | | |
| | Obsolescence | - | (22,327) |
| | Government grants | | |
| A29900 | | (475) | (349) |
| | Loss on disposal of right-of-use | | |
| A29900 | assets | 1,385 | - |
| | Net change in operating assets and | | |
| A30000 | liabilities | | |
| | Financial assets designated at | | |
| A31115 | fair value through profit or | | |
| | loss | 7,357 | - |
| | Notes receivable | | |
| A31130 | | (585) | (5,928) |
| | Accounts receivable | | |
| A31150 | | (124,548) | (242,585) |

| | | | |
|--------|---|-------------------|-------------------|
| A31160 | Accounts receivable—related parties | 4,124 | (5,647) |
| A31180 | Other receivables | 925 | (1) |
| A31200 | Inventory | (67,956) | (50,479) |
| A31220 | Prepaid pension | - | 373 |
| A31240 | Other Current Assets | 6,273 | (16,309) |
| A31990 | Other non-current assets | 355 | (378) |
| A32110 | Financial liabilities held for trading | (9,717) | (872) |
| A32125 | Contract Liabilities | (128) | 666 |
| A32150 | Accounts Payable | 49,477 | 99,901 |
| A32160 | Accounts Payable – Related Parties | (2,332) | 1,884 |
| A32180 | Other payables | 19,255 | 40,177 |
| A32190 | Other Payables—Related Parties | (312) | 55 |
| A32200 | Liability Reserves | 837 | 776 |
| A32230 | Other current liabilities | <u>5,251</u> | <u>212</u> |
| A33000 | Cash from operating activities | 233,973 | 115,711 |
| A33500 | Income tax paid | (<u>28,334</u>) | (<u>65,306</u>) |
| AAAA | Net cash inflow from operating activities | <u>205,639</u> | <u>50,405</u> |
| | Cash flows from investing activities | | |
| B00100 | Acquisition of financial assets measured at fair value through profit or loss | - | (7,500) |
| B00200 | Disposal of financial assets measured at fair value through profit or loss | - | 26,434 |
| B00040 | Acquisition of financial assets measured at amortized cost | (1,273,443) | (401,199) |
| B00050 | Disposal of financial assets measured at amortized cost | 1,233,208 | 150,044 |
| B02700 | Acquisition of property, plant, and equipment | (307,014) | (103,737) |
| B02800 | Proceeds from the disposal of real estate, plant, and equipment | 1,052 | 1,052 |

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

| Code | | 2025 | 2024 |
|--------|---|-------------------|-------------------|
| | Increase in security deposits | | |
| B03700 | | (185) | - |
| | Decrease in Margin Deposits | | |
| B03800 | | - | 2,070 |
| | Acquisition of Intangible Assets | | |
| B04500 | | (14,087) | (12,227) |
| | Acquisition of right-of-use assets | | |
| B05350 | | - | (65,411) |
| | Proceeds from the disposal of right-of-use assets | | |
| B09900 | | 5,802 | - |
| | Interest received | | |
| B07500 | | 9,580 | 8,106 |
| | Dividends received from affiliated companies | | |
| B07600 | | <u>1,060</u> | <u>1,097</u> |
| BBBB | Net cash outflow from investing activities | <u>(344,027)</u> | <u>(401,271)</u> |
| | Cash Flows from Financing Activities | | |
| | Increase in short-term borrowings | | |
| C00100 | | 656,728 | 240,996 |
| | Decrease in short-term borrowings | | |
| C00200 | | (462,875) | (389,310) |
| | Long-term borrowings | | |
| C01600 | | 115,790 | - |
| | Repayment of Long-Term Loans | | |
| C01700 | | - | 10,000 |
| | Repayment of Lease Principal | | |
| C04020 | | (8,835) | (9,482) |
| | Cash Dividend Distribution | | |
| C04500 | | (83,433) | (75,921) |
| | Cash Capital Increase | | |
| C04600 | | - | 365,577 |
| | Exercise of Employee Stock Options | | |
| C04800 | | 1,395 | 10,899 |
| | Purchase of Treasury Stock | | |
| C04900 | | (28,969) | - |
| | Interest paid | | |
| C05600 | | (7,245) | (5,396) |
| | Cash dividends paid to shareholders of non-controlling interests | | |
| C05800 | | (10,400) | (8,400) |
| | Exercise of consolidation rights | | |
| C09900 | | <u>256</u> | <u>928</u> |
| CCCC | Net cash inflow from financing activities | <u>172,412</u> | <u>139,891</u> |

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

| <u>Code</u> | | <u>FY 2015</u> | <u>FY 2014</u> |
|-------------|---|-------------------|-------------------|
| DDDD | Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents | <u>(\$ 6,113)</u> | <u>\$ 8,753</u> |
| EEEE | Net increase (decrease) in cash and cash equivalents | 27,911 | (202,222) |
| E00100 | Cash and cash equivalents at the beginning of the year | <u>320,793</u> | <u>523,015</u> |
| E00200 | Cash and cash equivalents at year-end | <u>\$ 348,704</u> | <u>\$ 320,793</u> |

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

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of VSO ELECTRONICS CO., LTD.

Opinions

We have audited the accompanying parent company only balance sheets of VSO ELECTRONICS CO., LTD. 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 then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

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

Basis of Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of VSO ELECTRONICS CO., LTD. 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 judgement, were of most significance in our audit of VSO ELECTRONICS CO., LTD.'s 2025 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 matter for VSO ELECTRONICS CO., LTD. 2024 financial statements are stated as follows:

Occurrence of operating revenues

VSO ELECTRONICS CO., LTD. develops, manufactures, and sells a variety of connecting cables for the Internet of Things, cloud, industrial control, medical, and automotive applications. Since the products are customized and developed according to the needs of customers, the occurrence or non -occurrence of the sales transactions related to the operating revenues from specific customers has a significant impact on the consolidated financial statements. Therefore, we have determined that the occurrence of the aforementioned customer-specific revenue is a material adjustment to our consolidated financial statements.

How our audit addressed the matter

We have performed primary audit procedures for the above matter as follows:

1. Understand and evaluate the effectiveness of internal control design and implementation in relation to the occurrence of consolidated revenue;
2. Sampling sales revenue details of specific customers, and verifying sales transactions by cross-referencing customer orders, shipping documents, sales invoices, and collection of accounts receivable.

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, 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 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 financial reporting process of VSO ELECTRONICS CO., LTD.

Auditors' responsibilities for the audit of the consolidated 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 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 internal control of VSO ELECTRONICS CO., LTD.

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 ability of VSO ELECTRONICS CO., LTD. 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 VSO ELECTRONICS CO., LTD. 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 VSO ELECTRONICS CO., LTD. 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 of the current period 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.

Yeh Shu-Chuan

Huang Kuo-Ning.

For and on behalf of Deloitte & Touche, Taiwan

March 20, 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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review 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' review report and consolidated financial statements shall prevail.

VSO ELECTRONICS CO., LTD.

Individual Balance Sheet

December 31, 2025 and 2024

Unit: NT\$ thousand

| Code | Assets | December 31, 2025 | | December 31, 2024 | |
|------|---|---------------------|------------|---------------------|------------|
| | | Amount | % | Amount | % |
| | Current Assets | | | | |
| 1100 | Cash (Notes 4 and 6) | \$ 81,866 | 4 | \$ 38,377 | 2 |
| 1136 | Financial assets measured at amortized cost—current (Notes 4 and 8) | 378,000 | 17 | 338,208 | 18 |
| 1150 | Notes receivable (Notes 4, 9, and 22) | - | - | 462 | - |
| 1170 | Accounts receivable (Notes 4, 9, and 22) | 597,997 | 27 | 504,390 | 28 |
| 1180 | Accounts receivable—related parties (Notes 4, 9, 22, and 30) | 20,643 | 1 | 18,390 | 1 |
| 1200 | Other receivables (Notes 9 and 29) | 542 | - | 1,072 | - |
| 1210 | Other receivables—related parties (Note 30) | 28,552 | 1 | 15,681 | 1 |
| 130X | Inventories (Notes 4 and 10) | 25,252 | 1 | 17,760 | 1 |
| 1470 | Other current assets (Note 15) | 7,385 | - | 1,566 | - |
| 11XX | Total Current Assets | <u>1,140,237</u> | <u>51</u> | <u>935,906</u> | <u>51</u> |
| | Non-current assets | | | | |
| 1550 | Investments accounted for using the equity method (Notes 4 and 11) | 887,835 | 40 | 747,132 | 41 |
| 1600 | Property, plant, and equipment (Notes 4, 12, 31, and 32) | 177,913 | 8 | 118,085 | 6 |
| 1780 | Intangible assets (Notes 4 and 14) | 20,049 | 1 | 16,615 | 1 |
| 1840 | Deferred income tax assets (Notes 4 and 24) | 2,180 | - | 1,107 | - |
| 1990 | Other non-current assets (Notes 15 and 31) | 855 | - | 15,211 | 1 |
| 15XX | Total Non-Current Assets | <u>1,088,832</u> | <u>49</u> | <u>898,150</u> | <u>49</u> |
| 1XXX | Total Assets | <u>\$ 2,229,069</u> | <u>100</u> | <u>\$ 1,834,056</u> | <u>100</u> |
| | Liabilities and Equity | | | | |
| | Current liabilities | | | | |
| 2100 | Short-term borrowings (Notes 4, 16, 27, 28, and 31) | \$ 184,478 | 8 | \$ 34,750 | 2 |
| 2120 | Financial liabilities at fair value through profit or loss-current (Notes 7 and 29) | 1,904 | - | - | - |
| 2170 | Accounts Payable (Notes 4 and 17) | 5,958 | - | 4,722 | - |
| 2180 | Accounts Payable-Related Parties (Notes 4 and 30) | 222,787 | 10 | 195,264 | 11 |
| 2200 | Other payables (Note 18) | 58,227 | 3 | 50,305 | 3 |
| 2220 | Other payables-related parties (Notes 4 and 30) | 709 | - | 288 | - |
| 2230 | Current income tax liability (Notes 4 and 24) | 28,596 | 1 | 9,610 | - |
| 2250 | Liabilities and provisions-current (Notes 4 and 19) | 1,764 | - | 1,157 | - |
| 2300 | Other current liabilities (Notes 4, 18, and 22) | 8,391 | 1 | 3,724 | - |
| 21XX | Total Current Liabilities | <u>512,814</u> | <u>23</u> | <u>299,820</u> | <u>16</u> |
| | Total Non-Current Liabilities | | | | |
| 2540 | Long-term borrowings (Notes 4, 16, 27, 28, and 31) | 124,294 | 5 | 9,853 | 1 |
| 2570 | Deferred income tax liabilities (Notes 4 and 24) | 37,161 | 2 | 34,836 | 2 |
| 2640 | Other non-current liabilities (Notes 4, 18, and 27) | 964 | - | 105 | - |
| 25XX | Total Non-Current Liabilities | <u>162,419</u> | <u>7</u> | <u>44,794</u> | <u>3</u> |
| 2XXX | Total Liabilities | <u>675,233</u> | <u>30</u> | <u>344,614</u> | <u>19</u> |
| | Equity (Note 21) | | | | |
| 3110 | Share Capital-Common Stock | 438,488 | 20 | 417,165 | 23 |
| 3200 | Capital surplus | 569,554 | 25 | 565,514 | 31 |
| | Retained earnings | | | | |
| 3310 | Legal reserve | 105,221 | 5 | 86,676 | 4 |
| 3320 | Special surplus reserve | 34,452 | 1 | 52,481 | 3 |
| 3350 | Retained earnings | 486,799 | 22 | 402,057 | 22 |
| 3300 | Total retained earnings | <u>626,472</u> | <u>28</u> | <u>541,214</u> | <u>29</u> |
| 3400 | Other equity | (51,709) | (2) | (34,451) | (2) |
| 3500 | Treasury stock | (28,969) | (1) | - | - |
| 3XXX | Total Equity | <u>1,553,836</u> | <u>70</u> | <u>1,489,442</u> | <u>81</u> |
| | Total Liabilities and Equity | <u>\$ 2,229,069</u> | <u>100</u> | <u>\$ 1,834,056</u> | <u>100</u> |

The accompanying notes are an integral part of these individual financial statements.

VSO ELECTRONICS CO., LTD.

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2025 and 2024

(AMOUNTS IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE)

| Code | | 2025 | | 2024 | |
|------|--|------------------|-----------|----------------|-----------|
| | | Amount | % | Amount | % |
| 4000 | Net Revenue (Notes 4, 22, and 30) | \$ 1,656,097 | 100 | \$ 1,199,779 | 100 |
| 5000 | Cost of sales (Notes 4, 10, and 30) | <u>1,258,264</u> | <u>76</u> | <u>903,220</u> | <u>75</u> |
| 5900 | Gross Profit | 397,833 | 24 | 296,559 | 25 |
| 5910 | Unrealized gross profit on sales with subsidiaries | (893) | - | (411) | - |
| 5920 | Gross profit on sales with subsidiaries | <u>411</u> | <u>-</u> | <u>875</u> | <u>-</u> |
| 5950 | Gross Profit | <u>397,351</u> | <u>24</u> | <u>297,023</u> | <u>25</u> |
| | Operating expenses (Notes 9, 14, 23, and 30) | | | | |
| 6100 | Selling expenses | 59,681 | 4 | 45,006 | 4 |
| 6200 | Management Expenses | 89,121 | 5 | 87,098 | 7 |
| 6300 | Research and development expenses | 39,599 | 2 | 30,919 | 3 |
| 6450 | Expected credit (reversal) impairment loss | (<u>766</u>) | <u>-</u> | <u>939</u> | <u>-</u> |
| 6000 | Total operating expenses | <u>187,635</u> | <u>11</u> | <u>163,962</u> | <u>14</u> |
| 6900 | Net operating profit | <u>209,716</u> | <u>13</u> | <u>133,061</u> | <u>11</u> |
| | Non-operating income and expenses | | | | |
| 7100 | Interest income (Notes 23 and 30) | 9,152 | - | 3,047 | - |
| 7010 | Other income (Notes 23 and 30) | 5,514 | - | 3,070 | - |
| 7210 | Other gains and losses (Notes 7, 23, and 33) | (18,459) | (1) | 12,787 | 1 |
| 7050 | Financial expenses (Notes 23) | (6,321) | - | (4,312) | - |

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

| Code | | 2025 | | 2024 | |
|------|--|-------------------|--------------|-------------------|--------------|
| | | Amount | % | Amount | % |
| 7060 | Share of profit or loss of subsidiaries and associates accounted for under the equity method | <u>30,620</u> | <u>2</u> | <u>81,548</u> | <u>7</u> |
| 7000 | Total non-operating income and expenses | <u>20,506</u> | <u>1</u> | <u>96,140</u> | <u>8</u> |
| 7900 | Pre-tax net profit | 230,222 | 14 | 229,201 | 19 |
| 7950 | Income tax expense (Notes 4 and 24) | (<u>40,673</u>) | (<u>3</u>) | (<u>43,629</u>) | (<u>4</u>) |
| 8200 | Net profit for the year | <u>189,549</u> | <u>11</u> | <u>185,572</u> | <u>15</u> |
| | Other comprehensive income (Notes 21 and 24) | | | | |
| 8349 | Items not reclassified to profit or loss | | | | |
| | Income taxes related to items not reclassified to profit or loss | - | - | (87) | - |
| | Items that may be reclassified to profit or loss | | | | |
| 8361 | Foreign currency translation adjustments from the financial statements of foreign operations | (<u>17,258</u>) | (<u>1</u>) | <u>18,030</u> | <u>2</u> |
| 8300 | Total other comprehensive income (net) | (<u>17,258</u>) | (<u>1</u>) | <u>17,943</u> | <u>2</u> |
| 8500 | Total comprehensive income for the year | <u>\$ 172,291</u> | <u>10</u> | <u>\$ 203,515</u> | <u>17</u> |
| | Earnings per share (Note 25) | | | | |
| 9710 | Basic | <u>\$ 4.34</u> | | <u>\$ 4.55</u> | |
| 9810 | Dilution | <u>\$ 4.33</u> | | <u>\$ 4.52</u> | |

The accompanying notes are an integral part of these separate financial statements.

VSO ELECTRONICS CO., LTD.
Statement of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousand

| Code | | Share Capital (Note 21) | | Capital Surplus (Note 21) | Retained earnings (Notes 21 and 24) | | | Foreign Operations Financial Statement Conversion Exchange differences (Note 21) | Treasury Stock (Note 21) | Total Equity |
|------|--|---------------------------------|------------|------------------------------|-------------------------------------|-----------------|-------------------|--|-----------------------------|--------------|
| | | Number of shares (thousands) | Amount | | Legal Reserve | Special Reserve | Retained earnings | | | |
| A1 | Balance as of January 1, 2024 | 37,530 | \$ 375,302 | \$ 227,844 | \$ 75,181 | \$ 40,666 | \$ 315,846 | (\$ 52,481) | \$ - | \$ 982,358 |
| E1 | Cash Capital Increase | 3,660 | 36,600 | 328,977 | - | - | - | - | - | 365,577 |
| | Allocation and Distribution of Surplus for Fiscal Year 2023 | | | | | | | | | |
| B1 | Statutory Surplus Reserve | - | - | - | 11,495 | - | (11,495) | - | - | - |
| B3 | Special Surplus Reserve | - | - | - | - | 11,815 | (11,815) | - | - | - |
| B5 | Cash Dividends to Shareholders | - | - | - | - | - | (75,921) | - | - | (75,921) |
| C7 | Changes in equity-method investees | - | - | - | - | - | (43) | - | - | (43) |
| C17 | Exercise of the right of set-off | - | - | 928 | - | - | - | - | - | 928 |
| N1 | Employee Stock Option Compensation Expense | - | - | 2,129 | - | - | - | - | - | 2,129 |
| N1 | Common stock issued under the employee stock option plan | 526 | 5,263 | 5,636 | - | - | - | - | - | 10,899 |
| D1 | Net Profit for Fiscal Year 2024 | - | - | - | - | - | 185,572 | - | - | 185,572 |
| D3 | 2024 After-Tax Other Comprehensive Income | - | - | - | - | - | (87) | 18,030 | - | 17,943 |
| Z1 | Balance as of December 31, 2024 | 41,716 | 417,165 | 565,514 | 86,676 | 52,481 | 402,057 | (34,451) | - | 1,489,442 |
| | Allocation and Distribution of Fiscal Year 2024 Surplus | | | | | | | | | |
| B1 | Statutory Retained Earnings | - | - | - | 18,545 | - | (18,545) | - | - | - |
| B3 | Special Surplus Reserve | - | - | - | - | (18,029) | 18,029 | - | - | - |
| B5 | Cash Dividends to Shareholders | - | - | - | - | - | (83,433) | - | - | (83,433) |
| B9 | Stock Dividends to Shareholders | 2,086 | 20,858 | - | - | - | (20,858) | - | - | - |
| C17 | Exercise of the right of consolidation | - | - | 256 | - | - | - | - | - | 256 |
| N1 | Employee Stock Option Compensation Expense | - | - | 2,854 | - | - | - | - | - | 2,854 |
| N1 | Common stock issued under the employee stock option plan | 46 | 465 | 930 | - | - | - | - | - | 1,395 |
| L1 | Purchase of treasury stock | - | - | - | - | - | - | - | (28,969) | (28,969) |
| D1 | FY 2025 Net Profit | - | - | - | - | - | 189,549 | - | - | 189,549 |
| D3 | 2025 After-Tax Other Comprehensive Income | - | - | - | - | - | - | (17,258) | - | (17,258) |
| Z1 | Balance as of December 31, 2025 | 43,848 | \$ 438,488 | \$ 569,554 | \$ 105,221 | \$ 34,452 | \$ 486,799 | (\$ 51,709) | (\$ 28,969) | \$ 1,553,836 |

The accompanying notes are an integral part of these separate financial statements.

VSO ELECTRONICS CO., LTD.

Statement of Cash Flows

January 1 to December 31, 2025 and 2024

Unit: NT\$ thousand

| Code | | 2025 | 2024 |
|--------|--|------------|------------|
| | Cash Flows from Operating Activities | | |
| A10000 | Net Income Before Tax for the Current Year | \$ 230,222 | \$ 229,201 |
| | Income and Expense Items: | | |
| A20100 | Depreciation Expense | 5,455 | 4,760 |
| A20200 | Amortization expense | 8,110 | 6,360 |
| A20300 | Expected credit (reversal) impairment loss | (766) | 939 |
| A20400 | Net loss on financial assets and liabilities measured at fair value through profit or loss | 4,264 | 788 |
| A20900 | Financial expenses | 6,321 | 4,312 |
| A21200 | Interest Income | (9,152) | (3,047) |
| A21900 | Equity-based compensation expense | 2,854 | 2,022 |
| A22400 | Share of profit or loss of subsidiaries and associates accounted for using the equity method | (30,620) | (81,548) |
| A22500 | Gain on disposal of real estate, plant, and equipment | (31) | (35) |
| A23700 | Losses from inventory write-downs and obsolescence | - | 930 |
| A23800 | Gains on Reversal of Inventory Write-downs and Obsolescence | (1,004) | - |
| A24000 | Gross profit on sales with subsidiaries | 482 | (464) |
| A29900 | Government grants | (475) | (349) |
| A30000 | Net change in operating assets and liabilities | | |
| A31115 | Financial assets designated at fair value through profit or loss | 7,357 | - |
| A31130 | Notes receivable | 462 | (344) |
| A31150 | Accounts Receivable | (92,841) | (207,136) |
| A31160 | Accounts Receivable—Related Parties | (2,253) | 10,068 |
| A31180 | Other receivables | (114) | 1,666 |
| A31190 | Other Receivables—Related Parties | 294 | 1,115 |

| Code | | 2025 | 2024 |
|--------|--|--------------|------------|
| A31200 | Inventory | (6,488) | 1,701 |
| A31220 | Prepaid pension | - | 373 |
| A31240 | Other Current Assets | (5,819) | (392) |
| A31990 | Other non-current assets | 87 | (402) |
| A32110 | Financial liabilities held for trading | (9,717) | (872) |
| A32125 | Contract Liabilities | - | (362) |
| A32150 | Accounts Payable | 1,236 | (10,206) |
| A32160 | Accounts Payable – Related Parties | 27,523 | 61,305 |
| A32180 | Other payables | 7,492 | 9,632 |
| A32190 | Other payables—related parties | 421 | 47 |
| A32200 | Liability provisions | 607 | 439 |
| A32230 | Other current liabilities | 4,427 | 2,292 |
| A33000 | Cash from operating activities | 148,334 | 32,793 |
| A33500 | Income tax paid | (20,435) | (55,814) |
| AAAA | Net cash inflow (outflow) from operating activities | 127,899 | (23,021) |
| | Cash flows from investing activities | | |
| B00040 | Acquisition of financial assets measured at amortized cost | (1,273,000) | (338,208) |
| B00050 | Disposal of financial assets measured at amortized cost | 1,233,208 | 25,000 |
| B00200 | Disposal of financial assets measured at fair value through profit or loss | - | 22,423 |
| B02200 | Acquisition of a subsidiary | (143,392) | - |
| B02700 | Acquisition of property, plant, and equipment | (50,998) | (18,894) |
| B03700 | Increase in margin deposits | (16) | - |
| B03800 | Decrease in Margin Deposits | - | 3,048 |
| B04300 | Increase in other receivables—related parties | (28,278) | (14,751) |
| B04400 | Decrease in other receivables—related parties | 14,751 | 15,355 |
| B04500 | Acquisition of Intangible Assets | (11,544) | (10,486) |
| B07500 | Interest received | 10,158 | 2,408 |
| B07600 | Dividends received from subsidiaries | 15,600 | 12,600 |
| BBBB | Net cash outflow from investing activities | (233,511) | (301,505) |
| | Cash flows from financing activities | | |
| C00100 | Increase in short-term borrowings | 397,790 | 240,996 |
| C00200 | Decrease in short-term borrowings | (248,312) | (389,310) |
| C01600 | Long-term borrowings | 115,790 | 10,000 |
| C04500 | Dividend Payout | (83,433) | (75,921) |

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

| <u>Code</u> | | <u>2025</u> | <u>2024</u> |
|-------------|---|------------------|------------------|
| C04600 | Cash Capital Increase | - | 365,577 |
| C04800 | Exercise of Employee Stock Options | 1,395 | 10,899 |
| C04900 | Purchase of Treasury Stock | (28,969) | - |
| C05600 | Interest Paid | (\$ 5,416) | (\$ 4,574) |
| C09900 | Exercise of the right of reclassification | <u>256</u> | <u>928</u> |
| CCCC | Net cash inflow from financing activities | <u>149,101</u> | <u>158,595</u> |
| EEEE | Net increase (decrease) in cash | 43,489 | (165,931) |
| E00100 | Cash balance at the beginning of the year | <u>38,377</u> | <u>204,308</u> |
| E00200 | Cash balance at year-end | <u>\$ 81,866</u> | <u>\$ 38,377</u> |

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

VSO Electronics Co., Ltd.
Earnings Distribution Table
Year 2025

| Items | Unit: NT\$ Total |
|--|---------------------|
| Retained earnings at the beginning of the year | 297,250,064 |
| Plus : Net Profit for 2025 | 189,549,818 |
| Less : Appropriation of Special Reserve | (17,257,955) |
| Appropriation of 10% Legal Reserve | (18,954,982) |
| Distributable Retained Earnings | 450,586,945 |
| Earnings Distribution Items : | |
| Shareholders' Dividends : | |
| Cash Dividend (NT\$2.5/share) | (108,952,158) |
| Unappropriated Retained Earnings Balance | 341,634,787 |

Note :

- 1、The distributable portion of the 2025 earnings will be prioritized for dividend distribution.

Chairman : Chien Chung Cheng Manager : Hsing Hung Lin Accounting Manager : Chiu Pao Kuei

VSO ELECTRONICS CO., LTD.**List of Directors and Corporate Representative
Directors Released from Non-competition
Restrictions**

| Title | Name | Positions Held in Other Companies |
|--|-----------------|---|
| Director | Chung-Lin Chien | China Development Biotechnology Venture Capital Co., Ltd. Director Development International Investment Co., Ltd. Director and General Manager CDIB & Partners Investment Holding (Cayman) Ltd. Director and General Manager |
| Representative Director of Advantech Corporate Investment Co.,Ltd. | Tony Liu | Director of Advantech Co., Ltd. Corporate treasury and affiliate finance division. Chairman of ChuanTing Investment Co., Ltd. Chairman of Tran-Fei Development Co., Ltd. Chairman of Shiung-Yang Investment Corporation. Chairman of Advantech Corporate Investment Co.,Ltd. Chairman of Advanixs Corporation. Chairman of Advantech Intelligent City Services Co., Ltd. Chairman of Cermate Technologies Inc. Chairman of Expetech Co., Ltd. Representative Director of Advantech Co., Ltd. Director of K&M Investment Co., Ltd. Director of CZ Investment Co., Ltd. Director of AIDC Investment Co., Ltd. Representative Director of Spingence technology Co., Ltd. Representative Director of Yan Xu Green Electricity Co. LTD. Director of Aures Technologies S.A. Director of Aures Technologies Ltd. (UK) Director of J2 Technology Systems Director of Retail Technology Group Inc. Director of AGH US Holding Company Inc. Director of Aures Technologies Pty (AUS) |