

# Favite, Inc.

## 2026 Annual Shareholders' Meeting Meeting Handbook (Translation)



**Date: May 29, 2026**

**Time: Friday, May 29, 2026 at 9 a.m.**

**Location: No. 197, Section 2, Huanbei Road, Zhubei City, Hsinchu County**

**Convening method: physical shareholders' meeting**

### **Important Disclaimer**

This English-version handbook is a summary translation of the Chinese version and is not an official document of the shareholders meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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## **I. Meeting Procedure**

### **Favite, Inc.**

#### **2026 Annual Shareholders' Meeting Procedure**

1. Meeting Commencement Announced
2. Chairman's Address
3. Report Items
4. Ratification Items
5. Extraordinary Motions
6. Adjournment

## **II. Meeting Agenda**

Time: 9:00 a.m., May 29, 2026 (Friday)

Place: No.197, Sec.2, Huanbei Rd., Zhubei City, Hsinchu County 302047, Taiwan  
(R.O.C.)

Shareholders' meetings will be held in person

1. Meeting Commencement Announced
2. Chairman's Address
3. Report Items
  - (1) Business report of 2025.
  - (2) Audit Committee's Review Report of 2025.
  - (3) 2025 Directors' Compensation Report.
4. Ratification Items
  - (1) 2025 Business Report and Financial Statements.
  - (2) 2025 Deficit Compensation.
5. Extraordinary Motions
6. Adjournment

## Report Items

- Proposal 1 : Business report of 2025.
- Explanation : For the Company's 2025 Business Report, please refer to Attachment 1 of this handbook (Page 6-Page 13).
- 
- Proposal 2 : Audit Committee's Review Report of 2025.
- Explanation : 2025 Audit Committee's Review Report, Please refer to Attachment 2 of this handbook ( Page 14).
- 
- Proposal 3 : 2025 Directors' Compensation Report.
- Explanation :
  1. Remuneration of the Company's directors is distributed by the Board of Directors under the authorization of the Articles of Incorporation and in accordance with the "Rules for Director Remuneration and Compensation." Such amounts are determined based on each director's level of participation in and contribution to the Company's operations, while also taking into account industry standards both domestically and abroad. Directors' remuneration is granted based on their responsibilities, risks undertaken, and time invested, and may be reduced depending on the Company's operating performance or the results of the director's performance evaluation.
  2. Pursuant to Article 19 of the Company's Articles of Incorporation, the Board of Directors shall resolve to allocate no more than 2% of the annual profit as director remuneration. However, if the Company has accumulated losses, an amount shall be reserved in advance to offset the losses before the director remuneration is allocated according to the aforementioned proportion.
  3. For the details and amounts of individual remuneration for each director, please refer to Attachment 3 of this handbook ( Page 15-Page 16)

## **Ratification Items**

Proposal 1 : 2025 Business Report and Financial Statements. Approval is respectfully requested. **【Proposed by the Board of Directors】**

Explanation : 1. The Business Report, Parent Company Only Financial Statements and Consolidated Financial Statements of the Company in 2025 were approved at the Board of Directors meeting on March 6, 2026 and verified by the Audit Committee and the review report was issued accordingly. The Parent Company Only Financial Statements and Consolidated Financial Statements of the Company in 2025 have been audited by the CPAs of Deloitte Taiwan, Li-Su Fang and Dong-Hui Yeh.

2. For the Business Report, Independent Auditors' Report and financial statement, please refer to Attachment 1 (Page 6-Page 13), Attachment 4 (Page 17-Page 25), Attachment 5 (Page 26-Page 34) of this handbook.

Resolution :

Proposal 2 : 2025 Deficit Compensation. Approval is respectfully requested. **【Proposed by the Board of Directors】**

Explanation : 1. The Company's 2025 Deficit Compensation Table was approved by the Board of Directors on March 6, 2026.

2. The proposed 2025 Statement of Deficit Compensation, please refer to Attachment 6 of this handbook. (page 35).

3. The Company will not allocate dividends to shareholders due to the deficit of 2025.

Resolution :

## **Extemporary Motions**

## **Adjournment**

## III. Attachments

<Attachment 1>

### **Favite, Inc. Business report**

#### **I. Letter to Shareholders: Confronting the Pains of Transformation; Deepening the Foundations of High-End Technology**

Reflecting on 2025, Favite Inc. navigated a pivotal period of "technological transition" and "structural reshaping." Following our successful return to profitability and demonstrated operational resilience in 2024, 2025 was originally envisioned as a year to build on that momentum. However, due to a confluence of global macroeconomic volatility, a structural correction in capital expenditures within the display industry, and the extended verification cycles required for next-generation semiconductor inspection technologies, our financial performance for 2025 fell short of expectations. The fiscal year concluded with an operating loss and a significant decline in revenue compared to the previous year. The management team takes full responsibility for these results, which did not meet shareholder expectations, and we offer our most sincere apologies to all our shareholders.

As developers of high-end optical inspection equipment, we understand that in the long trajectory of the technology industry, temporary financial fluctuations are often leading indicators of technological shifts. The losses incurred in 2025 represent, in essence, the "strategic growing pains" of Favite's migration toward the high-end semiconductor and advanced packaging markets. Amidst the downturn of slowing capacity expansion in the traditional display sector, we did not choose to maintain the status quo blindly or improve short-term book value by slashing R&D expenses. Instead, we chose the most challenging yet forward-looking path: increasing investment in AI-driven intelligent platforms and 2.5D/3D advanced packaging inspection technologies.

We firmly believe that the depth of a company's technology determines the breadth of its survival. Our R&D strategy in recent years has not been about winning a single race, but about establishing a highly adaptive technological foundation for the "infinite game" of AI advanced packaging. By deepening our core metrology and inspection capabilities, we strive to be the steadfast guardian that helps customers redefine the limits of yield rate during every wave of industrial evolution. This resolve to "never retreat and never stagnate" began to yield results at the end of 2025. With December revenue showing a powerful nearly tenfold rebound and the realization of monthly profitability based on

preliminary figures, we are seeing more than just an operational turning point—it is a preliminary validation of our technological transformation by the market.

Looking ahead to 2026, we will maintain a stance of prudence—as if "treading on thin ice"—while upholding pragmatic excellence in our execution. We do not seek superficial revenue expansion; instead, we remain focused on the accumulation of technological resources and the realization of value for our customers. With a leaner and more robust corporate structure, Favite is returning to its essence as a guardian of quality for the high-tech manufacturing industry, moving forward with steady and sure steps.

## **II. 2025 Operational Results and In-depth Financial Analysis: Strategic Choices Amidst Market Correction**

### **1. Impact of the Display Industry Downturn on Revenue**

In 2025, the global display panel industry faced a severe cyclical correction. Weak demand for end-consumer electronics and reduced capacity utilization rates among major manufacturers led to more stringent procurement criteria for existing production lines. This resulted in significant delays in the recognition of orders for traditional AOI equipment.

- **Structural Causes of Revenue Contraction:** Consolidated revenue for 2025 was approximately NT\$459 million, representing a decline of roughly 31% from NT\$667 million in 2024. This decrease in revenue scale led to a higher allocation of fixed costs per unit, which served as the primary external factor behind this year's operating loss.

- **Financial Buffer and Health:** Despite the pressure on profitability, the Company has consistently maintained high current and quick ratios. Financial leverage remains controlled within a safe range, ensuring a solid foundation for continued R&D investment and eliminating concerns regarding short-term liquidity risks.

### **2. Contrarian Growth in R&D Expenses: Pre-deploying for Future Profitability**

Despite the pressures of an operating loss, the Company's R&D expenditure as a percentage of revenue increased rather than decreased in 2025. This was not blind resource expansion, but a strategic consensus based on the high growth potential and technical barriers of the 2.5D/3D advanced packaging market. We understand that maintaining leadership during a "technological transition" is the only way to remain qualified to define excellence in the industry's long-term "infinite game."

The strategic depth of our R&D investment this year is reflected in three major areas:

- **Building R&D Barriers for Technological Substitution:** The technical complexity and stability requirements for semiconductor inspection equipment are significantly higher than those for the display grade. To develop high-end AOI technology capable of inspecting 2 $\mu$ m Redistribution Layers (RDL), the Company invested heavily in

optical path simulation components, high-frequency image processing algorithms, and low-vibration precision transmission systems. These fundamental R&D investments are essential cornerstones for the Company to cross the semiconductor threshold and achieve a "generational gap" in technology.

- **Deepening High-Precision Advanced Packaging Metrology:** As heterogeneous integration technology evolves, customer requirements have shifted from simple defect detection to sub-micron data accuracy. The Company continues to invest in high-precision metrology equipment, developing measurement technologies for critical processes such as Die Location, Overlay, and 3D Measurement. By integrating high-resolution sensing components with real-time feedback compensation systems, we aim to provide more accurate metrics for advanced packaging processes, helping customers maximize yield in shrinking process nodes.
- **Strategic Delays in Verification Cycles and Outlook:** Entering the supply chains of Tier-1 OSATs (Outsourced Semiconductor Assembly and Test) or major IC substrate manufacturers requires an exhaustive and rigorous verification period. While R&D investment in 2025 exerted immediate financial pressure, these efforts are expected to convert into tangible revenue over the coming years as various products enter the final stages of verification. This is a strategic marathon where we compete on technical depth; we are sprinting toward the finish line of the verification process to inject new growth momentum into the Company as quickly as possible

### **III. Evolution of Core Technologies: Deep Integration of AI with AOI and Metrology**

In the field of Automated Optical Inspection (AOI), Favite Inc. is dedicated to redefining the dimensions of "inspection." We believe that future competitiveness lies not merely in discovering defects, but in possessing the capability to diagnose the entire manufacturing process.

#### **1. Technological Evolution of the Horus Intelligent Platform**

The Horus Intelligent Optical Inspection Platform, independently developed by the Company, underwent a cross-generational upgrade in 2025.

- **Multidimensional Optical Path Integration:** Utilizing next-generation illumination technology, the Horus platform can capture subtle characteristics of different materials within a single scanning cycle, significantly reducing the need for secondary scans.
- **Adaptive Image Processing Solutions:** To address fluctuating lighting and noise interference in production environments, Horus has introduced new CNN modules, achieving sub-pixel precision in defect localization.

#### **2. Deep Evolution of the AOI and Metrology Dual-Track Strategy Driven by AI**

Favite's R&D strategy adopts a parallel dual-axis approach—Inspection and

Metrology—while fully integrating deep learning algorithms. This transforms our equipment from traditional rule-based judgment into sensing platforms with "intelligent cognition.

- **AI-Empowered AOI: Achieving Ultimate Detection of Real Defects.**

In advanced packaging processes, environmental noise and complex circuit backgrounds often cause traditional AOI to generate high false-alarm rates. Through AI-driven intelligent image enhancement and classification, the Company not only pursues extreme scanning speeds but also significantly improves the recognition accuracy of Real Defects. Our AI algorithms automatically filter out False Alarms, precisely locking onto micron-level contaminants, open circuits, or line-width anomalies. This addresses the critical customer demand for "visibility and accuracy" while effectively reducing reliance on manual labor for backend re-judgment.

- **AI-Enhanced Metrology: Defining New Benchmarks for Sub-Micron Measurement.**

As process nodes shrink to their limits, the precise digitization of Critical Dimension (CD) and Overlay has become the core of yield control. The Company applies AI to feature judgment and coordinate fitting within metrology equipment. Through AI Feature Extraction, the equipment can perform precise feature localization and interpretation on targets with blurred structures or low contrast, eliminating fluctuations caused by manual settings. In 2.5D/3D packaging—where alignment accuracy is even more critical than defect detection—this AI-integrated high-precision metrology technology has become Favite's strategic edge in the high-end market.

### 3. Evolving from "Defect Detection" to "Yield Diagnostics"

In response to labor shortages and the high cost of manual re-judgment in the manufacturing sector, Favite's AI systems have realized Automated Classification and Root Cause Analysis (RCA).

- **Addressing Labor Shortage Pain Points:** Through AI Automated Defect Classification (ADC), we have helped customers reduce manual re-judgment labor by over 70%, effectively resolving labor bottlenecks on the production line.

- **Yield Enhancement:** The system provides real-time transmission of inspection data to the Manufacturing Execution System (MES). By using Big Data to analyze defect distribution trends, we help process engineers quickly locate equipment anomalies, shifting the role of inspection from backend quality filtering to front-end yield management.

## **IV. New Industry Opportunities: Strategic Roadmap for 2.5D/3D Advanced Packaging**

As Moore's Law approaches its physical limits, the thirst for computing power driven

by AI chips and High-Performance Computing (HPC) has pushed the semiconductor industry into the new "Advanced Packaging" arena. For Favite, with our extensive technical reserves in large-format inspection, this represents an unprecedented "blue ocean" market

#### 1. The Packaging Revolution Driven by AI Chips: 2.5D and 3D IC Packaging

With Generative AI driving the high integration of computing modules, 2.5D and 3D packaging have become core processes determining computational performance.

- 2.5D Advanced Packaging: Connects silicon interposers and High Bandwidth Memory (HBM) in close proximity, with Redistribution Layer (RDL) traces shrinking to 2 $\mu$ m or below.
- 3D Vertical Stacking: Vertical interconnects between chips demand extremely stringent flatness and alignment precision, presenting optical metrology challenges that approach the very limits of physics.

#### 2. The Uniqueness of Favite's Dual-Track Strategy: Wafer Form and Panel Form

Favite possesses a unique competitive advantage: the mastery of handling both Wafer-level and Panel-level carriers.

- Wafer-Form High-End Inspection Platform: Our high-speed intelligent inspection system for 12-inch semiconductor wafers has been successfully adopted by benchmark customers. Utilizing patented optical designs and adaptive algorithms, we provide fully automated solutions that offer both high throughput and sub-micron precision for detecting minute structural anomalies and topographic features. By focusing on critical "zero-tolerance" processes in advanced nodes, we help customers establish a stable yield-monitoring barrier during complex heterogeneous integration. This not only meets rigorous industrial requirements but also demonstrates our technical extensibility in the semiconductor metrology market.
- Panel-Form (FOPLP) Strategic Positioning: Fan-Out Panel-Level Packaging (FOPLP) is regarded as the next-generation key technology for reducing packaging costs and increasing capacity. Leveraging our deep experience in mechanical design and optical processing for large-scale glass substrates (LCD/OLED), we possess a natural advantage in integrating sub-micron precision with large-area, ultra-high-speed computational power.
  - Large-Format Processing Capability: Traditional wafer inspection tools struggle with panel-level carriers. Favite possesses profound expertise in handling large-format carriers with high deformation rates.
  - 2 $\mu$ m RDL Fine-Line Inspection: To address the increasingly fine RDL in advanced packaging, we developed a proprietary optical path and imaging system. This technology enables precise localization and capture of fine-wire defects amidst complex background interference, serving as a significant

technological moat.

- Ultra-High-Speed Computing Transferred from Panel Manufacturing: Favite's core strength lies in its ability to perfectly port the ultra-high-speed parallel image processing power—accumulated over years in the display industry—to advanced packaging.
- Maximizing Throughput without Compromising Accuracy: Through our self-developed hardware acceleration architecture and high-performance algorithms, we process massive amounts of image data while maintaining sub-pixel accuracy. This "ultimate speed and absolute accuracy" allows our equipment to provide real-time, zero-omission quality assurance in high-volume manufacturing environments.
- Leadership in Die Location Metrology: In advanced packaging, the precise placement of chips on a substrate directly determines the success rate of subsequent electrical connections. We have developed high-precision metrology algorithms providing sub-micron alignment analysis. We are currently undergoing deep verification testing with renowned substrate and packaging customers. Once completed, this is expected to become a new engine for the Company's revenue growth.

## **V. Next-Generation Display Technologies: Opportunities and Commitment to Micro LED/OLED**

While the scaling of new display technologies is currently constrained by costs and manufacturing complexity, Favite Inc. maintains a strategy of "readiness and leadership." We continue to build a comprehensive technological moat in anticipation of the market's inflection point.

### **1. Micro LED: Market Potential and Full-Process Solutions**

Micro LED is widely recognized as the ultimate display technology due to its high brightness, long lifespan, low power consumption, and modular scalability.

- The Inspection Barrier Post-Mass Transfer: The primary pain point of Micro LED lies in the "Mass Transfer" of tens of millions of micron-sized LED chips. Favite has developed a series of high-precision, high-speed inspection systems that provide automated screening and repair suggestions for chip missing, polarity errors, and positional deviations following the transfer process.
- Full Production Line Alignment: Favite has established a proven track record ranging from upstream Epiwafer quality inspection and midstream mass transfer metrology to downstream trace inspection after panel module tiling. As major manufacturers across the Taiwan Strait establish new production capacities, we expect Micro LED projects to contribute steady revenue in the coming years.

## 2. Micro OLED: Potential in the AR/VR Market

Micro OLED (Silicon-based OLED) combines semiconductor and OLED technologies, making it the ideal choice for AR/VR and wearable devices.

- **The High-Resolution Challenge:** As pixel sizes shrink to the micron level, traditional inspection systems can no longer meet the requirements. Favite has successfully leveraged its experience in Semiconductor Wafer AOI to develop a product line specifically for Micro OLED front-end processes, such as Inline and Mask AOI.

- **Technological Moat:** The Company secured equipment orders from benchmark customers between 2024 and 2025 (Years 113-114). As new market capacity for Micro OLED is established, we anticipate this will generate an increasing contribution to our annual revenue.

## **VI. 2026 Business Guidelines and Long-term Outlook: Pragmatic Excellence and Prudent Stewardship**

Looking ahead to 2026, Favite Inc. is not making overly optimistic assumptions regarding market recovery. Global geopolitical risks, supply chain restructuring, and industrial cyclical fluctuations remain variables that cannot be ignored.

### 1. Business Guidelines: Pragmatic Excellence, Pursuing Qualitative Change

The Company has designated 2026 as the "Year of Value Transformation." Our annual slogan is: "Pragmatic Excellence, Technology as the Foundation."

- **Converting Verifications into Orders:** We will accelerate the progress of high-end semiconductor and advanced packaging inspection/metrology tools that entered the verification stage in 2025. Our goal is to shorten project closure cycles and convert these efforts into tangible revenue as quickly as possible.

- **Aftermarket Service and Upgrades:** As our Installed Base continues to grow, we will strengthen our aftermarket services, software algorithm upgrades, and AI module retrofitting services. This high-stickiness recurring revenue will serve as a stable cornerstone for our business.

- **Driving Industrial Upgrades:** We will continue to monitor automation demands in niche markets such as E-paper, high-end displays, and IC substrates, leveraging our core AI technologies to rapidly extend and develop diversified product lines.

### 2. Long-term Outlook: Technological Accumulation is the Only Answer

Favite consistently adheres to our policy of "Technological Innovation, Quality Stability, Efficiency Enhancement, and Customer Satisfaction." We are acutely aware that in the technology equipment industry, there are no permanent smooth paths. The operating loss in 2025 serves as a mirror, reflecting the risks of over-reliance on a single industry cycle, but also reflecting our firm resolve to pivot

toward high-end markets.

- A Prudent Outlook: We maintain a cautious outlook for 2026 operations. The management team will manage operating costs with a mindset of "treading on thin ice," avoiding the expansion of low-efficiency business lines. Instead, every resource will be precisely allocated to R&D that provides long-term competitive advantages.
- The Goal of Profitability: The primary goal of the management team is to restore profitability as soon as possible. Through the patents and market validations accumulated in 2025, we are confident that we can create long-term, stable value for our shareholders amidst the sweeping trends of AI and advanced packaging.

We thank all our shareholders for choosing to trust and stand by Favite during this most critical moment of transformation. We will continue to strive for excellence and honor the trust you have placed in us.

Sincerely,

To all shareholders: Wishing you good health and prosperity.

Favite, Inc.

Chairman: CHEN, YUNG-HUA

<Attachment 2>

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

The Board of Directors has prepared the Company's 2025 business report, financial statements, and deficit compensation. The CPA firm of Deloitte & Touche was retained to audit Favite's financial statements and has issued an audit report relating to the financial statements. The business report, financial statements, and deficit compensation have been reviewed by the Audit Committee and no irregularities were found. We hereby report as above according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To Favite, Inc. 2026 General Shareholders' Meeting

Favite, Inc.

Chairman of the Audit Committee:

A handwritten signature in cursive script that reads "Shu-Jane Wang".

March 6, 2026

<Attachment 3>

Directors' Compensation Report

Unit: NT\$ thousands

Title	Name	Remuneration						Relevant Remuneration Received by Directors Who are Also Employed				Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from other subsidiaries or the parent company							
		Base Compensation(A) (Note 1)		Pension(B) (Note 2)		Directors Compensation(C) (Note 3)		Business expenses (D) (Note 4)		Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Salary, Bonuses, Allowances (E) (Note 5)			Pension (F)		Employee Compensation (G) (Note 3)				
		The company	Consolidated Entities	The company	Consolidated Entities	The company	Consolidated Entities	The company	Consolidated Entities	The company	Consolidated Entities	The company	Cash		Stock	The company	Consolidated Entities	Cash	Stock		
Chairman and President	CHEN, YUNG-HUA	-	-	-	-	-	42	42	(0.05)%	(0.05)%	4,038	4,038	-	-	-	-	-	-	(4.84)%	(4.84)%	-
Director	Utechzone Co., Ltd. Representative: WANG, JEN-CHIEH	-	-	-	-	-	18	18	(0.02)%	(0.02)%	-	-	-	-	-	-	-	-	(0.02)%	(0.02)%	-
Director	Utechzone Co., Ltd. Representative: HSU, CHIH-CHAO	-	-	-	-	-	18	18	(0.02)%	(0.02)%	-	-	-	-	-	-	-	-	(0.02)%	(0.02)%	-
Director	LIN, HUNG-JEN	-	-	-	-	-	42	42	(0.05)%	(0.05)%	-	-	-	-	-	-	-	-	(0.05)%	(0.05)%	-
Director	SHAN, HIS-CHI	-	-	-	-	-	18	18	(0.02)%	(0.02)%	-	-	-	-	-	-	-	-	(0.02)%	(0.02)%	-
Director	Utechzone Co., Ltd. Representative: CHANG, WEN-CHIEH	-	-	-	-	-	24	24	(0.03)%	(0.03)%	-	-	-	-	-	-	-	-	(0.03)%	(0.03)%	-
Director	Utechzone Co., Ltd. Representative: LIN, FANG-LUNG	-	-	-	-	-	24	24	(0.03)%	(0.03)%	-	-	-	-	-	-	-	-	(0.03)%	(0.03)%	-
Director	YEH, SHENG-FA	-	-	-	-	-	6	6	(0.01)%	(0.01)%	-	-	-	-	-	-	-	-	(0.01)%	(0.01)%	-
Independent Director	WANG, SHU-JANE	210	210	-	-	-	18	18	(0.27)%	(0.27)%	-	-	-	-	-	-	-	-	(0.27)%	(0.27)%	-
Independent Director	SHEN, HIS-WEN	360	360	-	-	-	36	36	(0.47)%	(0.47)%	-	-	-	-	-	-	-	-	(0.47)%	(0.47)%	-
Independent Director	LEE, SHIH-CHENG	360	360	-	-	-	42	42	(0.48)%	(0.48)%	-	-	-	-	-	-	-	-	(0.48)%	(0.48)%	-
Independent Director	SU, HSING-HWA	210	210	-	-	-	18	18	(0.27)%	(0.27)%	-	-	-	-	-	-	-	-	(0.27)%	(0.27)%	-
Independent Director	TSENG, HSIANG-CHI	150	150	-	-	-	24	24	(0.21)%	(0.21)%	-	-	-	-	-	-	-	-	(0.21)%	(0.21)%	-

Title	Name	Remuneration						Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employed				Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or the parent company		
		Base Compensation(A) (Note 1)		Pension(B) (Note 2)		Directors Compensation(C) (Note 3)		Business expenses (D) (Note 4)		Salary, Bonuses, and Allowances (E) (Note 5)		Pension (F)		Employee Compensation (G) (Note 3)			The company	Consolidated Entities
Independent Director	LO, CHIH-PING	The company	150	The company	-	The company	-	The company	24	The company	(0.21)%	Consolidated Entities	The company	Cash	Stock	(0.21)%	(0.21)%	-

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration. The Independent Directors don't jointly participate in the compensation distribution with the Directors. The "Fixed Remuneration" was further paid to the Independent Directors on a monthly basis, in accordance with their specific duties and responsibilities. After review and discussion by the Remuneration Committee, this was all submitted to the Board of Directors for resolution. The rationality of relevant remuneration of Independent Directors will be reviewed from time to time according to the practical operation situation and related laws and regulations, to reach the balance between the sustainable operation and risk control of the Company.

2. In addition to the above remuneration, the remuneration received by the directors of the Company in the recent year for providing services to all companies included in the financial report (such as serving as a non-employee consultant for the parent company / all companies included in the financial report / investee companies, etc.): None.

Note 1: Base compensation for directors in 2025 (including director's salary, duty allowance, severance pay, bonus and reward, etc.)

Note 2: Allowance or funding of pension obligation.

Note 3: The company incurred the pre-tax net loss in 2025, therefore no made for director's compensation and employee compensation.

Note 4: The directors' professional practicing fees in the most recent year (including transportation allowance, special allowance, various allowances, and provisions of such tangible objects as dormitory and car, etc...). If a house, car and any other transportation means or exclusive personal allowance is provided, please disclose the nature and cost of the assets, rent imputed based on the actual value or fair value, fuel expenses and other benefits. If a driver is assigned, please specify the pay made by The Company to the driver, but exclude the same from the remuneration.

Note 5: It means the salary, duty allowance, severance pay, bonus, reward, transportation allowance, special allowance, various allowances, and provision of such tangible objects as dormitory and car received by the directors who acted as employees concurrently (including President, Vice President, managerial employee and employee) in the most recent year. If a house, car and any other transportation means or exclusive personal allowance is provided, please disclose the nature and cost of the assets, rent imputed based on the actual value or fair value, fuel expenses and other benefits. If a driver is assigned, please specify the pay made by The Company to the driver, but exclude the same from the remuneration. The salary expenses recognized in accordance with IFRS 2 "Share-based payment", including obtaining employee stock options, new restricted employee shares and participating in cash increase subscription shares, shall also be included in the remuneration.

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Favite, Inc.

### Opinion

We have audited the accompanying parent company only financial statements of Favite, Inc., 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 the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of Favite, Inc. as of December 31, 2025 and 2024, and the parent company only financial performance and the 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 Favite, Inc. 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.

Key audit matter for Favite, Inc.'s parent company only financial statements for the year ended December 31, 2025 is stated as follows:

#### Revenue recognition

Favite, Inc.'s revenue is mainly from the sales and upgrades of automated optical inspection machines, accounting for 95% of the total operating revenue. Please refer to Note 22 for details. As the revenue from the sales of the merchandise to some clients grew significantly, we listed the recognition of the above revenue as a key audit matter.

1. We reviewed Favite, Inc.'s policy on the recognition of the revenue from the sales of automated optical inspection machines to confirm and evaluate if the relevant internal control measures during sales were effective.
2. We randomly checked the sales details and examined the contracts, external orders, delivery orders, shipping documents, and sales invoices; and learned about the clients' relevant industry backgrounds to confirm the authenticity of the revenue.

### 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 Favite, Inc.'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 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 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 Favite, Inc.'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 Favite, Inc.'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 Favite, Inc. 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 Favite, Inc. 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 audit resulting in this independent auditors' report are Su-Li Fang and Tung-Hui Yeh.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 6, 2026

Notice to Readers

*The accompanying financial statements are intended only to present the parent company only 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 the parent company only financial statements shall prevail.*

**Favite, Inc.**

**PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)**

	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>ASSETS</b>								
<b>CURRENT ASSETS</b>								
Cash and cash equivalents (Notes 4, 6, and 27)	\$ 141,533	8	\$ 186,545	11	\$ 100,000	6	\$ -	-
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 27)	10,356	1	10,197	1	52,132	3	48,002	3
Financial assets at amortized cost - current (Notes 4, 8 and 27)	547,765	33	445,332	27	137,514	8	54,962	3
Contract assets - current (Notes 22)	76,727	5	105,084	6	84,781	5	80,790	5
Trade receivables (Notes 4, 9, 22, and 27)	128,181	8	236,315	14	6,192	-	7,431	-
Current tax assets (Notes 4 and 24)	1,839	-	12,011	1	18,378	1	28,118	2
Inventories (Notes 4 and 10)	222,463	13	123,785	7	24,068	2	63,539	4
Other current assets (Note 15 and 27)	37,818	2	30,994	2	1,546	-	1,498	-
Total current assets	1,166,682	70	1,150,263	69	12,870	1	12,870	1
<b>NON-CURRENT ASSETS</b>					6,228	1	5,424	-
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 27)	2,440	-	3,201	-	443,709	27	302,634	18
Financial assets at amortized cost - non-current (Notes 4, 8 and 27)	-	-	2,900	-	-	-	-	-
Investments accounted for using the equity method (Notes 4 and 11)	25,474	2	39,122	3	172,672	11	185,543	11
Property, plant and equipment (Notes 4, 12, and 29)	416,955	25	412,133	25	1,040	-	5,027	1
Right-of-use assets (Notes 4 and 13)	5,334	1	3,614	-	3,873	-	2,175	-
Intangible assets (Notes 4 and 14)	7,836	1	8,901	1	2,540	-	3,051	-
Deferred tax assets (Notes 4 and 24)	32,709	2	36,696	2	6	-	6	-
Other non-current assets (Note 15 and 27)	1,049	-	1,416	-	180,131	11	195,802	12
Total non-current assets	491,797	30	507,983	31	623,840	38	498,436	30
<b>TOTAL</b>	\$ 1,658,479	100	\$ 1,658,246	100	\$ 1,658,479	100	\$ 1,658,246	100
<b>LIABILITIES AND EQUITY</b>								
<b>CURRENT LIABILITIES</b>								
Short-term borrowings (Notes 16 and 27)								
Contract liabilities - current (Note 22)								
Trade payables (Note 17 and 27)								
Other payables (Note 18 and 27)								
Payable to employees compensation and remuneration of directors and supervisors (Note 23)								
Other payables to related parties (Note 27 and 28)								
Provisions - current (Notes 4 and 19)								
Lease liabilities - current (Notes 4, 13, and 27)								
Current portion of long-term borrowings (Notes 16, 27, and 29)								
Other current liabilities (Note 18)								
Total current liabilities								
<b>NON-CURRENT LIABILITIES</b>								
Long-term borrowings (Notes 16, 27, and 29)								
Deferred tax liabilities (Notes 4, and 24)								
Lease liabilities - non-current (Notes 4, 13, and 27)								
Net defined benefit liability - non-current (Notes 4 and 20)								
Guarantee deposits received (Notes 27)								
Total non-current liabilities								
Total liabilities								
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 21)</b>								
Share capital								
Ordinary share								
Capital surplus								
Retained earnings								
Legal reserve								
Special reserve								
Unappropriated earnings								
Other equity								
Total equity								

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

## Favite, Inc.

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

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22, and 28)	\$ 450,747	100	\$ 652,199	100
OPERATING COSTS (Notes 10, 20, and 23)	<u>265,277</u>	<u>59</u>	<u>350,186</u>	<u>54</u>
GROSS PROFIT	<u>185,470</u>	<u>41</u>	<u>302,013</u>	<u>46</u>
OPERATING EXPENSES (Notes 14, 20, 23, and 28)				
Selling and marketing expenses	27,735	6	37,868	6
General and administrative expenses	78,822	17	80,526	12
Research and development expenses	184,721	41	153,768	24
Expected credit loss (gain) (Notes 9 and 22)	( <u>27,291</u> )	( <u>6</u> )	<u>495</u>	<u>-</u>
Total operating expenses	<u>263,987</u>	<u>58</u>	<u>272,657</u>	<u>42</u>
(LOSS) / PROFIT FROM OPERATIONS	( <u>78,517</u> )	( <u>17</u> )	<u>29,356</u>	<u>4</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4 and 23)				
Interest income	10,828	2	9,940	2
Other income	5,990	1	131	-
Other gains or losses	( 6,604 )	( 1 )	24,048	4
Financial costs	( 4,752 )	( 1 )	( 5,289 )	( 1 )
Share of gain of subsidiaries (Note 11)	( <u>12,109</u> )	( <u>3</u> )	( <u>3,694</u> )	( <u>1</u> )
Total non-operating income and expenses	( <u>6,647</u> )	( <u>2</u> )	<u>25,136</u>	<u>4</u>
(LOSS) / PROFIT BEFORE INCOME TAX	( 85,164 )	( 19 )	54,429	8
INCOME TAX EXPENSE (Notes 4 and 24)	( <u>865</u> )	<u>-</u>	<u>-</u>	<u>-</u>
NET (LOSS) / PROFIT FOR THE YEAR	( <u>84,299</u> )	( <u>19</u> )	<u>54,429</u>	<u>8</u>

(Continued)

**Favite, Inc.**

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

	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 20)	\$ 193	-	\$ 510	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations (Notes 4 and 21)	( 1,539 )	-	2,071	1
Other comprehensive income (loss) for the year, net of income tax	( 1,346 )	-	2,581	1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	( \$ 85,645 )	( 19 )	\$ 57,073	9
(LOSS) / EARNINGS PER SHARE (Note 25)				
Basic	( \$ 1.07 )		\$ 0.69	
Diluted	( \$ 1.07 )		\$ 0.69	

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

(Concluded)

**Favite, Inc.**

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

	Share capital		Retained earnings				Other Equity		Total Equity
	Share (Thousands)	Amount	Capital surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations		
BALANCE AT JANUARY 1, 2024	79,052	\$ 790,523	\$ 98,490	\$ 52,957	\$ 4,550	\$ 161,511	( \$ 5,294 )	\$ 1,102,737	
Appropriation of 2023 earnings	-	-	-	-	-	-	-	-	
Special reserve	-	-	-	-	744	( 744 )	-	-	
Net profit for the year ended December 31, 2024	-	-	-	-	-	54,492	-	54,492	
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	510	2,071	2,581	
BALANCE AT DECEMBER 31, 2024	79,052	790,523	98,490	52,957	5,294	215,769	( 3,223 )	1,159,810	
Appropriation of 2024 earnings	-	-	-	-	-	-	-	-	
Legal reserve	-	-	-	5,500	-	( 5,500 )	-	-	
Special reserve	-	-	-	-	( 2,071 )	2,071	-	-	
Cash dividends distributed by the Company	-	-	-	-	-	( 39,526 )	-	( 39,526 )	
Net loss for the year ended December 31, 2025	-	-	-	-	-	( 84,299 )	-	( 84,299 )	
Other comprehensive income for the year ended December 31, 2025, net of income tax	-	-	-	-	-	193	( 1,532 )	( 1,346 )	
BALANCE AT DECEMBER 31, 2025	79,052	\$ 790,523	\$ 98,490	\$ 58,457	\$ 3,223	\$ 88,708	( \$ 4,762 )	\$ 1,034,639	

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

## Favite, Inc.

### 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		
(Loss) / Income before income tax	( \$ 85,164 )	\$ 54,492
Adjustments for:		
Depreciation expense	11,105	10,950
Amortization expense	3,350	2,919
Expected credit (reversed) loss recognized on trade receivables	( 27,291 )	495
Net loss (gain) the fair value change of financial assets at fair value through profit or loss	602	466
Financial costs	4,752	5,289
Interest income	( 10,828 )	( 9,940 )
Share of loss (profit) of subsidiaries	12,109	3,694
Loss on disposal of property, plant and equipment	-	13
Lease modification benefit	6,356	-
Reversal of write-down of inventories	-	( 9,598 )
Net gain on foreign currency exchange	( 6,419 )	( 31,792 )
Recognition of provisions	4,281	6,367
Reversal of provisions	( 37,052 )	-
Changes in operating assets and liabilities:		
Contract assets	31,702	43,748
Trade receivables	137,704	( 21,016 )
Inventories	( 105,034 )	102,109
Other current assets	4,173	( 18,161 )
Contract liabilities	4,130	47,994
Trade payables	82,003	( 50,068 )
Other payables	( 7,164 )	8,396
Provisions	( 6,700 )	( 9,034 )
Other current liabilities	804	( 528 )
Net defined benefit liability	( 318 )	( 316 )
Payable to employees compensation and remuneration of directors	( 1,239 )	( 146 )
Cash from operations	15,862	136,333
Interest received	11,036	9,013
Interest paid	( 4,808 )	( 5,300 )
Income tax paid	( 168 )	( 4,389 )
Net cash generated from operating activities	<u>21,922</u>	<u>135,657</u>

(Continued)

## Favite, Inc.

### 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 INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	( \$ 547,765 )	( \$ 448,232 )
Proceeds from sale of financial assets at amortized cost	448,232	-
Payments of property, plant and equipment	( 12,903 )	( 12,592 )
Increase in refundable deposits	( 602 )	( 1,552 )
Decrease in refundable deposits	1,004	2,978
Payments for intangible assets	( 2,571 )	( 2,264 )
Net cash used in investing activities	( 114,605 )	( 461,662 )
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	160,000	92,000
Repayments of short-term borrowings	( 60,000 )	( 92,000 )
Repayment of long-term borrowings	( 12,871 )	( 55,898 )
Repayment of the principal portion of lease liabilities	( 1,507 )	( 1,467 )
Dividends paid to owners of the Company	( 39,526 )	-
Net cash generated from / (used in) financing activities	46,096	( 57,365 )
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	1,575	6,870
NET DECREASE IN CASH AND CASH EQUIVALENTS		
	( 45,012 )	( 376,500 )
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	186,545	563,045
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	\$ 141,533	\$ 186,545

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

(Concluded)

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Favite, Inc.

### Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company 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 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 consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter for the Company's consolidated financial statements for the year ended December 31, 2025 is stated as follows:

#### Revenue recognition

The Company's revenue is mainly from the sales and upgrades of automated optical inspection machines, accounting for 93% of the total operating revenue. Please refer to Note 22 for details. As the revenue from the sales of the merchandise to some clients grew significantly, we listed the recognition of the above revenue as a key audit matter.

1. We reviewed the Company's policy on the recognition of the revenue from the sales of automated optical inspection machines to confirm and evaluate if the relevant internal control measures during sales were effective.
2. We randomly checked the sales details and examined the contracts, external orders, delivery orders, shipping documents, and sales invoices; and learned about the clients' relevant industry backgrounds to confirm the authenticity of the revenue.

### Other Matter

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and 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 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 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 Company'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 not detecting a material misstatement resulting from fraud is higher than 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 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 Company 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 Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Su-Li Fang and Tung-Hui Yeh.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 6, 2026

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*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.*

## Favite, Inc. and Subsidiaries

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

	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>ASSETS</b>								
<b>CURRENT ASSETS</b>								
Cash and cash equivalents (Notes 4, 6, and 27)	\$ 151,561	9	\$ 197,401	12	\$ 100,000	6	\$ -	-
Financial assets at fair value through profit or loss - current (Notes 4, 7, and 27)	10,356	1	10,197	1	52,132	3	48,002	3
Financial assets at amortized cost - current (Notes 4, 8, and 27)	547,765	33	445,332	27	139,616	8	54,962	3
Contract assets - current (Notes 22 and 28)	76,727	5	105,084	6	92,715	6	88,379	5
Trade receivables (Notes 4, 9, 22, and 27)	133,530	8	242,545	15	6,192	-	7,431	1
Current tax assets (Notes 4 and 24)	1,839	-	12,011	1	24,068	2	63,539	4
Inventories (Notes 4 and 10)	222,463	14	123,785	7	2,244	-	2,194	-
Other current assets (Note 15 and 27)	38,929	2	31,712	2	12,870	1	12,870	1
Total current assets	1,183,170	72	1,168,067	71	6,228	-	5,424	-
					436,065	26	282,801	17
<b>NON-CURRENT ASSETS</b>								
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 27)	2,440	-	3,201	-	172,672	11	185,543	12
Financial assets at amortized cost - non-current (Notes 4, 8 and 27)	-	-	2,900	-	1,040	-	5,027	-
Property, plant and equipment (Notes 4, 12, and 29)	417,122	25	412,369	25	4,169	-	3,188	-
Right-of-use assets (Notes 4 and 13)	6,310	-	5,312	1	2,540	-	3,051	-
Intangible assets (Notes 4 and 14)	7,836	1	8,901	1	6	-	6	-
Deferred tax assets (Notes 4 and 24)	32,709	2	36,696	2	180,427	11	196,815	12
Other non-current assets (Note 15 and 27)	1,544	2	1,980	2	616,492	37	479,616	29
Total non-current assets	467,961	28	471,359	29	-	-	-	-
<b>LIABILITIES AND EQUITY</b>								
<b>CURRENT LIABILITIES</b>								
Short-term borrowings (Notes 16 and 27)								
Contract liabilities - current (Note 22)								
Trade payables (Note 17 and 27)								
Other payables (Note 18 and 27)								
Payable to employees compensation and remuneration of directors and supervisors (Note 23)								
Provisions - current (Notes 4 and 19)								
Lease liabilities - current (Notes 4, 13, and 27)								
Current portion of long-term borrowings (Notes 16, 27, and 29)								
Other current liabilities (Note 18)								
Total current liabilities								
<b>NON-CURRENT LIABILITIES</b>								
Long-term borrowings (Notes 16, 27, and 29)								
Deferred tax liabilities (Note 4 and 24)								
Lease liabilities - non-current (Notes 4, 13, and 27)								
Net defined benefit liability - non-current (Notes 4 and 20)								
Guarantee deposits received (Notes 27)								
Total non-current liabilities								
Total liabilities								
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 21)</b>								
Share capital								
Ordinary share								
Capital surplus								
Retained earnings								
Legal reserve								
Special reserve								
Unappropriated earnings								
Other equity								
Total equity								
<b>TOTAL</b>								

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

## Favite, Inc. and Subsidiaries

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

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22, 28, and 32)	\$ 459,861	100	\$ 667,587	100
OPERATING COSTS (Notes 10, 20, and 23)	<u>274,152</u>	<u>60</u>	<u>350,186</u>	<u>52</u>
GROSS PROFIT	<u>185,709</u>	<u>40</u>	<u>317,401</u>	<u>48</u>
OPERATING EXPENSES (Notes 14, 20, 23, and 28)				
Selling and marketing expenses	27,735	6	37,868	6
General and administrative expenses	79,074	17	80,820	12
Research and development expenses	196,151	43	172,743	26
Expected credit (gain) loss (Notes 9 and 22)	( <u>27,291</u> )	( <u>6</u> )	<u>495</u>	<u>-</u>
Total operating expenses	<u>275,669</u>	<u>60</u>	<u>291,926</u>	<u>44</u>
PROFIT/(LOSS) FROM OPERATIONS	( <u>89,960</u> )	( <u>20</u> )	<u>25,475</u>	<u>4</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4 and 23)				
Interest income	10,863	2	10,154	1
Other income	6,010	1	230	-
Other gains or losses	( <u>6,692</u> )	( <u>1</u> )	23,903	4
Financial costs	( <u>4,782</u> )	( <u>1</u> )	( <u>5,316</u> )	( <u>1</u> )
Total non-operating income and expenses	<u>5,399</u>	<u>1</u>	<u>28,971</u>	<u>4</u>
PROFIT/(LOSS) BEFORE INCOME TAX	( <u>84,561</u> )	( <u>19</u> )	54,446	8
INCOME TAX BENEFIT/(EXPENSE) (Notes 4 and 24)	( <u>262</u> )	<u>-</u>	( <u>46</u> )	<u>-</u>
NET PROFIT/(LOSS) FOR THE YEAR	( <u>84,299</u> )	( <u>19</u> )	<u>54,492</u>	<u>8</u>

(Continued)

## Favite, Inc. and Subsidiaries

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

	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 20)	\$ 193	-	\$ 510	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations (Notes 4 and 21)	( 1,539 )	-	2,071	1
Other comprehensive income (loss) for the year, net of income tax	( 1,346 )	-	2,581	1
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	( \$ 85,645 )	( 19 )	\$ 57,073	9
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	( \$ 84,299 )	( 18 )	\$ 54,492	8
Non-controlling interests	-	-	-	-
	( \$ 84,299 )	( 18 )	\$ 54,492	8
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:				
Owners of the Company	( \$ 86,645 )	( 19 )	\$ 57,073	9
Non-controlling interests	-	-	-	-
	( \$ 86,645 )	( 19 )	\$ 57,073	9
EARNINGS/(LOSS)PER SHARE (Note 25)				
Basic	( \$ 1.07 )		\$ 0.69	
Diluted	( \$ 1.07 )		\$ 0.69	

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

(Concluded)

## Favite, Inc. and Subsidiaries

### CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	Share capital		Retained earnings					Other Equity	Total Equity
	Share (Thousands)	Amount	Capital surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations		
BALANCE AT JANUARY 1, 2024	\$ 79,052	\$ 790,523	\$ 98,490	\$ 52,957	\$ 4,550	\$ 161,511	\$ 5,294	\$ 1,102,737	
Appropriation of 2023 earnings	-	-	-	-	744	( 744 )	-	-	
Special reserve	-	-	-	-	-	-	-	-	
Net profit for the year ended December 31, 2024	-	-	-	-	-	54,492	-	54,492	
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	510	2,071	2,581	
BALANCE AT DECEMBER 31, 2024	79,052	790,523	98,490	52,957	5,294	215,769	( 3,223 )	1,159,810	
Appropriation of 2024 earnings	-	-	-	-	-	-	-	-	
Legal reserve	-	-	-	5,500	-	( 5,500 )	-	-	
Special reserve	-	-	-	-	( 2,071 )	2,071	-	-	
Cash dividends distributed by the Company	-	-	-	-	-	( 39,526 )	-	( 39,526 )	
Net loss for the year ended December 31, 2025	-	-	-	-	-	( 84,299 )	-	( 84,299 )	
Other comprehensive income for the year ended December 31, 2025, net of income tax	-	-	-	-	-	193	( 1,539 )	( 1,346 )	
BALANCE AT DECEMBER 31, 2025	79,052	790,523	98,490	58,457	3,223	88,708	( 4,762 )	\$ 1,034,639	

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

## FAVITE, INC. AND ITS SUBSIDIARIES

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

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Income before income tax	( \$ 84,561 )	\$ 54,446
Adjustments for:		
Depreciation expense	11,872	11,814
Amortization expense	3,350	2,919
Expected credit (reversed) loss recognized on trade receivables	( 27,291 )	495
Net (gain)/loss on fair value change of financial assets at fair value through profit or loss	602	466
Financial costs	4,782	5,316
Interest income	( 10,863 )	( 10,154 )
Loss on disposal of property, plant and equipment	84	23
Write-down of inventories	6,356	-
Reversal of write-down of inventories	-	( 9,598 )
Net gain on foreign currency exchange	( 6,682 )	( 29,429 )
Recognition of provisions	4,281	6,367
Reversal of provisions	( 37,052 )	-
Changes in operating assets and liabilities:		
Contract assets	31,702	43,748
Trade receivables	138,585	( 20,583 )
Inventories	( 105,034 )	102,109
Other current assets	3,780	( 18,254 )
Contract liabilities	4,130	47,994
Trade payables	84,105	( 50,405 )
Other payables	3,095	( 129 )
Provisions	( 6,700 )	( 9,034 )
Other current liabilities	804	( 528 )
Net defined benefit liability	( 318 )	( 316 )
Payable to employees compensation and remuneration of directors and supervisors	( 1,239 )	( 146 )
Cash from operations	17,788	127,121
Interest received	11,071	9,227
Interest paid	( 4,736 )	( 5,446 )
Income tax paid	( 771 )	( 4,343 )
Net cash generated from operating activities	<u>23,352</u>	<u>126,559</u>

(Continued)

## Favite, Inc. 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 amortized cost	( \$ 547,765 )	( \$ 448,232 )
Proceeds from sale of financial assets at amortized cost	448,232	-
Payments of property, plant and equipment	( 13,016 )	( 12,654 )
Increase in refundable deposits	( 679 )	( 1,637 )
Decrease in refundable deposits	1,137	3,103
Payments for intangible assets	( <u>2,571</u> )	( <u>2,264</u> )
Net cash used in investing activities	( <u>114,662</u> )	( <u>461,684</u> )
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	160,000	92,000
Repayments of short-term borrowings	( 60,000 )	( 92,000 )
Repayment of long-term borrowings	( 12,871 )	( 55,898 )
Refund of guarantee deposits received	-	( 15,940 )
Repayment of the principal portion of lease liabilities	( 2,173 )	( 2,246 )
Dividends paid to owners of the Company	( <u>39,526</u> )	<u>-</u>
Net cash generated from / (used in) financing activities	<u>45,430</u>	( <u>74,084</u> )
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>40</u>	<u>6,870</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	( 45,840 )	( 402,339 )
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>197,401</u>	<u>599,740</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 151,561</u>	<u>\$ 197,401</u>

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

(Concluded)

<Attachment 6>

**Favite, Inc.**  
**Statement of Deficit Compensation**  
**2025**

(Unit: NT\$)

Item		Amount
Unappropriated Earnings, Beginning of Year		172,813,133
Add: Remeasurement of Defined Benefit Plans Counted in Retained Earnings	193,571	
Add: Net loss of 2025	(84,299,499)	
Net Income of 2025 and other adjustments transferred to retained earnings in 2025		(84,105,928)
Adjusted undistributed earnings		88,707,205
Less: Special reserve		(1,538,603)
Ending Balance of Unappropriated Earnings		87,168,602

## IV. APPENDIX

< Appendix 1 >

**Favite, Inc.**  
**“Articles of Incorporation”**  
**(Translation)**

Section I General Provisions

- Article 1 The Company shall be incorporated under the Company Act as a company limited by shares named “Favite Inc.”
- Article 2 The businesses of the Company are as follows:  
I301010 Service of information software.  
F213040 Retail Sale of Precision Instruments.  
CB01010 Machinery and Equipment Manufacturing.  
CE01010 General Instrument Manufacturing.  
CC01080 Electronic Parts and Components Manufacturing.  
CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing.  
CE01030 Optical Instruments Manufacturing.  
E603050 Automatic Control Equipment Engineering.  
E604010 Machinery Installation.  
F113010 Wholesale of Machinery.  
F113030 Wholesale of Precision Instruments.  
F113050 Wholesale of Computers and Clerical Machinery Equipment.  
F118010 Wholesale of Computer Software.  
F401010 International Trade.  
I501010 Product Designing.  
JE01010 Rental and Leasing Business.  
ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The Company shall have its head office in Hsinchu County, Taiwan and shall be free, upon approval of the board of directors, to establish branches at home or abroad when deemed necessary.
- Article 4 The Company may endorse and guarantee externally for business or investment purposes. The total amount of the company's reinvestment is subject to the limit of 40% of the paid-in capital.
- Article 5 Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Section II Capital Stock

- Article 6 The total capital stock of the Company shall be in the amount of

1,500,000,000 New Taiwan Dollars, divided into 150,000,000 shares, at ten New Taiwan Dollars each, within which the Board is authorized to issue shares in installments.

The Company may issue employee stock options from time to time. A total of 2,000,000 shares among the above total capital stock should be reserved for the issuance of employee stock options.

Article 6-1 If the company proposes to issue employee stock option certificates with a subscription price lower than the market price or net value per share, the proposal shall be conducted after it has been approved by shareholders' meeting, which shall be made in accordance with the Regulations Governing the Offering and Issuance of Securities by Securities Issuers. Employees of the parent company or subsidiary meeting certain specific requirements are included to be entitled to receive a share subscription warrant of the Company.

Article 6-2 If the company proposes to repurchase company's shares and transfer to employees with a price lower than the average price of actual repurchasing shares, the proposal shall be conducted after it has been approved by shareholders' meeting, which shall be made in accordance with the relevant laws and regulations. Employees of the parent company or subsidiary meeting certain specific requirements are included to be entitled to receive treasury stock purchased by the Company.

Article 6-3 Employees of the parent company or subsidiary meeting certain specific requirements are included to be entitled to receive new shares issued by the Company. Employees of the parent company or subsidiary meeting certain specific requirements are included to be entitled to receive Restricted Stock Awards.

Article 7 The company's stocks are registered stocks and shall be issued after being signed or stamped by the director representing the Company and certified by the bank serving as the issuer and certifier of the stock in accordance with the law.

For the shares to be issued to the Company, the Company may be exempted from printing any share certificate for the shares issued.

For the shares to be issued in accordance with the provision of the preceding paragraph, the issuing company shall appoint a centralized securities custody enterprise/ institution to record the issue of such shares.

For the corporate bonds to be produced and issued to the Company, the preceding two paragraphs shall be applied mutatis mutandis.

Article 8 Registration for shares transfer shall be suspended within 60 days before the annual shareholders' meeting, within 30 days before the interim shareholders' meeting, or within 5 days before dividends, bonuses or other benefits are

scheduled to be paid by the company.

### Section III Meetings of Shareholders

- Article 9 Shareholders' meeting is divided into two categories; the annual shareholders' meeting is convened every year; it is convened by the Board of Directors in accordance with the law within six months after the end of each fiscal year. The interim shareholders' meeting may be convened in accordance with the law when deemed necessary.
- Article 9-1 When the Company's shareholders' meeting is held, it may be held by video conference or other methods announced by MOEA.
- Article 10 In case the shareholder is unable to attend the Shareholders meeting, the shareholder may appoint a proxy to attend the meeting by presenting a proxy document with a signature or seal and stating therein the scope of power authorized to the proxy.  
Unless otherwise provided in the relevant regulation, the shareholders' appointment of proxies to attend the meeting shall follow the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies issued by the Competent Authority.
- Article 10-1 Shareholders' meetings are to be convened by the board of directors. The Chairman of the Board shall chair shareholders' meetings. If the Chairman is unable to attend, the Chairman may appoint one of the Directors to act on the Chairman's behalf. If no delegate is appointed by the Chairman, one shall be elected from among the Directors.  
For a shareholders' meeting convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.
- Article 11 The shareholders of the Company shall be entitled to one vote for each share. There is no voting right on the restricted stock or stock under Article 179 of Company Law.
- Article 12 Shareholders' Meetings may be held if attended by shareholders in person or by proxy representing more than 50% of the total issued and outstanding capital stock of the Company, and resolutions shall be adopted at the Meeting with the concurrence of a majority of the votes held by shareholders present at the Meeting. The Company may withdraw from public offering upon shareholder approval at the Meeting.
- Article 12-1 Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be made in accordance with Article 183 of the Company Act.

### Section IV. Directors

- Article 13 The Company shall have eight to ten directors whose term of office is three years. The Company adopts the candidate nomination system for the election

of directors. Directors are elected from among the nominees listed in the roster of director candidates at a shareholders meeting. The directors are eligible for re-election.

In the board, the number of independent directors shall be no less than three and no less than one-fifth of the total number of directors.

The nomination of directors and related announcements shall comply with the relevant regulations of the Company Law and the Securities and Exchange Law. The election of independent and nonindependent directors shall be held together; however, the number of independent and non-independent directors elected shall be calculated separately.

Article 13-1 When one-third or more of the Directors are vacated or the independent directors are dismissed en masse, the board of directors shall, within sixty (60) days, convene an interim shareholders meeting to elect Directors to fill the vacancies for the remaining term of their predecessors.

Article 13-2 Meetings of the Board shall be convened upon written notice mailed, e-mailed, or faxed to all directors, at least seven days, unless in case of urgent circumstances, prior to the date of the meeting, specifying the date and place of the meeting and the agenda.

Article 13-3 In compliance with Articles 14-4 of the Securities and Exchange Law, the Corporation shall establish an Audit Committee, which shall consist of all independent directors. The Audit Committee or the members of the Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Company Law, the Securities and Exchange Law and other relevant regulations.

Article 14 The board of directors shall be formed by directors. The directors shall elect from among themselves a chairman by majority approval in a meeting attended by over two-thirds of the directors.

The chairman internally presides over the shareholders meeting and the board of directors, and externally represents the Company.

Article 15 When the Chairman takes leave or fails to exercise his or her authority, his/her proxy shall comply with Article 208 of the Company Act.

Article 15-1 For every resolution for which a vote is required, unless otherwise specified in the Company Act, the resolutions of the Board shall be adopted by a majority vote of those Directors present at a meeting attended by a majority of all Directors.

Attendance via tele- or video conference is deemed as attendance in person. If attendance in person is not possible, they may appoint another director to attend as their proxy. His/her proxy shall comply with Article 205 of the Company Act.

Article 16 The directors' remuneration is authorized to be decided by the board of directors based on the directors' degree of involvement and contribution to

the Company's business operation. Regardless of operating profits or losses, the compensation shall be paid according to the industry standard.

Article 16-1 The Company shall indemnify its directors by reason of the fact that he or she is or was a director of the Company. The Company shall purchase insurance on behalf of its directors.

#### Section V. Managers

Article 17 The Company shall appoint a manager whose appointment, discharge, and remuneration shall be in accordance with the provisions in Article 29 of the Company Act.

#### VI. Accounting

Article 18 At the end of each fiscal year, the board of directors shall have the following documents prepared and submitted to the shareholders meeting for approval.

1. Business report
2. Financial statements
3. Proposal for distribution of earnings or offset of losses.

Article 19 If the company makes a profit for the year, it shall allocate 10% as employee compensation. The board of directors decides to pay in stocks or cash. The recipients may include subordinate employees who meet certain conditions, of which no less than 20% shall be allocated as compensation for entry-level employees. The amount of profit that the company is able to open up is determined by the board of directors to approve directors' remuneration not higher than 2%.

Employee compensation and Directors' remuneration shall be reported to the shareholders' meeting.

However, when the company still has accumulated losses, it shall reserve the amount of compensation in advance, and then allocate employee compensation and directors' remuneration in proportion to the preceding paragraph.

Article 19-1 In the event of surplus earnings after closing annual accounts, due taxes shall be paid per the law, and losses incurred in previous years shall be compensated. Upon completion of the preceding actions, 10% of the remaining surplus shall be allocated as legal reserve. However, in the event that the accumulated legal reserve is equivalent to or exceeds the Company's total paid-in capital, such allocation may be exempted. In addition, the Board of Directors may, after allocating or reversing special reserve pursuant to the laws or regulations of the competent authority, retain parts of the earnings and prepare an earnings distribution proposal along with accumulated undistributed earnings for profits to shareholders' meeting for resolution on the distribution of shareholders' dividend and bonus.

The company's dividend policy is based on the capital, financial structure, overall environment and industrial growth characteristics of the current year

to achieve the company's goal of sustainable operation and stable business performance. Therefore, the company's dividend distribution is reserved by the board of directors according to operational needs. Distributed at a rate not exceeding 90% of the company's distributable earnings. According to the future capital expenditure budget and capital needs, the company's dividends are distributed in two ways: stock dividends (including surplus capital increase, capital reserve capital increase) and cash dividends. The cash dividends shall not be less than 5% of the total dividends.

#### VII. Supplementary Provisions

Article 20 In regard to all matters not provided for in these Articles of Incorporation, the Company Act of the Republic of China shall govern.

Article 21 These Articles of Incorporation were enacted on February 29, 2000.

The 1st amendment was made on May 12, 2000.

The 2nd amendment was made on December 4, 2001.

The 3rd amendment was made on January 12, 2002.

The 4th amendment was made on May 25, 2002.

The 5th amendment was made on October 12, 2002.

The 6th amendment was made on November 11, 2003.

The 7th amendment was made on May 7, 2005.

The 8th amendment was made on July 25, 2005.

The 9th amendment was made on April 28, 2006.

The 10th amendment was made on April 28, 2006.

The 11th amendment was made on January 19, 2007.

The 12th amendment was made on November 8, 2007.

The 13th amendment was made on June 13, 2008.

The 14th amendment was made on June 13, 2008.

The 15th amendment was made on June 16, 2009.

The 16th amendment was made on September 23, 2009.

The 17th amendment was made on September 23, 2009.

The 18th amendment was made on June 15, 2012.

The 19th amendment was made on June 24, 2016.

The 20th amendment was made on May 30, 2018.

The 21st amendment was made on June 12, 2019.

The 22nd amendment was made on August 26, 2021.

The 23rd amendment was made on June 24, 2022.

The 24th amendment was made on May 29, 2023.

The 25th amendment was made on May 29, 2025.

















means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the number of votes for and against and the number of abstentions, shall be entered into the MOPS.

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

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

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and the results of votes and elections shall be announced immediately.

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

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

- Article 14 The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- Article 15 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights) and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of this Corporation. Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of a disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes. When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.
- Article 16 On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means and shall make an express disclosure of the same at the place of the shareholders meeting. In the event of a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting. When the meeting is called to order, the total number of shares represented

at the meeting shall be disclosed on the virtual meeting platform during this Corporation's virtual shareholders meeting. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

Article 17

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

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

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

Article 18

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

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

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

Article 19

In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and elections immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20

When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare their location address when the meeting is called to order.

Article 21

In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless, under a circumstance where a meeting is not required to be postponed to or resumed at another time under

Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

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

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

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

When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in the second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

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

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

For dates or periods set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2,

Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporation shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 22 When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties attending a virtual shareholders meeting online. Except for the circumstances specified in Article 44-9, Paragraph 6 of the Guidelines for Handling Stock Affairs of Publicly Traded Companies, at least shareholder connection equipment and necessary assistance shall be provided, and it shall be stated the period during which shareholders may apply to the company and other relevant matters to be noted.

Article 23 These Rules shall take effect after being submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

These Rules of Procedure for Shareholders Meetings were enacted on June 24, 2022.

The 1st amendment was made on June 24, 2022.

The 2nd amendment was made on May 31, 2024.

**Favite, Inc.****Shareholding and Minimum Number of Shares Required to be held by Directors**

Position	Name	Date Elected	Shares	Shareholding Ratio (%)
Chairman	CHEN, YUNG-HUA	2025.05.29	1,900,813	2.40%
Director	Utechzone Co., Ltd. Representative: WANG, JEN-CHIEH	2025.05.29	8,971,272	11.35%
Director	Utechzone Co., Ltd. Representative: HSU, CHIH-CHAO	2025.05.29		
Director	SHAN, HIS-CHI	2025.05.29	0	0.00%
Director	LIN, HUNG-JEN	2025.05.29	1,394,000	1.76%
Independent Director	WANG, SHU-JANE	2025.05.29	0	0.00%
Independent Director	LEE, SHIH-CHENG	2025.05.29	0	0.00%
Independent Director	SHEN, HIS-WEN	2025.05.29	0	0.00%
Independent Director	SU, HSING-HWA	2025.05.29	0	0.00%
Total			12,266,085	15.51%

Note 1: Total shares issued as of March 31, 2026: 79,052,356 common shares.

Note 2: The Company's Directors are required by the law to hold in the aggregate not less than 6,324,188 shares. The number of shares held by directors has reached legal standards.