

Alpha Networks Inc.

2026 Annual General Shareholders' Meeting Handbook



Date of Meeting: May 26, 2026

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I. Meeting Procedures

Procedures of Alpha Networks Inc. 2026 Annual General Shareholders' Meeting are as Follows.

1. Call Meeting to Order
2. Chairperson Remarks
3. Report Items
4. Directors Election Items
5. Recognition and Discussion Items
6. Special Motions
7. Adjournment

II. Meeting Agenda

Date and time: May 26, 2026 starting 09:00 a.m.

Place: Darwin Hall of HSP Link.

(2F, No. 1, Industry E. Rd. II, Science-Based Industrial Park, Hsinchu, Taiwan, R.O.C.)

The agenda for the Meeting is as follows:

- I. Call Meeting to Order
- II. Chairperson Remarks
- III. Report Items
 1. To report the Business of 2025.
 2. Audit Committee's Review Report.
 3. To report the Cash Distribution from Capital Surplus.
- IV. Director Election Item: Election for eight Directors (including four Independent Directors)
- V. Recognition and Discussion Items
 1. To accept 2025 Financial Statements and Business Report.
 2. To accept 2025 Appropriation of Profit or Loss.
 3. To release the newly-elected Directors and their Representatives from Non-competition Restrictions.
- VI. Special Motions
- VII. Adjournment

Report Items

1. To Report the Business of 2025

Explanation: Please refer to Attachment 1 (P.8 ~ P.10).

2. Audit Committee's Review Report

Explanation: Please refer to Attachment 2 (P.11).

3. To Report the Cash Distribution from Capital Surplus

Explanation:

- (1) In accordance with article 30-1 of the Articles of Incorporation, when the Company's dividends and bonuses are distributed in cash, the Board of Directors is authorized to make a resolution and report the distribution in the shareholders' meeting.
- (2) The proposed distribution is appropriated from capital surplus from the additional paid-in capital arising from ordinary share and approved by the board meeting on February 25, 2026. The cash dividends, amounted to NT\$270,859,230 will be distributed at NT\$0.5 per share, and the distribution of cash dividends shall be based on share ratio and rounded off (less than NT\$1) to the integer. Fractional dividend amounts that are less than NT\$1 shall be ranked from high to low in value and from a small beginning into a mighty in shareholders account number, and then they shall be adjusted in this order until the total amount of cash dividend distribution is met. The Chairperson of Board is also authorized to determine the ex-dividend date and payment date for the cash dividends and other related matters.
- (3) If the cash dividend distribution ratio is adjusted and need to be modified due to change of the Company's total number of outstanding common shares, the Chairperson of Board is authorized with full power to adjust the distribution ratio.

Directors Election Item

1. Election for Eight Directors (Including Four Independent Directors) (Proposed by the Board of Directors)

Explanation:

- (1) Upon the expiry of the Directors' terms of office on May 30, 2026, the Board of Directors resolved that eight Directors (including four Independent Directors) will be elected at this Annual Shareholders' Meeting. The terms of office of the directors to be elected shall be three years, commencing on May 26, 2026 and expiring on May 25, 2029.
- (2) As specified in Article 192-1 of the R.O.C. Company Law and the Article of Incorporation, directors (including Independent Directors) shall be elected by adopting candidate nomination system. Candidate List of Directors (including Independent Directors) was resolved by the board meeting dated February 25, 2026. Shareholders shall elect the directors from the Candidate List, attached hereto as Attachment 3 (P.12-P.14).
- (3) Please refer Rules for Election of Directors to Appendix 3 (P.54-P.55). Please elect.

Election Result:

Recognition and Discussion Items

1. To Accept 2025 Financial Statements and Business Report (Proposed by the Board of Directors)

Explanation:

- (1) 2025 Financial Statements were audited by independent auditors, Jun-Yuan, Wu and An-Chih, Cheng of the CPA firm, KPMG, and the opinion of the independent auditors showed that the consolidated financial statements presented fairly for financial position of the Company as of December 31, 2025 and its consolidated financial performance and consolidated cash flows for 2025, with the attachment of 2025 Business Report.
- (2) Please refer to Attachment 1 (P.8~P.10), Attachment 4 (P.15~P.23) and Attachment 5 (P.24~P.32) for related reports and statements.
- (3) Submission for acceptance.

Resolution:

2. To Accept 2025 Appropriation of Profit or Loss (Proposed by the Board of Directors)

Explanation:

- (1) Please refer to Attachment 6 (P.33)
- (2) Submission for acceptance.

Resolution:

3. To Release the Newly-elected Directors and Their Representatives from Non-competition Restrictions (Proposed by the Board of Directors)

Explanation:

- (1) According to Article 209 of the Company Act, a director who does anything for himself/herself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- (2) The Company's directors who invest in or operate other companies with the same or similar business scope as the company are required to submit to the shareholders' meeting for approval in accordance with the law.
- (3) Please refer to Attachment 7 (P.34~P.38) for proposal to release the newly-elected directors and their representatives from non-competition restrictions.
- (4) Submission for discussion.

Resolution:

Special Motions

Adjournment

Attachments

Alpha Networks Inc.

2025 Business Report

Looking back over the past year, the Company was impacted by macroeconomic factors such as U.S. reciprocal tariffs and the strong appreciation of the New Taiwan Dollar against the U.S. Dollar in the second quarter. For the full year 2025, the Company's consolidated revenue amounted to NT\$22.46 billion, representing an increase of 4.7% compared to the previous year. The consolidated gross margin was 17.4%, a decrease of 0.9 percentage points from 18.3% in the prior year. The consolidated operating loss amounted to NT\$137 million, while the net loss attributable to the owners of the parent company was NT\$194 million, resulting in a loss per share of NT\$0.36.

Strong R&D Capabilities and Continued Focus on Core Products

The Company possesses a comprehensive suite of network communication hardware and software technologies. The primary research and development priorities for 2025, differentiated by product line, are outlined as follows:

(1) Data Center Switches and AI Data Center Switches

- A. We are committed to the continuous development of high-bandwidth, high-density products, specifically focusing on the research and advancement of high-speed switch technologies, such as 1.6T and 800G, to address the demands of AI computing and large-scale data center applications.
- B. Our efforts will include strengthening research and integration of high-speed signals, as well as optimizing designs for water-cooled plates and systems for heat dissipation, thereby enhancing performance and reducing energy consumption.
- C. We aim to develop an open ORV3 rack platform that connects seamlessly to high-speed switching rooms, along with rack blind-plug power supplies and water-cooling systems (DLC).
- D. Our focus will be on bolstering the application and integration of SONiC network operating system technology to facilitate more efficient network operation and management while offering customers adaptable hardware and software solutions.
- E. We will deepen the implementation of SONiC within AI data center switches, merging intelligent computing with network operations to support the evolving requirements of smart data center infrastructure.
- F. Enhanced customization and intelligent design of Baseboard Management Controller (BMC) and Precision Time Protocol Controller (PTP) will be prioritized to improve product management performance.
- G. A focused approach to technological development will be maintained to support the needs of AI applications, promoting the advancement of intelligent and high-performance switch solutions.

(2) Carrier-Grade Switches

- A. Continuously advance communication protocols for core switches within the

telecommunications sector.

- B. Consistently refine Sync-E and IEEE 1588v2 switch technologies to guarantee high-precision time synchronization performance.
- C. Ensure adherence to NEB3 security design requirements for the telecommunications sector.
- D. Enhance the implementation of Secure Boot technology and Hardware Root of Trust (HWRoT) to improve product security and facilitate multi-platform deployment.

(3) Enterprise-grade Switches

- A. Develop comprehensive 10G port Power over Ethernet (PoE) switches that are capable of supporting both Copper and Fiber ports to effectively accommodate a diverse array of application scenarios.
- B. Consistently customize functionalities and communication protocols in accordance with customer requirements to suitably address various markets and environments.

(4) Wireless Broadband Network Products

- A. The organization is committed to the development and patenting of innovative antenna designs aimed at achieving optimal performance in WiFi routers, WiFi optical gateways, WiFi cable modems, WiFi access points, and WiFi extenders.
- B. The comprehensive development of the 5G fixed wireless access (FWA) platforms, including millimeter wave (mmWave) technology, seeks to augment the array of wireless broadband products.
- C. In conjunction with the ongoing development of existing 5G customer premises equipment (CPE), 5G open radio units (O-RU), and 5G small cell solutions, the Company is also concentrating on the implementation of License Band Radio (LBR) technology within mmWave applications.
- D. The newer DOCSIS 4.0 modems and routers are designed to integrate the most advanced wireless (WiFi) technology.

(5) Digital Multimedia and Mobile Solutions Products

- A. Develop a home-use network camera specifically designed for infants.
- B. Enhance the yield rate of optical stations on the assembly line.
- C. Improve the uniformity control of projected light sources.
- D. Optimize the optical testing procedures for consistency.
- E. The 77GHz forward-facing radar, 77GHz side-facing radar, and domain controller system integrated into the E-Bus Advanced Driver Assistance Systems (ADAS) technology project provide critical driver assistance alerts for Adaptive Cruise Control (ACC), Autonomous Emergency Braking (AEB), Blind Spot Information System (BSIS), and Blind Spot Detection (BSD). Furthermore, in partnership with Tron Energy, the manufacturer of the electric bus body, a collaborative project was developed with the Industrial Development Bureau for specialized guidance. All system components and supporting suppliers originate from domestic enterprises, thereby reflecting a commitment to achieving comprehensive functionality through indigenous innovation.

Enhancing Profitability and Strengthening Sustainable Operations

Following a period of inventory adjustments, the networking industry has exhibited signs of gradual

recovery this year. Moreover, with emerging nations actively advocating for the construction of broadband infrastructure, the demand within the market is projected to persist in its expansion. By employing a dual-track development approach that encompasses “deepening core business” and “creating new business,” the Company will prioritize the continuous optimization of its core businesses, with a focus on increasing market share in AI data center-grade switches and enhancing the proportion of high-end broadband and cloud monitoring products. The Company seeks to accomplish its medium- to long-term objective of attaining a position among the top two entities in Taiwan’s industry in terms of consolidated annual revenue.

On the other hand, in 2025, the Company was recognized with two major awards at the TCSA. In November, the Company officially passed the Science Based Targets initiative (SBTi) review for the most stringent 1.5°C near-term emission reduction targets, which was subsequently announced on the SBTi official website on December 4. These achievements demonstrate the Company’s tangible progress in low-carbon transformation and social inclusion, as well as its continued commitment to implementing ESG principles through concrete actions, promoting sustainable development, fostering a friendly workplace, and fulfilling its corporate citizenship responsibilities.

Future Outlook

Looking ahead to 2026, the global economic environment remains subject to a high degree of uncertainty due to factors such as geopolitical developments, tariff policies of major trading countries, and exchange rate fluctuations. With respect to the networking and communications industry, the supply conditions of key raw materials and supply chain management are expected to impact the profitability of downstream manufacturers during the year. In response, the Company is actively expanding its presence in the AI data center sector by accelerating the development and production of high-end products to enhance market competitiveness. At the same time, the Company continues to strengthen strategic partnerships with customers and suppliers to achieve mutual benefits and capture future growth opportunities. Looking forward to 2026, as shipment momentum of major products gradually recovers, coupled with faster development of high-end products and proactive expansion into the European market, the Company anticipates a return to a growth trajectory in profitability and overall operating performance.

Best wishes for your health and all the best!

Sincerely!

Chairperson: Wen-Fang Huang

President: Wen-Fang Huang

Accounting officer: Shao-Ling Chen

Audit Committee's Review Report

To: Alpha Networks Inc. 2026 Annual General Shareholders' Meeting.

The board of directors has prepared the Company's 2025 consolidated financial statements. Jun-Yuan, Wu and An-Chih, Cheng of the CPA firm of KPMG were retained to audit the Company's financial statements and have issued an audit report relating to the financial statements. The 2025 Financial Statements, business report, independent auditors' report and the appropriation of profit or loss have been reviewed and determined to be correct and accurate by the audit committee of Alpha Networks Inc. I, as the chairperson of the audit committee, hereby submit this report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely,

The Audit Committee of Alpha Networks Inc.
Chairperson of the Audit Committee: Shu-Hsing Li

Date: February 25, 2026

Candidate List for Directors (including Independent Directors)

Title	Candidate	Career (Academic) Background	Current Position	Shareholding (shares)
Director	Qisda Corporation, Representative: Chi-Hong Chen	<u>Education:</u> <ul style="list-style-type: none"> ● Technology Management Program, National Chengchi University ● EMBA, Thunderbird American Graduate School, U.S.A. <u>Experience:</u> <ul style="list-style-type: none"> ● President, Qisda Corp. 	<ul style="list-style-type: none"> ● Chairperson, Qisda Corp. ● Chairperson, Representative of DFI Inc. ● Chairperson, Representative of Partner Tech Corp. ● Chairperson, Representative of BenQ Medical Technology Corp. ● Vice Chairperson, Representative of Alpha Networks Inc. ● Director, Representative of Hitron Technologies Inc. ● Director, Representative of Darfon Electronics Corp. ● Director, Representative of BenQ Materials Corp. ● Director, Representative of BenQ Corp. 	295,797,126
Director	Qisda Corporation, Representative: Wen-Fang Huang	<u>Education:</u> <ul style="list-style-type: none"> ● EMBA, National Taiwan University ● Department of Economics, National Taiwan University <u>Experience:</u> <ul style="list-style-type: none"> ● GM, Opto-Mechatronics Products Group, Qisda Corporation 	<ul style="list-style-type: none"> ● Chairperson, Representative of Alpha Networks Inc. ● Chairperson, Representative of Hitron Technologies Inc. ● Chairperson, Representative of Interactive Digital Technologies Inc. 	295,797,126
Director	Qisda Corporation, Representative: Han-Zhou Huang	<u>Education:</u> <ul style="list-style-type: none"> ● EMBA, Beijing Tsinghua University ● MBA, University of Greenwich, UK <u>Experience:</u> <ul style="list-style-type: none"> ● GM, Qisda Corp. 	<ul style="list-style-type: none"> ● Vice Chairperson, Representative of Qisda Corporation, and Group CSO ● Director, Representative of AUO Corp. ● Director, Representative of Alpha Networks Inc. ● Chairperson, Representative of Simula Technology, Inc. ● Chairperson, Representative of Action Star Technology 	295,797,126

Title	Candidate	Career (Academic) Background	Current Position	Shareholding (shares)
			Co., Ltd. <ul style="list-style-type: none"> ● Chairperson, Representative of Data Image Corp. ● Chairperson, Representative of DIVA Laboratories, Ltd. ● Director, Representative of MetaAge Corp. 	
Director	Qisda Corporation, Representative: Chiu-Chin Hung	<u>Education:</u> <ul style="list-style-type: none"> ● EMBA, National Taiwan University ● MBA, California State University, Fullerton <u>Experience:</u> <ul style="list-style-type: none"> ● CFO, BenQ Material Corp (formerly known as Daxon Technology Inc.) 	<ul style="list-style-type: none"> ● CFO, Qisda Corp. ● Director, Representative of BenQ Materials Corp. ● Director, Representative of BenQ Corp. ● Director, Representative of Data Image Corp. ● Director, Representative of Topview Optronics Corp. ● Director, Representative of Darfon electronics Corp. ● Director, Representative of Alpha Networks Inc. ● Director, Representative of Metaage Corp. 	295,797,126
Independent Director	Shu-Hsing Li	<u>Education:</u> <ul style="list-style-type: none"> ● Ph.D., New York University <u>Experience:</u> <ul style="list-style-type: none"> ● Vice President for Financial Affairs, National Taiwan University ● Dean of College of Management, National Taiwan University ● Chair Professor, Department of Accounting, Tunghai University 	<ul style="list-style-type: none"> ● Dean, College of Management, Chang Gung University, and Professor, Graduate Institute of Asset Management. ● Independent Director, Fubon Financial Holding Co., Ltd. ● Independent Director, Healthconn Corp. ● Independent Director, Sharehope Medicine Co., Ltd. ● Independent Director, Alpha Networks Inc. 	0
Independent Director	Cheng-Jung Chiang	<u>Education:</u> <ul style="list-style-type: none"> ● Ph.D., Business Administration, University of Maryland ● EMBA, National Chengchi University 	<ul style="list-style-type: none"> ● Chairperson and President, Taiwan-Asahi Environmental Technology Co., Ltd. ● Chairperson and President, Diamond Technical & Trading Corp. 	0

Title	Candidate	Career (Academic) Background	Current Position	Shareholding (shares)
		<u>Experience:</u> <ul style="list-style-type: none"> ● Independent Director, Chernan Metal Industry Co., Ltd. ● Independent Director, Sampo Corp. ● Independent Director, Giga Solar Materials Corp. 	<ul style="list-style-type: none"> ● Independent Director, FIT Holding Co., Ltd. ● Independent Director, Alpha Networks Inc. 	
Independent Director	Ming-Der Shieh	<u>Education:</u> <ul style="list-style-type: none"> ● Ph.D., Electrical Engineering, Michigan State University, U.S.A. <u>Experience:</u> <ul style="list-style-type: none"> ● Dean, Miin Wu School of Computing, National Cheng Kung University ● Chairperson, Taiwan IC Design Society ● Deputy General Director, Information and Communications Research Laboratories, ITRI 	<ul style="list-style-type: none"> ● Professor, Department of Electrical Engineering, National Cheng Kung University ● CTO, Electronic and Optoelectronic System Research Laboratories, ITRI ● Independent Director, Alpha Networks Inc. ● Independent Director, Genesys Logic, Inc. 	0
Independent Director	Zhong-Rui Chen	<u>Education:</u> <ul style="list-style-type: none"> ● MBA, East Illinois University, U.S.A <u>Experience:</u> <ul style="list-style-type: none"> ● Vice Chairperson, Yuanta Securities Investment Consulting Co., Ltd. 	<ul style="list-style-type: none"> ● Chairperson, Ray Wing Research & Investment Corp. ● Independent Director, Longwell Company ● Director, Tai-Saw Technology Co., Ltd. ● Chairperson, Lixue Asset Management Co., Ltd. ● Independent Director, Alpha Networks Inc. 	0

Independent Auditors' Report and 2025 Financial Statements

2025 Consolidated Financial Statements

Independent Auditors' Report

To the Board of Directors of Alpha Networks Inc.:

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("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 Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue recognition from contracts with customers

Please refer to note 4(16) and note 6(25) for accounting policy and detailed disclosure of revenue, respectively.

Description of key audit matter:

The Group's major revenue is derived from the sales of goods to its customers. Revenue is recognized when the control over a product has been transferred to the customer as specified in each individual contract with customers. The Group recognizes revenue depending on the various sales terms in each individual contract with customers to ensure its performance obligation has been satisfied by transferring its control over a product to its customer. Therefore, we considered the appropriateness of the timing of revenue recognition to be one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included understanding and testing the Group's internal controls surrounding the sales process and cash collection transaction process; analyzing the terms and types of the major sales transactions and assessing whether they were recorded in the proper period; selecting samples of sales transactions within the period before and after the balance sheet date, to recognize when the performance obligation has been satisfied by transferring control over the goods to a customer in order to determine whether they have been recorded in a proper period.

2. Valuation of inventories

Please refer to the note 4(8) for the accounting policy, note 5 for significant accounting assumptions and judgments, and major sources of estimation uncertainty, and note 6(4) for summary of inventory.

Description of key audit matter:

Inventories are measured at the lower of cost or net realizable value at the reporting date. The net realizable value of the inventory is determined by the Group based on the assumptions of the estimated selling price of the products. The rapid development of technology and introduction of new products may significantly change market demand and cause market price fluctuation, which may lead to product obsolescence and the cost of inventory to be higher than the net realizable value. Therefore, the valuation of inventory is one of our key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included reviewing the inventory aging report and analyzing the fluctuation of inventory aging; selecting samples to verify the accuracy of the net realizable value of inventories and inventory aging report prepared by the Group; evaluating whether the valuation of inventories was accounted for in accordance with the Group's accounting policies; and assessing the historical reasonableness of the management's estimates on inventory provisions.

3. Impairment of Goodwill

Please refer to note 4(14) for the accounting policy, note 5 for accounting assumptions, major sources of estimation uncertainty related to goodwill impairment assessment, and note 6(13) for summary of goodwill impairment assessment.

Description of Key Audit Matter:

Goodwill arising from the acquisition of subsidiaries is subject to impairment test annually or at the time there are indications that goodwill may have been impaired. The assessment of the recoverable amount of goodwill involves management's judgment and estimation. Hence, the assessment of impairment of goodwill has been identified as one of our key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included obtaining the expert report provided by management for the assessment of goodwill impairment; evaluating the appropriateness of the valuation model and key assumptions, including discount rates, expected growth rates, as well as future cash flow projections, used by the management in measuring the recoverable amount; testing the accuracy of estimates made by the management by comparing the past projections with actual cash flows; conducting a sensitivity analysis to assess the impact of variations in key assumptions; performing relevant procedures to evaluate the competence and objectivity of the expert; and reviewing whether the Group has appropriately disclosed the relevant information on goodwill impairment assessment.

Other Matter

Alpha Networks Inc. has prepared its parent-company-only financial statements 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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (inclusive of the Audit Committee) are responsible for overseeing the Group's financial reporting process.

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our 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 Chun-Yuan Wu and An-Chih Cheng.

KPMG
Taipei, Taiwan (Republic of China)
February 25, 2026

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
ALPHA NETWORKS INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		For the years ended December 31,			
		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (notes 6(25) and 7)	\$ 22,461,720	100	21,443,625	100
5000	Operating costs (notes 6(4),(10),(11),(13),(21),(26), 7 and 12)	18,564,534	83	17,514,226	82
	Gross profit	3,897,186	17	3,929,399	18
	Operating expenses (notes 6(3),(10),(11),(13),(21),(26), 7 and 12):				
6100	Selling expenses	1,142,709	5	1,083,482	5
6200	Administrative expenses	980,553	4	1,021,350	4
6300	Research and development expenses	1,845,197	8	1,716,699	8
6450	Expected credit loss	65,604	-	281	-
	Total operating expenses	4,034,063	17	3,821,812	17
	Net operating income (loss)	(136,877)	-	107,587	1
	Non-operating income and expenses:				
7010	Other income (notes 6(28) and 7)	104,634	-	86,963	-
7020	Other gains and losses, net (notes 6(6),(12),(20) and (29))	(84,111)	-	357,043	2
7050	Finance costs (notes 6(19) and (30))	(137,591)	(1)	(143,824)	(1)
7100	Interest income (note 6(27))	79,460	-	107,187	1
	Total non-operating income and expenses	(37,608)	(1)	407,369	2
	Profit (loss) before tax	(174,485)	(1)	514,956	3
7950	Less: Income tax expense (benefit) (note 6(22))	(27,431)	-	172,957	1
	Profit (loss)	(147,054)	(1)	341,999	2
8300	Other comprehensive income (loss):				
8310	Components of other comprehensive income (loss) that may not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(21))	(569)	-	32,094	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (loss) (notes 6(23) and (31))	6,829	-	(48,647)	-
8349	Income tax related to components of other comprehensive income (loss) that will not be reclassified to profit or loss (note 6(22))	(236)	-	162	-
	Components of other comprehensive income (loss) that may not be reclassified subsequently to profit or loss	6,024	-	(16,715)	-
8360	Components of other comprehensive income (loss) that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements (note 6(23))	(127,467)	-	346,391	2
8399	Income tax related to components of other comprehensive income (loss) that will be reclassified to profit or loss (notes 6(22) and (23))	18,320	-	(55,689)	(1)
	Components of other comprehensive income (loss) that may be reclassified subsequently to profit or loss	(109,147)	-	290,702	1
8300	Other comprehensive income (loss), net of income tax	(103,123)	-	273,987	1
8500	Total comprehensive income (loss)	<u>\$ (250,177)</u>	<u>(1)</u>	<u>615,986</u>	<u>3</u>
	Profit (loss) attributable to:				
8610	Owners of parent	\$ (193,870)	(1)	218,627	1
8620	Non-controlling interests	46,816	-	123,372	1
		<u>\$ (147,054)</u>	<u>(1)</u>	<u>341,999</u>	<u>2</u>
8700	Total comprehensive income (loss) attributable to:				
8710	Owners of parent	\$ (260,068)	(1)	430,850	2
8720	Non-controlling interests	9,891	-	185,136	1
		<u>\$ (250,177)</u>	<u>(1)</u>	<u>615,986</u>	<u>3</u>
	Earnings (loss) per share (New Taiwan dollars) (note 6(24))				
	Basic earnings (loss) per share	<u>\$ (0.36)</u>		<u>0.40</u>	
	Diluted earnings (loss) per share	<u>\$ (0.36)</u>		<u>0.40</u>	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

ALPHA NETWORKS INC. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings						Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Equity related to non-current assets held for sale	Total other equity interest	Total equity		Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings					Total equity attributable to owners of parent	Non-controlling interests	
Balance at January 1, 2024	\$ 5,417,185	2,595,804	1,266,681	226,548	774,486	2,267,715	(243,018)	18,614	(43,579)	(267,983)	10,012,721	3,317,358	13,330,079
Profit	-	-	-	-	218,627	218,627	-	-	-	-	218,627	123,372	341,999
Other comprehensive income (loss)	-	-	-	-	31,689	31,689	222,759	(42,225)	-	180,534	212,223	61,764	273,987
Total comprehensive income (loss)	-	-	-	-	250,316	250,316	222,759	(42,225)	-	180,534	430,850	185,136	615,986
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	54,694	-	(54,694)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	41,434	(41,434)	-	-	-	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	-	(547,136)	(547,136)	-	-	-	-	(547,136)	-	(547,136)
Donation from shareholders	-	10	-	-	-	-	-	-	-	-	10	-	10
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	544	544	-	(544)	-	(544)	-	-	-
Disposal of Subsidiaries	-	-	-	-	-	-	(43,579)	-	43,579	-	-	-	-
Changes in ownership interests in subsidiaries	-	18,463	-	-	-	-	-	-	-	-	18,463	(18,463)	-
Distribution of cash dividend by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(230,106)	(230,106)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	813,868	813,868
Balance at December 31, 2024	5,417,185	2,614,277	1,321,375	267,982	382,082	1,971,439	(63,838)	(24,155)	-	(87,993)	9,914,908	4,067,793	13,982,701
Profit (loss)	-	-	-	-	(193,870)	(193,870)	-	-	-	-	(193,870)	46,816	(147,054)
Other comprehensive income (loss)	-	-	-	-	(2,580)	(2,580)	(73,279)	9,661	-	(63,618)	(66,198)	(36,925)	(103,123)
Total comprehensive income (loss)	-	-	-	-	(196,450)	(196,450)	(73,279)	9,661	-	(63,618)	(260,068)	9,891	(250,177)
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	25,086	-	(25,086)	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(179,989)	179,989	-	-	-	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	-	(270,859)	(270,859)	-	-	-	-	(270,859)	-	(270,859)
Donation from shareholders	-	11	-	-	-	-	-	-	-	-	11	-	11
Cash dividends from capital surplus	-	(270,859)	-	-	-	-	-	-	-	-	(270,859)	-	(270,859)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	6,719	6,719	-	(6,719)	-	(6,719)	-	-	-
Difference between consideration and carrying amount of subsidiaries disposed	-	3,089	-	-	-	-	-	-	-	-	3,089	23,025	26,114
Changes in ownership interests in subsidiaries	-	7,608	-	-	-	-	-	-	-	-	7,608	(7,608)	-
Distribution of cash dividend by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(199,619)	(199,619)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	22,062	22,062
Balance at December 31, 2025	\$ 5,417,185	2,354,126	1,346,461	87,993	76,395	1,510,849	(137,117)	(21,213)	-	(158,330)	9,123,830	3,915,544	13,039,374

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
ALPHA NETWORKS INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2025	2024
Cash flows from operating activities:		
Profit (loss) before tax	\$ (174,485)	514,956
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	504,172	504,383
Amortization expense	244,513	219,771
Expected credit loss	65,604	281
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(40,389)	21,990
Interest expense	137,591	143,824
Interest income	(79,460)	(107,187)
Dividend income	(251)	(1,306)
(Gain) loss on disposal of property, plant and equipment	(4,049)	3,578
Provisions for inventory obsolescence and devaluation loss	11,441	62,202
Gain on disposal of non-current assets held for sale	-	(453,891)
Lease modification (benefit) expense	(3)	155
Adjustment for other non-cash-related losses, net	28,516	-
Total adjustments to reconcile profit	867,685	393,800
Changes in operating assets and liabilities:		
Notes and accounts receivable (including related parties)	(608,293)	976,374
Financial assets mandatorily at fair value through profit or loss	290	30,309
Inventories	46,931	901,036
Other current assets	(97,072)	21,482
Financial liabilities held for trading	(23,758)	(778)
Notes and accounts payable (including related parties)	1,437,710	(878,491)
Other payables to related parties	(2,828)	3,273
Other current liabilities	(633,774)	(415,414)
Net defined benefit liability	302	(17,911)
Other non-current liabilities	(11,706)	8,512
Total changes in operating assets and liabilities	107,802	628,392
Total adjustments	975,487	1,022,192

(Continued)

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
ALPHA NETWORKS INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (Continued)

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2025	2024
Cash flows generated from operations	\$ 801,002	1,537,148
Interest received	79,423	105,124
Dividends received	251	1,306
Interest paid	(127,109)	(150,198)
Income taxes paid	(77,014)	(206,248)
Net cash flows from operating activities	676,553	1,287,132
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	26,643	31,974
Acquisition of financial assets at amortized cost	(3,362)	(73,355)
Proceeds from repayments of financial assets at amortized cost	73,355	41,000
Acquisition of financial assets at fair value through profit or loss	(49,131)	(50,000)
Net cash outflow arising from acquisition of subsidiaries	-	(349,760)
Proceeds from disposal of subsidiaries	26,101	536,388
Acquisition of property, plant and equipment	(190,109)	(606,530)
Proceeds from disposal of property, plant and equipment	14,313	36,066
Decrease (increase) in refundable deposits	24,369	(34,188)
Acquisition of intangible assets	(82,681)	(79,615)
Decrease in other non-current assets	21,502	327,999
Net cash flows used in investing activities	(139,000)	(220,021)
Cash flows from financing activities:		
Increase in short-term borrowings	10,836,004	10,257,379
Repayments of short-term borrowings	(9,765,658)	(9,590,130)
Proceeds from long-term borrowings	270,000	55,000
Repayments of long-term borrowings	(105,000)	(300,000)
Increase in guarantee deposits received	13,774	580
Payment of lease liabilities	(37,918)	(38,007)
Cash dividends paid to shareholders	(541,718)	(547,136)
Donation from shareholders	11	10
Cash dividends paid to non-controlling interest	(199,619)	(230,106)
Net cash flows from (used in) financing activities	469,876	(392,410)
Effect of exchange rate changes on cash and cash equivalents	(47,125)	81,903
Net increase in cash and cash equivalents	960,304	756,604
Cash and cash equivalents at beginning of period	3,957,279	3,200,675
Cash and cash equivalents at end of period	\$ 4,917,583	3,957,279

Independent Auditors' Report

To the Board of Directors of Alpha Networks Inc.:

Opinion

We have audited the parent-company-only financial statements of Alpha Networks Inc. ("the Company"), which comprise the balance sheets as of December 31, 2025 and 2024, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

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

Basis for Opinion

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

1. Revenue recognition from contracts with customers

Please refer to note 4(15) and note 6(21) for accounting policy and detailed disclosure of revenue, respectively.

Description of key audit matter:

The Company's major revenue is derived from the sales of goods to its customers. Revenue is recognized when the control over a product has been transferred to the customer as specified in each individual contract with customers. The Company recognizes revenue depending on the various sales terms in each individual contract with customers to ensure its performance obligation has been satisfied by transferring its control over a product to its customer. Therefore, revenue recognition is one of our key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included understanding and testing the Company's internal controls surrounding the sales process and cash collection transaction process; analyzing the terms and types of the major sales transactions and assessing whether they were recorded in the proper period; selecting samples of sales transactions within the period before and after the balance sheet date, to recognize when the performance obligation has been satisfied by transferring control over the goods to a customer in order to determine whether they have been recorded in a proper period.

2. Valuation of inventories

Please refer to the note 4(7) for the accounting policy, note 5 for significant accounting assumptions and judgments, and major sources of estimation uncertainty, and note 6(4) for summary of inventory.

Description of key audit matter:

Inventories are measured at the lower of cost or net realizable value at the reporting date. The net realizable value of the inventory is determined by the Company based on the assumptions of the estimated selling price of the products. The rapid development of technology and introduction of new products may significantly change market demand and cause market price fluctuation, which may lead to product obsolescence and the cost of inventory to be higher than the net realizable value. Therefore, the valuation of inventory is one of our key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included reviewing the inventory of aging report and analyzing the fluctuation of inventory aging; selecting samples to verify the accuracy of the net realizable value of inventories and inventory aging report prepared by the Company; evaluating whether the valuation of inventories was accounted for in accordance with the Company's accounting policies; and assessing the historical reasonableness of the management's estimates on inventory provisions.

3. Evaluation of investments accounted for using equity method

Please refer to note 4(9) investment in subsidiaries for accounting policy; and note 6(8) investment in equity-accounted investees, for the evaluation description of the investments accounted for using equity method.

Description of key audit matters:

The Company holds 62.24% shares of Hitron Technologies Inc. ("Hitron Technologies"). Due to the significant amount of investment in Hitron Technologies and the fluctuations in the products selling price of Hitron Technologies are influenced by the competitive market environment for network products products as well as the rapid development of product functions, thus, the assessment of revenue recognition, inventories valuation, and the impairment of goodwill arising from business combinations are crucial. Therefore, it is considered to be one of our key audit matters.

How the matter was addressed in our audit:

We reviewed the component audit workpapers to evaluate the main audit procedures for revenue recognition, inventories valuation, and the impairment of goodwill arising from business combinations under the investment entities accounted for using equity method. The main audit procedures for revenue recognition included analysis of the policies on revenue recognition, Performing period-end cut-off tests used to confirm the attribution period of significant sales revenue. The main audit procedures for inventories valuation included the understanding of the accounting treatment for inventory measurement, sampling test of market information and evaluation of the rationality of the net realizable value of inventory, observing the inventory count and evaluating the condition of obsolete and slow moving inventories. The main audit procedures for the impairment of goodwill arising from business combinations included assessing the management's identification of cash-generating units that may be subject to impairment, as well as the internal and external indicators of impairment, understanding whether the goodwill impairment test has been incorporated into management's assessment process, analyzing the reasonableness of the valuation methodology used by the management in determining the recoverable amount, testing the accuracy of management's historical forecasts, reviewing the management's calculations on the recoverable amount of cash-generating unit and reconciling them to the underlying accounting records, examining the assumptions used in preparing the future cash flow forecasts and determining the recoverable amount, including projected revenues, costs, and expenses, inquiring from the management and reviewing the audit evidence obtained from subsequent events procedures to identify whether any matters arising after the reporting date of the impairment test.

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 the parent-company-only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent-company-only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditor's 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 the parent-company-only financial statements.

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the disclosures, and whether the parent-company-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chun-Yuan Wu and An-Chih Cheng.

KPMG

Taipei, Taiwan (Republic of China)
February 25, 2026

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)
ALPHA NETWORKS INC.

Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		<u>2025</u>		<u>2024</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (notes 6(21) and 7)	\$ 18,180,195	100	13,350,072	100
5000	Operating costs (notes 6(4), (9), (10), (11), (17) and 7)	16,311,002	90	11,510,599	86
	Gross profit	1,869,193	10	1,839,473	14
5920	Add: Net changes in unrealized profit (loss) on sales to subsidiaries and associates (note 7)	(86,502)	-	144,004	1
	Realized gross profit	1,782,691	10	1,983,477	15
	Operating expenses (note 6(9), (10), (11), (17), (23) and 7):				
6100	Selling expenses	285,939	2	310,750	2
6200	Administrative expenses	361,274	2	372,838	3
6300	Research and development expenses	1,313,938	7	1,335,378	10
6450	Expected credit reversal gain (note 6(3))	(1,069)	-	(1,177)	-
	Total operating expenses	1,960,082	11	2,017,789	15
	Net operating loss	(177,391)	(1)	(34,312)	-
	Non-operating income and expenses:				
7010	Other income (notes 6(24) and 7)	24,540	-	43,936	-
7020	Other gains and losses, net (note 6(6) and (25))	(13,745)	-	369,176	3
7050	Finance costs (note 6(16) and (26))	(4,922)	-	(7,416)	-
7070	Share of loss of subsidiaries (note 6(8))	(91,970)	-	(151,208)	(1)
7100	Interest income (notes 6(23) and 7)	41,358	-	56,214	-
	Total non-operating income and expenses	(44,739)	-	310,702	2
	Profit (loss) before income tax	(222,130)	(1)	276,390	2
7950	Income tax expense (benefit) (note 6(18))	(28,260)	-	57,763	-
	Profit (loss)	(193,870)	(1)	218,627	2
8300	Other comprehensive income (loss):				
8310	Components of other comprehensive income (loss) that may not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans (note 6(17))	(2,580)	-	31,689	-
8330	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method (note 6(19))	9,661	-	(42,225)	-
	Components of other comprehensive income (loss) that may not be reclassified subsequently profit or loss	7,081	-	(10,536)	-
8360	Components of other comprehensive income (loss) that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements (note 6(19))	(91,599)	-	278,448	2
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (notes 6(18) and (19))	18,320	-	(55,689)	-
	Components of other comprehensive income (loss) that may be reclassified subsequently to profit or loss	(73,279)	-	222,759	2
8300	Other comprehensive income (loss), net of income tax	(66,198)	-	212,223	2
8500	Total comprehensive income (loss)	<u>\$ (260,068)</u>	<u>(1)</u>	<u>430,850</u>	<u>4</u>
	Earnings (loss) per share (New Taiwan dollars) (note 6(20))				
	Basic earnings (loss) per share	<u>\$ (0.36)</u>		<u>0.40</u>	
	Diluted earnings (loss) per share	<u>\$ (0.36)</u>		<u>0.40</u>	

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)
ALPHA NETWORKS INC.

Statements of Changes in Equity
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					Total other equity interest					Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Equity related to non-current assets held for sale	Total other equity interest	
Balance at January 1, 2024	\$ 5,417,185	2,595,804	1,266,681	226,548	774,486	2,267,715	(243,018)	18,614	(43,579)	(267,983)	10,012,721
Profit	-	-	-	-	218,627	218,627	-	-	-	-	218,627
Other comprehensive income (loss)	-	-	-	-	31,689	31,689	222,759	(42,225)	-	180,534	212,223
Total comprehensive income (loss)	-	-	-	-	250,316	250,316	222,759	(42,225)	-	180,534	430,850
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	54,694	-	(54,694)	-	-	-	-	-	-
Special reserve	-	-	-	41,434	(41,434)	-	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	-	(547,136)	(547,136)	-	-	-	-	(547,136)
Donation from shareholders	-	10	-	-	-	-	-	-	-	-	10
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	544	544	-	(544)	-	(544)	-
Disposal of subsidiaries	-	-	-	-	-	-	(43,579)	-	43,579	-	-
Changes in ownership interests in subsidiaries	-	18,463	-	-	-	-	-	-	-	-	18,463
Balance at December 31, 2024	5,417,185	2,614,277	1,321,375	267,982	382,082	1,971,439	(63,838)	(24,155)	-	(87,993)	9,914,908
Loss	-	-	-	-	(193,870)	(193,870)	-	-	-	-	(193,870)
Other comprehensive income (loss)	-	-	-	-	(2,580)	(2,580)	(73,279)	9,661	-	(63,618)	(66,198)
Total comprehensive income (loss)	-	-	-	-	(196,450)	(196,450)	(73,279)	9,661	-	(63,618)	(260,068)
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	25,086	-	(25,086)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(179,989)	179,989	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(270,859)	(270,859)	-	-	-	-	(270,859)
Donated from shareholders	-	11	-	-	-	-	-	-	-	-	11
Cash dividends from capital surplus	-	(270,859)	-	-	-	-	-	-	-	-	(270,859)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	6,719	6,719	-	(6,719)	-	(6,719)	-
Difference between consideration and carrying amount of subsidiaries disposed	-	3,089	-	-	-	-	-	-	-	-	3,089
Changes in ownership interests in subsidiaries	-	7,608	-	-	-	-	-	-	-	-	7,608
Balance at December 31, 2025	\$ 5,417,185	2,354,126	1,346,461	87,993	76,395	1,510,849	(137,117)	(21,213)	-	(158,330)	9,123,830

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)
ALPHA NETWORKS INC.

Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from operating activities:		
Profit (Loss) before tax	\$ (222,130)	276,390
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	134,318	125,518
Amortization expense	73,817	78,655
Expected credit reversal gain	(1,069)	(1,177)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(6,394)	22,032
Interest expense	4,922	7,416
Interest income	(41,358)	(56,214)
Lease modification loss	-	170
Share of loss of subsidiaries	91,970	151,208
Gain on disposal of property, plant and equipment	(4,754)	-
Provisions for inventory obsolescence and devaluation loss	60,591	169,418
Gain on disposal of non-current assets classified as held for sale	-	(453,891)
Unrealized loss (gain) from sales	86,502	(144,004)
Total adjustments to reconcile profit	398,545	(100,869)
Changes in operating assets and liabilities:		
Financial assets mandatorily at fair value through profit or loss	290	30,168
Notes and accounts receivable	(15,407)	1,174,834
Accounts receivable due from related parties	(272,485)	(432,463)
Inventories	(217,192)	(340,951)
Other current assets	6,899	43,504
Financial liabilities mandatorily at fair value through profit or loss	(22,322)	(778)
Notes and accounts payable	34,814	(774,887)
Accounts payable to related parties	1,064,805	573,655
Other payable to related parties	(2,476)	(17,799)
Other current liabilities	(491,810)	(209,457)
Net defined benefit liability	(709)	(19,868)
Total changes in operating assets and liabilities	84,407	25,958
Total adjustments	482,952	(74,911)

(Continued)

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)
ALPHA NETWORKS INC.

Statements of Cash Flows (Continued)

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows generated from operations	260,822	201,479
Interest received	26,004	46,550
Interest paid	(4,773)	(7,416)
Income taxes paid	(2,560)	(165,207)
Net cash flows from operating activities	279,493	75,406
Cash flows from investing activities:		
Acquisition of financial assets at fair value through profit or loss	(49,131)	-
Acquisition of investments accounted for using equity method	(291,251)	(554,550)
Proceeds from disposal of financial asset at fair value through other comprehensive income	-	31,973
Cash dividends from investments accounted for using equity method	6,840	74,253
Net cash inflow from disposal of subsidiaries	21,956	-
Proceeds from capital reduction of investments accounted for using equity method	-	1,109,713
Proceeds from disposal of non-current assets held for sale	-	568,606
Acquisition of property, plant and equipment	(48,902)	(93,032)
Proceeds from disposal of property, plant and equipment	6,848	1,237
Decrease in refundable deposits	150	758
Decrease (increase) in other receivables due from related parties	28,965	(328,003)
Acquisition of intangible assets	(66,081)	(86,451)
Decrease (increase) in other non-current assets	397	(11,337)
Net cash flows from (used in) investing activities	(390,209)	713,167
Cash flows from financing activities:		
Increase in short-term borrowings	3,188,476	2,400,000
Repayments of short-term borrowings	(2,988,476)	(2,400,000)
Payment of lease liabilities	(12,668)	(13,010)
Cash dividends distributed to shareholders	(541,718)	(547,136)
Donation from shareholders	11	10
Net cash flows used in financing activities	(354,375)	(560,136)
Net increase (decrease) in cash in cash and cash equivalents	(465,091)	228,437
Cash and cash equivalents at beginning of period	837,467	609,030
Cash and cash equivalents at end of period	\$ 372,376	837,467

Alpha Networks Inc.
2025 Appropriation of Profit or Loss

	Unit: NT\$
Net Loss in 2025 (After taxes)	(193,869,991)
Less: Legal Reserve	-
Less: Special Reserve	(70,336,662)
Earnings Available for Distribution in 2025	(264,206,653)
Plus: Unappropriated Retained Earnings of Previous Years	266,125,871
Less: Change in Remeasurements of the Defined Benefit Plan	(2,580,030)
Plus: Dispose of Financial Asset at fair value through other comprehensive profit or loss	6,719,171
Retained Earnings Available for Distribution as of December 31, 2025	6,058,359
Distribution Items:	
Cash Dividends (NT\$0 for every 1,000 common shares)	0
Unappropriated Retained Earnings After Earnings Distribution	6,058,359

Chairperson: Wen-Fang Huang

President: Wen-Fang Huang

Accounting officer: Shao-Ling Chen

**List of Non-competition Restrictions on Newly-elected Directors
and Their Representatives**

Director	Non-competition Restrictions Release Items
Qisda Corporation	Chairperson, Qisda Vietnam Corporation
	Director, TCI Gene Inc.
	Chairperson, DFI Inc.
	Director, AUO Corporation
	Director, QS Control Corp.
	Chairperson, Qisda Electronics Corp.
	Director, H2 Energy Co., Ltd.
	Director, ECOLUX Technology Co., Ltd.
	Chairperson, Partner Tech Corp.
	Chairperson, BenQ Biotech (Shanghai) Corp.
	Chairperson, BenQ Material Corp.
	Chairperson, BenQ Dialysis Technology Corp.
	Chairperson, BenQ Corporation
	Chairperson, Simula Technology Inc.
	Director, Patungkuon Aerospace and Technology Co., Ltd.
	Chairperson, Golden Spirit Co., Ltd.
	Chairperson, Data Image Corporation
	Director, Topview Optronics Corp.
	Director, Dunpin No.5 Innovation Investment Co., Ltd.
	Director, Dunpin No.1 Innovation Investment Co., Ltd.
	Director, Dunpin No.2 Innovation Investment Co., Ltd.
	Director, Dragonfly Unmanned Aircraft Systems Co., Ltd.
	Director, Darfon Electronics Corp.
	Chairperson, Darly Investment Co., Ltd.
Director, Marketop Smart Solutions Co., Ltd.	
Director, Phoenix 7 Venture Capital Co., Ltd.	

Director	Non-competition Restrictions Release Items
	Director, Phoenix 6 Venture Capital Co., Ltd.
	Chairperson, Norbel Baby Co., Ltd.
	Director, Earthgen Technology Corp.
	Chairperson, MetaAge Corp.
Representative of Qisda Corporation: Wen-Fang Huang	Director, Representative of Alpha Networks (Hong Kong) Limited
	Chairperson, Representative of Alpha Networks, Inc. (USA)
	Chairperson, Representative of Alpha Solutions Co., Ltd.
	Chairperson, Representative of Alpha Technical Services Inc.
	Director, Representative of Enrich Investment Corp.
	Chairperson, Representative of Hitron Technologies Inc.
	Chairperson, Representative of Interactive Digital Technologies Inc.
	Director, Representative of Transnet Corp.
	Chairperson, Representative of Alpha Networks Education and Culture Foundation
	Director, BenQ Foundation
Representative of Qisda Corporation: Chi-Hong Chen	Director, BenQ BM Holding Cayman Corp.
	Director, BenQ BM Holding Corp.
	Director, Darly Venture (L) Ltd.
	Director, Qisda (Hong Kong) Limited
	Director, Qisda (L) Corp.
	Director, Industrial Technology Research Institute
	Chairperson, Representative of DFI Inc.
	Director, Representative of Hitron Technologies Inc.
	Chairperson, Qisda Corporation
	Chairperson, Representative of Partner Tech Corp.
	Director, Representative of BenQ (Nanjing) Hospital Management Consulting Co., Ltd.
	Director, Representative of BenQ Medical Technology Corporation
	Director, Representative of BenQ Material Corp.
	Director, Representative of BenQ Corporation
	Director, Representative of BenQ Healthcare Consulting Corporation

Director	Non-competition Restrictions Release Items
	Director, Representative of Nanjing BenQ Medical Center Co., Ltd.
	Director, Representative of NCCU Star Venture Capital Co., Ltd.
	Chairperson, BenQ Foundation
	Director, Representative of Dunpin No.5 Innovation Investment Co., Ltd.
	Director, Representative of Dunpin No.1 Innovation Investment Co., Ltd.
	Director, Representative of Dunpin No.2 Innovation Investment Co., Ltd.
	Director, Representative of Darfon Electronics Corp.
	Director, Representative of Darly Investment Co., Ltd.
	Director, Representative of Darly II Investment Co., Ltd.
	Director, Representative of Darly Consulting Corp.
	Director, Representative of Phoenix 7 Venture Capital Co., Ltd.
	Director, Representative of Phoenix 3 Venture Capital Co., Ltd.
	Director, Representative of Phoenix 6 Venture Capital Co., Ltd.
	Director, Representative of Phoenix Venture Capital Co., Ltd.
	Director, Representative of Phoenix 2 Venture Capital Co., Ltd.
	Director, Representative of Phoenix 4 Venture Capital Co., Ltd.
	Director, Representative of Suzhou BenQ Medical Center Co., Ltd.
Representative of Qisda Corporation: Han-Chou Huang	Director, Representative of Qisda Corp.
	GM, Qisda Corp.
	Director, Representative of BenQ Biotech (Shanghai) Co., Ltd.
	Director, Representative of Shanghai Filter Technology Co., Ltd.
	Director, BenQ Foundation
	Director, Representative of AUO Corporation
	Chairperson, Representative of Data Image Corporation
	Chairperson, Representative of Diva Laboratories Ltd.
	Director, Representative of MetaAge Corporation
	Chairperson, Representative of Simula Technology Inc.
	Chairperson, Representative of Action Star Technology Co., Ltd.
Representative of Qisda Corporation: Chiu-Chin Hung	Director, BenQ BM Holding Cayman Corp.
	Director, BenQ BM Holding Corp.

Director	Non-competition Restrictions Release Items
	Director, Darly Venture (L) Ltd.
	Director, Qisda (Hong Kong) Limited
	Director, Qisda (L) Corp.
	Director, Qisda Sdn. Bhd.
	Director, Representative of Shanghai Filter Technology Co., Ltd.
	Director, Representative of BenQ (Nanjing) Hospital Management Consulting Co., Ltd.
	Director, Representative of BenQ Biotech (Shanghai) Co., Ltd.
	Director, Representative of BenQ Material Corp.
	Director, Representative of BenQ Corporation
	Director, Representative of BenQ Healthcare Consulting Corporation
	Director, Representative of Nanjing BenQ Medical Center Co., Ltd.
	Director, Representative of Suzhou BenQ Investment Ltd.
	Director, Representative of Suzhou BenQ Medical Center Co., Ltd.
	Director, BenQ Foundation
	Director, Representative of Data Image Corporation
	Director, Representative of Topview Optronics Corp.
	Director, Representative of Darfon Electronics Corp.
	Chairperson, Representative of Darly Investment Co., Ltd.
	Chairperson, Representative of Darly II Investment Co., Ltd.
	Chairperson, Representative of Darly Consulting Corp.
	Director, Representative of MetaAge Corporation
Independent Director: Ming-Der Hsieh	CTO, Electronic and Optoelectronic System Research Laboratories (EOSL), ITRI
	Independent Director, Genesys Logic Inc.
	Director, Southern Taiwan Silicon Valley Program Office
Independent Director: Shu-Hsing Li	Independent Director, Fubon Financial Holding Co., Ltd.
	Independent Director, Healthconn Corp.
	Independent Director, Sharehope Medicine Co., Ltd.
Independent Director: Cheng-Jung Chiang	Chairperson and GM, Taiwan-Asahi Environmental Technology Co., Ltd.
	Chairperson and GM, Diamond Technical & Trading Corp.

Director	Non-competition Restrictions Release Items
	Independent Director, FIT Holding Co., Ltd.
	Director and Strategy Consultant, Commerce Development Research Institute
	Director, Taiwan-Asahi Environmental Technology Co., Ltd.
	Chairperson, Negoro International Taiwan Co., Ltd.
	Chairperson, Smart Biotechnology Co., Ltd.
	Chairperson, Istron International Co., Ltd.
Independent Director: Zhong-Rui Chen	Chairperson, Ray Wing Research & Investment Corp.
	Independent Director, Longwell Company
	Director, Tai-Saw Technology Co., Ltd.
	Chairperson, Lixue Asset Management Co., Ltd.
	Director, Dunpin No.1 Innovation Investment Co., Ltd.
	Supervisor, Dunpin No.3 Innovation Investment Co., Ltd.

Appendices

Alpha Networks Inc.

Rules of Procedure for Shareholders' Meeting

Article 1

Unless otherwise provided by laws and regulations, the shareholders' meeting of the Company shall be held in accordance with the Rules.

Unless otherwise provided by the competent securities authority, the virtual shareholders' meeting of the Company shall be held in accordance with the Rules.

Article 2

Shareholders, proxies solicitors and agent (collectively "shareholders") attending the shareholders' meeting shall submit a sign-in card to sign in. In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Article 3

The attendance and voting by shareholders shall be duly calculated based on the number of shares held.

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

Article 3-1

The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

Article 4

If the shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair. Or, if there are no managing directors, one of the directors shall be appointed to act as chairperson. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as the chair.

If a shareholders' meeting is convened by a party, other than the board of directors, with power to convene, the convening party shall chair the meeting.

Article 4-1

When a company will convene a shareholders' meeting with video conferencing, it shall specify the following matters in the shareholders' meeting notice:

1. The means for shareholders to take part in the video conferencing and exercise their rights.
2. Measures to be taken if, due to circumstances of a natural disaster, unforeseen event, or other force majeure event, any disruption occurs in the video conferencing platform or in participation by means of video conferencing, including at least the following particulars:
 - (1) To what time the meeting is postponed or from what time the meeting will resume if the above disruption continues and cannot be eliminated, and the date to which the meeting is postponed or on which the meeting will resume.
 - (2) Shareholders that have not registered to take part by video conference in the originally scheduled shareholders' meeting may not take part by video conference in the postponed or reconvened meeting.
 - (3) When the Company convenes a hybrid shareholders meeting, if the virtual meeting cannot be continued, then if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the shareholders meeting by video conferencing, meets the legal quorum for holding a shareholder meeting, the shareholders meeting shall continue in session. The number of shares represented by the shareholders, proxy solicitors, or proxy agents who were attending the shareholders' meeting by video conferencing shall be counted toward the total number of shares represented by the shareholders attending the meeting, but they shall be deemed to have waived their voting rights on all proposals at that shareholders' meeting.
 - (4) Measures to be taken if the outcome of all proposals have been announced but extemporary motions have not yet been proceeded with.
3. When the Company convenes a virtual-only shareholders' meeting, it furthermore shall specify appropriate alternative measures available to shareholders who have difficulty taking part in a virtual shareholders' meeting.

Article 5

The Company may appoint the designated attorneys, CPAs or relevant persons to attend the shareholders' meeting. The staffs handling administrative affairs of the shareholders' meeting shall wear identification cards or armbands.

Article 6

The process of the shareholders' meeting shall be tape-recorded or videotaped and these recorded materials shall be preserved for at least one year. Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

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

Article 7

The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements but the attending shareholders represent one third or more of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. All shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company within 2 days held shareholders' meeting.

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

Article 8

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda (including extraordinary motions), except by a resolution of the shareholders meeting. The shareholders may not designate other person as the chair to continue the meeting at the original or other place after the meeting is adjourned. If the chair declares the meeting adjourned in violation of the rules of procedure, the attending shareholders can elect a new chair by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

Article 9

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

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

Article 10

Except with the consent of the chair, a shareholder may not speak more than twice on the same agenda, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech. Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in preceding article and paragraphs 1 in this article do not apply.

Article 11

A corporate shareholder being entrusted to attend in a shareholders meeting may appoint only one representative to represent it in the meeting.

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

Article 12

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

Article 13

When the chair is of the opinion that an agenda has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote.

Article 14

The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chair; however, that the person supervising the casting of votes shall be a shareholder. The results of resolution(s) shall be announced in the meeting, and recorded in the meeting minutes.

Article 15

During the proceedings of a meeting, the chair may consider the schedule and announce for a break.

Article 16

When the Company holds a shareholder meeting, it can adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. The exercise method and related matters shall be executed in accordance with Company Act and the regulations of the authority.

Except as otherwise provided in the Company Act and the Company's Articles of Incorporation, the passage of an agenda shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chairperson. If an objection exists, the resolution shall be voted by casting ballots.

During the voting process, an agenda is deemed as having been duly resolved if no shareholder objects in response to consultation by the chair and the agenda so resolved is equally valid as the one resolved through casting of ballots. In case an objection is heard, the agenda shall be resolved through casting of ballots.

When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces 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 results of votes and elections shall be announced immediately.

Article 17

If there shall be an amendment or alternative to one agenda, the chair may combine the amendment or alternative into the original agenda, and determine their orders for resolution. Any one of the above shall be resolved, the others shall be considered as rejected, upon which no further resolution shall be required.

Article 18

In the event of a virtual shareholders meeting, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for 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.

Article 19

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."

Article 20

The rules and procedures shall be effective from the date it is adopted by the shareholders' meetings. The same applies in case of amendment.

Article 21

The Rules was formulated on March 2nd, 2004 at Special Shareholders' Meeting.

The first amendment was made on June 9th, 2006.

The second amendment was made on June 18th, 2015.

The third amendment was made on May 31st, 2023.

Alpha Networks Inc.

Articles of Incorporation

Chapter 1 General Provisions

Article 1

The name of the company is ALPHA NETWORKS INC. (the “Company”), which is duly organized as a company limited by shares under the Company Act of Taiwan.

Article 2

The scope of business of the Company shall be as follows:

1. CC01101 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing.
2. CC01070 Wireless Communication Mechanical Equipment Manufacturing.
3. CF01011 Medical Devices Manufacturing.
4. F108031 Wholesale of Medical Devices.
5. F401010 International Trade.
6. Research, develop, design, manufacture and sell the following products:
 - (1) Equipment and the components of computer network system.
 - (2) Metropolitan network and enterprise network products.
 - (3) Broadband products.
 - (4) Wireless network products.
 - (5) Medical equipment products and the parts and components.
 - (6) The import/export business and medical application of the products in the preceding paragraphs.
 - (7) The maintenance, testing and after-sales service for the products in the preceding paragraphs.

Article 3

The headquarter of the Company shall be in Hsinchu Science Park, Taiwan R.O.C. Where it is necessary for business, the Company might set up branch companies and representatives in appropriate locations within and outside the territory of Taiwan upon resolutions of the board of directors and approvals by authorities.

Article 4

The public announcements of the Company shall be executed in accordance with Article 28 of the Company Act.

Article 5

The Company may provide endorsements and guarantees to other parties for business needs.

Article 6

The total amount of the Company's investment in other companies is exempted from the Article 13 of the Company Act. Any matters regarding the investment shall be resolved in accordance with the board to directors.

Chapter 2 Shares

Article 7

The authorized capital of the Company is NT\$ 8,000 million, divided into 800 million shares, with a par value of NT\$10 per share and the board of directors is authorized to issue the shares in separate installments as required. The Company may issue employee stock options from time to time. A total of 50 million shares among the above total capital should be reserved for issuing employee stock options. The board of directors is also authorized to issue options in separate installments as required. The employees qualified for certain requirements shall be included in the recipients of the issuance of shares, the recipients of employee stock options, recipients of employee restricted shares plan and the recipients of issuance of shares reserved for subscription by employees. The board of directors is authorized to set the "certain requirements".

Article 8

After the share certificates of the Company are be affixed with the signatures or personal seals of the director representing the company and are duly certified or authenticated by the bank, the share certificates could be issued to the public. The Company may issue shares without printing share certificates but the shares issued shall be recorded in depository institutes.

Article 9

The stock related operations shall be executed in accordance with the "Guidelines for Stock Operations for Public Companies" and other related laws and regulations.

Article 10

No transfer and pledge of shares of the Company may be used against the Company unless the name and residence or domicile of the transferee is recorded in the shareholder book of the Company. It should be handled by the company or book-entry transfer.

Chapter 3 Shareholders' Meeting

Article 11

Within 60 days prior to the convening date of a general shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the date on which the distribution of dividends, bonus or other benefits, registration for transfer of shares shall be suspended.

Article 12

Shareholders' meetings of the Company are of two types, namely general meetings and special meetings. The general meeting shall be convened at least once per year and within six months after close of each fiscal year. A notice to convene a general meeting shall be given no later than 30 days prior to the scheduled meeting date. A special meeting is convened when necessary, and notice shall be given no later than 15 days prior to the scheduled meeting date.

The meeting notice shall include the date, place and subject(s) of a meeting. A shareholders' meeting shall, unless otherwise regulated by the Company Act and other acts, be convened by the board of directors.

Article 12-1

The Company's shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 13

The shareholders' meeting shall be presided over by the chairperson. In his absence, the chairperson shall appoint one of the directors to act as the chairperson. Where the chairperson does not make such a designation, the directors shall select one person among themselves to serve as the chairperson.

Article 14

A shareholder may appoint a representative to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating the scope of powers authorized to the proxy. The proxy shall be sent to the company no later than 5 days prior to the date of the shareholders' meeting. In case two or more written proxies are received from one shareholder, the first one received by the Company shall prevail; unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.

Article 15

The proxy for attending shareholders' meetings shall be executed in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" issued by the securities authority.

Article 16

The shareholders' meeting of the Company shall be executed in accordance with the "Rules and Procedure of the Shareholders Meeting" unless specified otherwise by laws and regulations.

Article 17

Except in the circumstances otherwise specified in the Article 179 of the Company Act, each share of stock of the Company shall be entitled to one vote.

Article 18

Resolutions at a shareholders' meeting shall, unless otherwise specified for in the Company Act, be adopted by a majority vote of the attending shareholders, who represent more than one-half of the total number of voting rights.

Article 19

The resolutions adopted at a shareholders' meeting shall be recorded in the meeting minutes which shall be affixed with the signature or seal of the chairperson of the meeting and shall be distributed to all shareholders within twenty (20) days after the close of the meeting.

The preparation and distribution of the minutes of the shareholders' meeting required in the preceding paragraph shall be executed by the Company Act.

The minutes of the shareholders' meeting shall record the date and place of the meeting, the name of the chairperson, the method of adopting resolutions, and a summary of the essential points and the results of the meeting. The minutes shall be kept persistently throughout the life of the Company.

The attendance book bearing the signatures of the attending shareholders and the powers of attorney of the proxies shall be kept by the Company for a minimum period of at least one year. However, if a lawsuit has been initiated by any shareholder in accordance with the provisions of Article 189 of the Company Act hereof, the minutes of the shareholders' meeting involved shall be kept by the company until the legal proceedings of the foregoing lawsuit have been concluded.

Chapter 4 Directors

Article 20

The Company shall have five to eleven directors who are elected by the shareholders' meeting among candidates with legal capacity. The term of office shall be three years, and all directors shall be eligible for re-election. The board of directors shall have at least three independent directors.

The candidate nomination system is adopted for election of the directors of the Company and the shareholders shall elect the directors from the nominees listed in the candidate roster.

Independent directors and non-independent directors shall be elected together, and the number of elected candidates shall be calculated respectively.

The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination and other requirements with regard to the independent directors shall be set forth in accordance with the rules and regulations of the securities authority.

The percentage of shareholdings of all the directors shall be in accordance with the rules and regulations of the securities authority.

The Company shall buy the director liability insurance with respect to liabilities resulting from exercising their duties during their term of directors.

The remuneration of directors for performing their duties, regardless of the company's profit or loss, is authorized to the board of directors to decide according to the standards of the industry.

Article 21

When the number of vacancies on the board of directors of the Company exceeds one-third of the total number, the board of directors shall convene, within 60 days, a special shareholders' meeting to elect succeeding directors to fill the vacancies.

Article 22

In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of existing directors shall be extended until the time new directors have been elected and assumed their office.

Article 23

The directors shall elect from among themselves the chairperson of the board of directors by a majority of members in a meeting attended by over two-thirds of the directors.

The chairperson of the board of directors is both the chairperson of the shareholders' meeting and the meeting of the board of directors, and shall have the authority to represent the Company.

Article 24

The meeting of the board of directors shall be convened by the chairperson, except for the first meeting of the board of directors of each term in accordance with Article 203 of the Company Act. Unless otherwise specified in the Company Act, resolutions of the board of directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

If a director is unavailable to attend a meeting, the director may issue a proxy for the given meeting specifying the scope of the authorized powers to the authorized director to attend the meeting. A director may represent only one other director at a meeting pursuant to Article 205 of the Company Act.

In case a meeting of the board of directors is proceeded via visual communication network, then the directors participating in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 24-1

Seven days prior to the convening of a meeting of the board of directors, a notice shall be sent to all directors, specifying the reasons for calling the meeting. In an emergency situations, a meeting may be called whenever necessary.

The notice of convening a board meeting may be in writing, by fax or by e-mail notification thereof.

Article 25

In case the chairperson is on leave or absent or unable to exercise his/her power and authority for any cause, his/her authority shall be executed in accordance with Article 208 of the Company Act.

Article 26

The authorities of the board of directors are as follows:

1. The Company's business policies, and middle\long-term development plans.
2. Deliberate and monitor the annual business plan.
3. Deliberate Company's annual budget plan.
4. Deliberate the plan to increase or decrease the Company's capital.
5. Deliberate the proposal of the distribution of earnings or the proposal of loss off-setting.
6. Deliberate the substantial contracts.
7. Deliberate the revisions of the Articles of Incorporation.
8. Deliberate the company organization regulations and the major operation rules.
9. Deliberate the setup, re-organization and dismissal of branch offices.
10. Deliberate the major capital expenditures plans.
11. Commissioning and decommissioning of the Company's president and vice presidents.
12. The implementation of the resolutions of the shareholders' meeting.
13. Discussion and resolution of the proposals initiated by the president.
14. Convene the shareholders' meeting and report the operation results.
15. The authorities pursuant to the shareholders' meeting and in accordance with other regulations.

Article 27

The Company sets up the audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee is exercising the authority of supervisions conducted in the Company Act, the Securities and Exchange Act, and other relevant laws and regulations. The audit committee is composed of independent directors only.

Charter 5 Managers

Article 28

The Company may appoint several managers and the commissioning, decommissioning and remuneration of the president shall be as pursuant to the Company Act.

Charter 6 Accounting

Article 29

The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year. After the end of each fiscal year, the following reports shall be prepared by the board of directors, and then submitted the general shareholders' meeting for adoption:

1. Business reports.
2. Financial statements.
3. The proposal of the distribution of earnings or the proposal of loss off-setting.

Article 30

If the Company reports profits, the Company shall appropriate 10~22% of profits as the employee compensation and less than 1% of profits as the director compensation. When the Company has accumulated losses, earnings shall be retained to offset the losses at first.

The compensation distribution for non-executive employees shall not be less than 10% of the total compensation of the employees in the preceding paragraph.

The appropriation ratio of the employee compensation and the director compensation and whether the employee compensation is distributed in stocks or cash shall be resolved by a majority of members in a meeting attended by over two-thirds of the directors. And then the resolutions shall be submitted to the shareholders' meeting to report.

The board of directors can determine whether payments shall be in cash or stocks to the eligible employees, including employees of the subsidiaries in the first paragraph. The conditions and distribution method are authorized to be determined by the board of directors.

Article 30-1

When allocating the net profits for each fiscal year, the distribution order shall be followed:

1. Reserve for tax payments.
2. Offset losses in previous years, if any.
3. Legal reserve, which is 10% of leftover profits.
4. Allocation or reverse of special reserves as required by the Securities and Exchange Act.
5. After deducting the previous balances, the board of directors will propose a distribution proposal for the balance and the earnings in previous years. When the distribution is made by issuing new shares, it shall be submitted to the shareholders meeting for a resolution.

When the whole or part of the distributable dividends and bonuses, and the legal reserve and capital surplus in accordance with laws is made by cash, the board of directors is authorized to resolve by a majority vote in a meeting of the board of directors attended by two-thirds of the directors. And then the resolution shall be submitted to the shareholders' meeting.

The Company is in a technological and capital-intensive industry. In order to fulfill the Company's long-term capital planning and take into account of the interests of shareholders in the growth period, the Company adopts a residual dividend distribution policy to sustain the growth and operation of the Company.

When distributing dividends, the Company shall deliberate the needs for future scale of operation expansion and cash flows requirement. If the annual operating result is positive at the end of each fiscal year and the retained earnings available for distribution of the current year reaches 2% of the paid-in capital of the Company, no less than 10% of the retained earnings available for distribution of the current year shall be distributed as dividend. The proportion of cash dividends paid each year shall not be less than 10% of the total amount of the cash and stock dividends.

Charter 7 Supplementary Provisions

Article 31

All matters not provided for in the articles of incorporation shall be handled in accordance with the Company Act and other applicable laws or regulations.

Article 32

This article was formulated on 16th August, 2003.
Its first amendment was made on 2nd March, 2004.
Its second amendment was made on 17th June, 2005.
Its third amendment was made on 9th June, 2006.
Its fourth amendment was made on 8th June, 2007.
Its fifth amendment was made on 8th June, 2007.
Its sixth amendment was made on 13th June, 2008.
Its seventh amendment was made on 19th June, 2009.
Its eighth amendment was made on 18th June, 2010.
Its ninth amendment was made on 10th June, 2011.
Its tenth amendment was made on 15th June, 2012.
Its eleventh amendment was made on 18th June, 2015.
Its twelfth amendment was made on 17th June, 2016.
Its thirteenth amendment was made on 14th June, 2019.
Its fourteenth amendment was made on 12th June, 2020.
Its fifteenth amendment was made on 18th June, 2021.
Its sixteenth amendment was made on 31st May, 2022.
Its seventeenth amendment was made on 27th May, 2025.

Alpha Networks Inc.

Rules for Election of Directors

The Regulation was formulated on March 2nd, 2004.

The first amendment was made on June 9th, 2006.

The second amendment was made on June 8th, 2007.

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

The fourth amendment was made on June 18th, 2015.

Article 1

Unless otherwise provided by Company Act or by this Company's articles of incorporation, election of directors shall be conducted in accordance with these Regulations.

Article 2

The election of the company's directors is selected in Annual shareholders meeting.

Article 3

In the election of Directors of the Company, the recorded cumulative voting system is implemented. The recorded voting of candidates shall be replaced by the attendance number printed on the ballot.

Article 4

Each share shall have voting rights equivalent to the number of seats to be elected in the election of Directors of the Company. The elections for independent directors and non-independent directors shall be held concurrently with the numbers of candidates elected separately.

Article 5

The numbers of the directors of the Company shall be as specified by the Articles of Incorporation of the Company. In the election for the independent directors and directors of the Company, the candidates receiving ballots representing the highest number of voting rights sequentially shall be elected.

Article 6

Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel.

Article 7

The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 8

The ballot should be issued according to the attendance number, and its right should be added-in. If the candidate is a shareholder of this Company, voters shall fill in the “candidate” column the candidate’s name and the candidate’s shareholder’s number. If the candidate is not a shareholder of this Company, voters shall fill in the “candidate” column the candidate’s name and the candidate’s ID number. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) shall be filled in the “candidate” column. If there are multiple representatives, these representatives’ names shall be filled in separately.

Article 9

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

1. Use different the ballots of this regulation rules are prohibited.
2. Blank ballots voted in the ballot box by the voter;
3. The handwriting on the ballots is too illegible to be identified;
4. The candidate whose name is enter in the ballot is a shareholder, but the candidate’s account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate’s name and identity card number do not match;
5. Other words or marks are written in addition to the candidate’s account name(or identity card number) and the number of voting rights allotted;
6. The number of write-in candidates is more than one candidate;
7. One of the candidate’s account name (or identity card number) and the number of voting rights allotted is altered.

Article 10

After the end of the poll, and the results of the calculation shall be announced by the chair on the site.

Article 11

The board of directors of the Company shall issue notifications to the person elected as directors.

Article 12

The matters not provided of the Regulation in accordance with the Company Law and other relevant Laws. The Regulation and any amendments hereto, shall be implemented after approval by a shareholders’ meeting.

Alpha Networks Inc.

Shareholding of Directors

Book Closure Date: March 28, 2026

Title	Name	Date elected	Shareholding when elected			Current shareholding		
			Type	Shares	%	Type	Shares	%
Chairperson	Qisda Corporation Representative: Wen-Fang Huang	2023.5.31	Common Share	295,797,126	54.60%	Common Share	295,797,126	54.60%
Vice Chairperson	Qisda Corporation Representative: Chi-Hong Chen							
Director	Qisda Corporation Representative: Han-Chou Huang							
Director	Qisda Corporation Representative: Chiu-Chin Hung							
Independent Director	Ming-Der Hsieh	2023.5.31	Common Share	0	0.00%	Common Share	0	0.00%
Independent Director	Shu-Hsing Li	2023.5.31	Common Share	0	0.00%	Common Share	0	0.00%
Independent Director	Cheng-Jung Chiang	2023.5.31	Common Share	0	0.00%	Common Share	0	0.00%
Independent Director	Zhong-Rui Chen	2023.5.31	Common Share	0	0.00%	Common Share	0	0.00%
Total			Common Share	295,797,126		Common Share	295,797,126	

The total outstanding shares of the Company: 541,718,460 common shares as of March 28, 2026.

Note: The minimum number of shares that shall be held by all directors of the Company is 17,334,990. As of March 28, 2026(closing date), the number of shares held by all directors is 295,797,126 shares which have met the minimum requirement. (The number of shares held by independent directors did not apply)

The Company has set up the audit committee therefore the number of shares held by supervisors is not applicable.

2026

Alpha Networks Inc.
Annual General Shareholders' Meeting
Handbook

ALPHA Networks

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