

Leadtrend Technology Corporation

Handbook for the 2025 Annual Meeting of Shareholders

(TRANSLATION)

Meeting type: Physical shareholders' meeting

Meeting date: May 29, 2025

**Place: No. 3, Taiyuan 1st Street, Zhubei City, Hsinchu County
(2nd Floor, Banquet Room, Phase III)**

Table of Contents

Chapter 1 、 Meeting Procedure -----	1
Chapter 2 、 Agenda of Annual Meeting of Shareholders -----	2
I .Report Items -----	3
II .Proposed Resolutions-----	5
III .Discussion Items -----	6
IV .Election Matters-----	10
V .Other Motions -----	11
VI .Extemporary Motions -----	12
Chapter 3 、 Attachments	
1.2024 Business Report -----	13
2.Audit Committee’s Review Report -----	18
3.Independent Auditors’ Report and Financial Statements	19
4.Proposal for Distribution of Earnings in 2024 -----	43
5.Comparison Table Illustrating the Original and Amended Text of the “Articles of Incorporation”-----	44
6.Regulations for the Issuance of Restricted Employee Shares for the Year 2025-----	46
7.List of Director and Independent Director Candidates---	50
Chapter 4 、 Appendices	
1.Articles of Incorporation (Before Amendment) -----	53
2.Rules of Procedure for Shareholder’s Meetings -----	58
3.Rules for Election of Directors -----	66
4.Shareholding Status of All Directors -----	69
5.Effect of the proposed no-compensation allotment of shares on the Company's operating results and earnings per share -----	70

Leadtrend Technology Corporation

2025 Annual Shareholder's Meeting Procedure

- I. Call the meeting to order**
- II. Chairman's Address**
- III. Report Items**
- IV. Proposed Resolutions**
- V. Discussion Items**
- VI. Election Matters**
- VII. Other Motions**
- VIII. Extemporaneous Motions**
- IX. Adjournment**

Leadtrend Technology Corporation

2025 Annual Shareholders' Meeting

Meeting Agenda

(Translation)

Time: 9:00 a.m., May 29, 2025 (Thursday)

Place: No. 3, Taiyuan 1st Street, Zhubei City, Hsinchu County
(2nd Floor, Banquet Room, Phase III)

Meeting type: Physical shareholders' meeting

1. Call the meeting to order

2. Chairman's Address

3. Report Items

- (1) 2024 Business Report
- (2) 2024 Audit Committee's Review Report
- (3) Report on the Distribution of Remuneration for Employees and Directors in 2024.
- (4) Report on the Cash Distribution from Retained Earnings and Capital Surplus in 2024.

4. Proposed Resolutions

- (1) Adoption of the 2024 Business Report and Financial Statements
- (2) Adoption of the Proposal for the Distribution of Earnings for the Fiscal Year 2024

5. Discussion Items

- (1) Amendment to the Company's Articles of Incorporation
- (2) The Company Will Issue the Restricted Employee Shares in 2025.
- (3) Increase Capital Through Retained Earnings in 2024 to Issue New Shares.

6. Election Matters

To Elect Directors, Including Independent Directors.

7. Other Motions

Proposal to Lift the Restriction on Newly-elected Directors Participating in Competitive Business.

8. Extemporaneous Motions

9. Adjournment

Report Items

Report Item (1)

Subject: 2024 Business Report.

Descriptions: 2024 Business Report is attached on page 13 to 17, Attachment 1.

Report Item (2)

Subject: 2024 Audit Committee's Review Report.

Descriptions: 2024 Audit Committee's Review Report is attached on page 18, Attachment 2.

Report Item (3)

Subject: Report on the Distribution of Remuneration for Employees and Directors in 2024.

Descriptions:

- (1) According to Article 20 of the Company's Articles of Incorporation, in the event that a profit is realized (defined as pre-tax profit prior to the deduction of remuneration for employees and directors) for the year, the Company is mandated to allocate a minimum of 5% of the profit for employee compensation and a maximum of 2% of the profit for director remuneration.
- (2) The total remuneration allocated to employees and directors is NT\$21,146,931 and NT\$1,895,523, respectively, with both amounts disbursed in cash. Additionally, there is no discrepancy between the estimated expenses and the actual distribution of remuneration for either employees or directors.

Report Item (4)

Subject: Report on the Cash Distribution from Retained Earnings and Capital Surplus in 2024.

Descriptions:

- (1) According to Article 20-1 of the Company's Articles of Incorporation, the board of directors is authorized to determine that all or a portion of the dividends, bonuses, legal reserves, and capital surplus to be distributed shall be in the form of cash payments, and is required to report such actions to the shareholders' meeting.
- (2) A total cash dividend amounting to NT\$47,623,280 has been allocated to shareholders, equating to NT\$0.8 per share (or NT\$800 per 1,000 shares). This distribution is based on the shareholders recorded in the shareholders' register as of the ex-dividend date. An additional appropriation of NT\$23,811,640 is allocated from the capital surplus generated by share premiums, resulting in a cash dividend distribution of NT\$0.4 per share (equivalent to NT\$400 per 1,000 shares). Consequently, the total cash dividend per share amounts to NT\$1.2.
- (3) The total cash dividends disbursed to each shareholder shall be rounded to the nearest New Taiwan Dollar (NTD), with any fractional amounts less than NTD 1 excluded from consideration. The cumulative total resulting from this rounding process shall be classified as other income for the Company.
- (4) In the event that subsequent modifications to laws or regulations, adjustments made by the relevant authority, or actions undertaken by the company—such as share repurchases, cancellations, corporate bond conversions, new share issuances, or other influencing factors—impact the number of outstanding shares and the allocation rate for shareholders, the board of directors is authorized to manage these changes appropriately.

Proposed Resolutions

Proposal (1)

Subject: Adoption of the 2024 Business Report and Financial Statements.

[Proposed by the Board of Directors]

Descriptions:

- (1) The financial statements for the year 2024 have undergone an audit conducted by Yu-Fong Huang and Mei-Chen Tsai, Certified Public Accountants at Deloitte & Touche. They have also provided an auditors' report that includes their unqualified opinion.
- (2) For the 2024 Business Report, Independent Auditor's Report, and financial statements, please refer to Attachment 1 on pages 13 to 17 and Attachment 3 on pages 19 to 42 of the Handbook.

Resolution:

Proposal (2)

Subject: Adoption of the Proposal for the Distribution of Earnings for the Fiscal Year 2024.

[Proposed by Board of Directors]

Descriptions:

The Proposal for Distribution of Earnings, Please refer to Attachment 4 on page 43 of the Handbook.

Resolution:

Discussion Items

Proposal (1)

Subject: Amendment to the Company's Articles of Incorporation

[Proposed by the Board of Directors]

Descriptions:

- (1) The purpose of this amendment is to modify specific provisions within the Company's "Articles of Incorporation" in accordance with the recent amendment to Article 14, Section 6 of the Securities and Exchange Act.
- (2) For a comparative analysis of the provisions of the Company's "Articles of Association" prior to and following the amendment, please refer to Attachment 5 on page 44 to 45 of the Handbook.

Resolution:

Proposal (2)

Subject: The Company Will Issue the Restricted Employee Shares in 2025.

[Proposed by the Board of Directors]

Descriptions:

- (1) We plan to issue restricted employee shares in accordance with Article 267 of the Company Act and the relevant provisions of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers.
- (2) The total amount and the conditions pertaining to the restricted employee shares to be issued at this time are outlined as follows:

A. Total amount for this issue:

The total amount to be issued is NT\$4,200,000, with a total of 420,000 shares issued, each having a par value of NT\$10. The board of directors is authorized to issue these shares in one or multiple times, in accordance with the relevant laws, within one year from the date of the resolution passed at the shareholders' meeting.

B. Conditions Related to the Issue:

(i) Anticipated Issue Price:

The issuance price is set at NT\$0 per share.

(ii) Conditions for Granting:

After the restricted employee shares are allocated to an employee, the employee must achieve an assessment grade of "Compliance" or higher

(i.e., a scale score of ≥ 5.8) in their most recent Individual Performance evaluation prior to the granting date. Additionally, the employee must still be remain employed at Leadtrend when any of the following granting periods expire. The employee will then receive the restricted employee shares based on the ratio of the granted portion for the relevant granting period.

<u>Granting Period</u>	<u>Granting Ratio</u>
From the date of the grant until October 11 of the subsequent year.	1/6
From the date of the grant until April 11 of the second year.	1/6
From the date of the grant until October 11 of the second year.	1/6
From the date of the grant until April 11 of the third year.	1/6
From the date of the grant until October 11 of the third year.	1/6
From the date of the grant until April 11 of the fourth year.	1/6

(iii) The restricted employee shares issued to employees this time consist of common shares.

(iv) Measures to be implemented when an employee does not meet granting conditions or in the case of inheritance:

When an employee fails to meet the granting conditions, we will revoke and cancel the restricted employee shares granted to the employee, without any compensation, in accordance with the law. In the event of occurrence of inheritance, the inheritance will be managed in accordance with the regulations governing the issuance of the restricted employee shares.

C. Employees' Qualifications, Conditions, and Number of Shares Allocated or Subscribed:

(i) Full-time employees of Leadtrend and its subsidiary companies who have reported for duty already as of the date on which the restricted employee shares are granted are eligible. The subsidiary companies referenced herein are defined in Article 369-2 of the Company Act.

(ii) The employees who are granted restricted employee shares, along with the quantity of shares allocated, will be determined based on factors such as years of service, rank, work performance, overall contributions, special achievements, and other criteria deemed relevant by management. These awards must receive approval from the Chairman and subsequently be reported to the board of directors for their consent. However, if any of the employees also serves as a director and/or manager, the approval of the remuneration committee must be obtained first. Non-managerial employees will be reported to the audit committee.

D. Justifiable Reasons for Issuance of Restricted Employee Shares:

To attract, retain, and motivate talent while enhancing employees' commitment to consistently and steadily develop Leadtread's business, thereby maximizing benefits for Leadtread and its shareholders.

E. Potential expenses amount, dilution of Leadtread's earnings per share, and other impacts on shareholders' equity.

- (i) The Company shall measure the fair value of the shares on the grant date and recognize the related expenses annually during the granting period.

Under the circumstances in which all the granting conditions have been met, the total estimated expense, based on the closing price of the Company's common stock at NT\$69.00 on February 19, 2025, amounts to NT\$28,980 thousand. The estimated expenses for the years 2025 to 2029 respectively are as follows: NT\$3,202 thousand, NT\$14,367 thousand, NT\$7,783 thousand, NT\$3,225 thousand, and NT\$403 thousand, respectively.

- (ii) Dilution of Leadtread's earnings per share and other impacts on shareholders' equity:

The impact of the granting conditions and the annual amortization of the temporarily estimated expense on earnings per share is as follows: the earnings per share for 2025, 2026, 2027, 2028, and 2029 are projected to decrease by NT\$0.037, NT\$0.166, NT\$0.090, NT\$0.037, and NT\$0.005, respectively. (These figures are calculated based on 60,442,100 shares issued on February 19, 2025, plus restricted employee shares.) The dilution of earnings per share is limited, resulting in no significant impact on shareholders' equity.

- (3) The Regulations for Issue of Restricted Employee Shares for 2024 are established. Please refer to Attachment 6 on pages 46 to 49 of the Handbook. After the motion is approved, if the Regulations need to be revised due to changes in laws or upon request by the competent authority, Chairman is fully authorized to deal with all relevant matters.

Resolution:

Proposal (3)

Subject: Increase Capital Through Retained Earnings in 2024 to Issue New Shares.

[Proposed by the Board of Directors]

Descriptions:

- (1) We plan to withdraw NT\$11,905,820 from the retained earnings available for distribution in 2024 and increase our capital by issuing 1,190,582 new shares, each with a par value of NT\$10.
- (2) The new shares issued during this capital increase will be allocated based on the shareholding of each shareholder recorded in the register of shareholders as of the record date. Each shareholder will be entitled to receive 20 new shares for every 1,000 shares they own.
- (3) The allocation of fractional shares, specifically those that are less than one full share, may be conducted by the shareholders themselves within five days from the date when the transfer of shares ceases at the time of ex-rights. This process should be coordinated with the company's stock affairs agency to consolidate the total shareholding. For all transaction shares that remain less than one full share, an amount calculated at par value (rounded to the nearest whole number) will be distributed in cash in accordance with Article 240 of the Company Act. The Chairman is authorized to designate specific individuals to subscribe to fractional shares at par value. The funds from fractional shares held by shareholders participating in the book-entry allocation of shares will be used to cover the expenses of the book-entry operation.
- (4) The rights and obligations associated with the new shares issued for this capital increase are the same as those for the originally issued common shares.
- (5) This time, following approval by the shareholders' meeting and submission to the relevant authority for endorsement, the board of directors is authorized to establish a base date for share allotment (capital increase) and related matters. If subsequent changes in laws or regulations, adjustments by the relevant authority, or actions taken by the company—such as share repurchases, cancellations, corporate bond conversions, new share issuances, or other factors—affect the number of outstanding shares and the shareholders' allotment rate, the board of directors is authorized to manage these changes accordingly.

Resolution:

Election Matters

Proposal (1)

Subject: To Elect Directors, Including Independent Directors.

[Proposed by Board of Directors]

Descriptions:

- (1) The term of service for the Company's eighth director will expire on June 8, 2025. The re-election will be conducted in accordance with the law at the annual shareholders' meeting.
- (2) In accordance with the provisions of the Company's Articles of Association, the election of all directors shall adopt a candidate nomination system to elect seven directors, including four independent directors. The term of service for these directors will be three years, from May 29, 2025, to May 28, 2028. The terms of the current directors will conclude at the end of this annual shareholders' meeting.
- (3) The election was conducted in accordance with the Rules for the Election of Directors. Please refer to Appendices 3 on pages 66 to 68 of the Handbook.
- (4) The list of candidates for Directors and Independent Directors, which was reviewed and approved by the Company's Board of Directors on April 10, 2025, can be found in Attachment 7 on pages 50 to 52 of the Handbook.

Election results :

Other Motions

Proposal (1)

Subject: Proposal to Lift the Restriction on Newly-elected Directors Participating in Competitive Business.

[Proposed by the Board of Directors]

Descriptions:

- (1) In accordance with Article 209 of the Company Act, "Directors shall explain to the shareholders' meeting the significant aspects of their actions and obtain permission to perform activities within the scope of the Company's business, either for themselves or for others."
- (2) In order to leverage the expertise and experience of the company's directors, the company hereby requests the approval of the shareholders' meeting to lift the non-competition restrictions on the newly appointed directors listed in the table.

Candidate Title	Name of Candidate	Concurrent Position of another Company	
		Company Name	Title
Independent Director	Ding-Jen Liu	<ul style="list-style-type: none"> ● Algoltek, Inc. ● Alcor Micro, Corp. ● Chenyuan Investment Co.,Ltd. 	<ul style="list-style-type: none"> ● Representative of corporate directors ● Representative of corporate directors ● Director
Independent Director	Chien-Kuo Yang	<ul style="list-style-type: none"> ● Diwan & Company ● Diwan International Management Consulting Inc. ● Andes Technology Corp. ● Tien Da Investment Co., Ltd. ● Macronix International Co., Ltd. ● YoungTek Electronics Corp. 	<ul style="list-style-type: none"> ● Certified Public Accountant ● Chairman ● Independent Director ● Chairman ● Independent Director ● Independent Director
Independent Director	Chih-Chun Tsai	<ul style="list-style-type: none"> ● Coretech Optical Co., Ltd. ● Hua Jieh Investment Co., Ltd. ● Egis Technology Inc. ● Daxin Materials Corp. 	<ul style="list-style-type: none"> ● Director ● Chairman ● Director ● Independent Director
Independent Director	Hsiang-Ju Liao	<ul style="list-style-type: none"> ● Novatek Microelectronics Corp. ● Azion Corp. ● TEN Incubation Corp. ● TEN Angel Investment Corp. ● Cornerstone Venture Capital 	<ul style="list-style-type: none"> ● Independent Director ● Representative of corporate directors ● Chairman ● Chairman ● Chairman

Candidate Title	Name of Candidate	Concurrent Position of another Company	
		Company Name	Title
		Corp. ● TsingHua Culture Media Co., Ltd. ● TsingHua Investment Corp. ● TsingHua Management Consultant Corp. ● iMT Co., Ltd. ● JelloX Biotech Inc. ● MedFluid Co., Ltd.	● Director and General Manager ● Director ● Director ● Director ● Director ● Director

Resolution:

Extemporaneous Motions

Adjournment

Leadtrend Technology Corporation**2024 Business Report**

Dear Shareholders,

In the post-pandemic era, the global economic recovery has demonstrated considerable disparities, shaped by enduring factors such as geopolitical tensions, inflationary pressures, and the reconfiguration of supply chains, all of which continue to influence industrial development. Leadtrend is committed to the advancement and implementation of ACDC power management integrated circuits (ICs), with technological innovation serving as the primary driver of our operational growth. In 2024, we launched a series of high-performance products specifically designed to meet market demands for low power consumption, high efficiency, and high power density solutions. These offerings have attracted significant interest from brand customers, resulting in a 27.36% year-over-year increase in annual revenue.

2024 Business Performance Outcomes**(1) Results of the Implementation of the Operational Plan**

Leadtrend's strategic focus on providing comprehensive solutions and highly integrated products began to yield synergistic advantages across various application sectors in 2024. The composition of sales has demonstrated a growing proportion of total solutions and high-integration products. Our one-stop service model has effectively attracted an increasing number of brand customers to adopt Leadtrend's solutions. The product strategy continues to emphasize a comprehensive deployment of a full range of power solutions aimed at medium and high power applications. Given the irrational competition prevalent in mature process nodes in China, which has been intensified by the US-China trade conflict, Leadtrend has taken proactive measures to align with the development of next-generation products. To this end, the company has incorporated AI Efficiency technologies into its ACDC PWM product lines, which are progressively gaining traction in the market. We have successfully commercialized synchronized rectification products by employing optimized process technologies and have commenced mass production of streamlined Combo-type Power Delivery (PD) and Type-C products. These advancements facilitate our long-term clients in efficiently upgrading their systems, thereby aligning with their objectives of promoting energy efficiency in their branding strategies. The architectures of our next-generation products utilize a platform-based design approach that aims to enhance power efficiency and performance, in alignment with Environmental, Social, and Governance (ESG) principles. This approach is intended to strengthen the competitiveness of future offerings. In response to the ongoing recovery of global economic conditions

anticipated in 2024, Leadtrend has allocated substantial resources and engaged in collaborations with prominent brand clients to develop next-generation products across a variety of applications, including Power Delivery (PD), networking, notebooks, smart appliances, electric bicycles, televisions, and Industrial Personal Computers (IPCs). This strategic initiative has generated numerous opportunities for customized design.

(2) An Analysis of Financial Revenue, Expenditure, and Profitability

Leadtrend's consolidated financial performance for the fiscal year 2024 is summarized as follows: the annual revenue reached NT\$1,454 million, reflecting a growth of 27.36% compared to the previous year. The gross profit amounted to NT\$552 million, which constitutes 38.0% of total revenue, representing an increase of 28.61% from the prior year. The net profit was reported at NT\$85 million, accounting for 5.84% of revenue, and demonstrating a remarkable increase of 1,589.10% over the previous year. Additionally, the net operating profit was NT\$85 million, with an increase of 1,589.10% from the previous year. The after-tax profit was recorded at NT\$112 million, resulting in earnings per share (EPS) of NT\$1.89 and a return on stockholders' equity of 6.56%.

(3) Status of Research and Development

Energy-efficient technology has consistently constituted the core strategy in the product development endeavors of Leadtrend. In 2024, our initiatives in product development incorporated patented technologies, optimized integrated circuits that adhere to energy efficiency regulations, hybrid analog-digital control designs, high-density gallium nitride (GaN) component integration, and sophisticated current-sensing mechanisms for synchronous rectification within the alternating current-direct current (ACDC) pulse width modulation (PWM) product line. The promotional phase for LLC and AHB products in 2024 was executed effectively. Significant advancements have been achieved in the research and development of high-power LLC (Lumped Inductance Converter) products, particularly with optimizations tailored for television and networking applications. Notable improvements include: (1) a television system achieving an efficiency of over 93% at 180W; (2) the integration of built-in PGI (Power Good Indicator) control, which reduces the component count by 15 and enhances standby power consumption by 60mW. These developments comply with the latest regulations set forth by Energy Star 7 and the European Union's ErP Lot 5, demonstrating exceptional performance in terms of component efficiency, count, and protection control. Furthermore, these products align with environmental, social, and governance (ESG) criteria, underscoring their eco-friendly attributes.

The latest iteration of USB Power Delivery (PD) 3.1 has enhanced the output power capacity to 240 watts, utilizing a 5-ampere charging cable with a maximum

output voltage of 48 volts. Leadtrend's AHB 240W PD 3.1 solution has been effectively promoted, incorporating Power Factor Correction (PFC) and AHB control integrated circuits (ICs), as well as AHB synchronous rectification (SR) and PD ICs. This comprehensive approach ensures consistency, stability, streamlined supply chains, technical support, alignment of system performance, cost-effectiveness, and quality assurance. Consequently, this innovation has facilitated the miniaturization of PD power supplies, improved efficiency, reduced the number of components, and contributed to carbon footprint reduction. The AHB technology is particularly well-suited for applications such as AI laptop adapters, server power supplies, electric tool chargers, and high-performance power devices, thereby offering reliable and efficient power management solutions. Furthermore, Leadtrend's AHB technology demonstrates advantages in minimizing electromagnetic interference (EMI), rendering it appropriate for applications that are sensitive to electromagnetic environments. By the conclusion of 2024, Leadtrend has applied for and received approval for nearly 559 patents both domestically and internationally, culminating in a total of over 740 patent applications.

Leadtrend's research and development efforts across all product lines have consistently pursued the vision of your power, Green the World by advancing product technology. The company actively integrates digital and analog mixed-signal technologies alongside hardware and software development in its research initiatives. Product development is achieved through collaboration with brands and manufacturers within the power design sector, and ongoing project research on emerging technologies is conducted in partnership with relevant industry stakeholders, government entities, and academic institutions. This collaborative approach facilitates annual enhancements in power system conversion efficiency, underscoring that green innovation has consistently served as a fundamental guiding principle for Leadtrend.

Summary of the 2025 Business Plan

(1) Business Plan

Leadtrend adheres to fundamental principles of innovation, service, quality, and collaboration, thereby offering customers prompt and comprehensive services. The company's long-term development strategy emphasizes a focus on Taiwan, a deep engagement with the Chinese market, and an aspiration to connect with international brands globally.

(2) Expected Sales Volume and Its Underpinnings

The global market for power management integrated circuits (ICs) is currently undergoing a normalization process following a period characterized by significant inventory backlogs. This adjustment is occurring in response to a resurgence in end-

user demand. The swift advancement of the global electronic products market has facilitated the extensive application of power management ICs across a diverse array of electronic devices. Notably, the escalating demand for high-power computing and artificial intelligence (AI) servers is contributing to an increase in the sales of high-performance power management ICs. Leadtrend expresses a positive outlook regarding future operational growth, anticipating substantial contributions from both established brand operations and the introduction of new products from emerging brand customers. Sales projections for 2025 indicate a marked increase compared to the previous year. In terms of operational strategy, the company intends to enhance its engagement with brand customers and collaborate closely with major power manufacturers to identify potential synergies. It is proposed that commitment to this strategic direction, along with continuous investment in advanced technological talent and innovations related to Artificial Intelligence and Power Computing (AIPC), fifth-generation mobile communication technology (5G), notebooks (NB), televisions (TV), and network communications (Netcom), will significantly contribute to and enhance future revenue growth.

(3) Important Policies Regarding Production and Sales

Leadtrend is recognized as the most comprehensive ACDC Total Solution integrated circuit design company in Taiwan. The complete solutions offered by Leadtrend are applicable to various types of power system designs, enabling the provision of rapid design solutions that align with market demands for products. As the global semiconductor supply chain stabilizes, the company collaborates closely with its foundry, packaging, and testing partners to ensure a stable supply and flexible adjustments in production and sales in response to market fluctuations.

The Company remains committed to advancing technological innovation with the aim of enhancing product reliability and reducing costs, thereby establishing competitive advantages and improving customer retention through tailored services. In addition to innovative product planning, we have integrated foundry processes to expedite production cycles and develop energy-efficient, highly integrated, and cost-optimized solutions. Looking ahead, we will continue to invest in research and development resources to foster technological innovation in the realms of artificial intelligence applications, 5G, the Internet of Things (IoT), high-speed networks, smart home appliances and lighting, power delivery fast-charging products, industrial control power supplies, medical power supplies, and other related applications. Our focus will remain on the ongoing development of our industry.

The future development strategy of the company, along with the influence of the external competitive environment, regulatory framework, and overall business landscape, will be examined.

We maintain a strong commitment to the advancement of product and technology development, underpinned by principles of sound corporate governance, social responsibility, and sustainable development. Through the application of innovative technology, we aim to deliver high-performance power management integrated circuit (IC) products that assist our customers in adhering to the latest international regulations, minimizing energy consumption, and promoting environmental sustainability. Despite the anticipated rapid changes in the macroeconomic environment and the intensifying competition within the industry, Leadtrend is poised to formulate a strategic vision for technology and new product development that aligns with emerging market demand trends. This proactive approach will enable us to identify potential growth opportunities and to actively pursue the development of diversified and niche products. Our ongoing commitment to innovation and enhancement of technological capabilities is directed towards achieving increased profitability and delivering greater value to our customers and shareholders.

The Board of Directors remains committed to maintaining the trust and long-term support of shareholders. The Board will oversee the management team and collaborate diligently with all employees to actively pursue the growth and development of the company, thereby expressing gratitude to shareholders for their confidence and encouragement. We would like to extend our sincere wishes for your good health and overall well-being. Thank you.

Chairman: Yu-kun Kao

Manager: Heng-Chung Chi

Accounting Manager: Shu-Wei Yu

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2024 Business Report, Financial Statements, and Distribution of Earnings. The financial statements have been audited by CPAs Yu-Feng Huang and Mei-Ching Tsai of Deloitte & Touche, and an audit report has been issued.

The Audit Committee has reviewed the aforementioned business reports, financial statements, and distribution of earnings, and has concluded that there are no discrepancies. I hereby submit this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To Leadtrend Technology Corp., 2025 Annual Shareholders' Meeting

Leadtrend Technology Corporation

Convener of the Audit Committee: Chien-Kuo Yang

April 10, 2025

Independent Auditors' Report

To: Leadtrend Technology Corporation

Opinion

We have audited the financial statements of Leadtrend Technology Corporation and its subsidiaries, which comprise the consolidated balance sheet as of December 31, 2024 and 2023 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the years then ended, and the notes to the consolidated financial statements (including a summary of material accounting policies).

In our opinion, the said consolidated financial statements are prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations recognized and published into effect by the Financial Supervisory Commission, and present fairly the consolidated financial conditions of Leadtrend Technology Corporation and its subsidiaries as of December 31, 2024 and 2023 and the consolidated financial performance and consolidated cash flows for the years then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Delegated Certified Public Accountants and the Auditing Standards. Our responsibilities under the standards are further described in the section "Auditors' Responsibilities for the Audit of the Consolidated Financial Statements". We and our accounting firm are independent of Leadtrend Technology Corporation and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant and have fulfilled our other responsibilities under the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are the matters that, in our professional judgment, were most important in our audit of the consolidated financial statements of Leadtrend Technology Corporation and its subsidiaries for the year ended December 31, 2024. These matters were addressed in the process of our audit of the consolidated financial statements and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters with respect to the consolidated financial statements of Leadtrend Technology Corporation and its subsidiaries for the year ended December 31, 2024 are stated as follows:

Recognition of Sales Revenue

1. For the significant sales revenue amounts of Leadtrend Technology Corporation and its subsidiaries, please refer to Note 21. Proceeds from sale of power management integrated circuits are the main revenue of Leadtrend Technology Corporation and its subsidiaries. To initiate the process of recognizing such revenue, the production management personnel provide the delivery order to get the products ready for the customer as instructed by the business segment. After the products to be shipped are ready, quality assurance personnel are informed and requested to inspect the products. After products are inspected and qualified, production management personnel sign and affix the official seal to the delivery order and the finished goods outbound order, have the products shipped after the approval of the authorized supervisor, and update the stock details in the operating system. Then the accountant recognizes the sales revenue based on the delivery order signed by the customer or the shipping company.
2. As the aforementioned transaction involves manual control, the risk of recognizing revenue by mistake or without obtaining the delivery order signed by the customer or the shipping company exists.
3. We consider the revenue recognition policy of Leadtrend Technology Corporation and its subsidiaries and evaluate appropriateness of the revenue recognition by understanding and testing the effectiveness of the internal controls on the approval of orders and the shipment procedures, sampling the vouchers relevant to sales revenue, reviewing the amounts received in cash or subsequent cash receipts in order to verify the existence and occurrence of the sales, and also check whether any abnormality about the entity to which products have been sold and the entity receiving payments exists.

Inventory Evaluation

Refer to Note 10 of the consolidated financial statements. It is significant that the inventory balance of Leadtrend Technology Corporation and its subsidiaries accounted for 34% of the total assets as of December 31, 2024. Valuation allowance for inventories is a material accounting estimate. Leadtrend Technology Corporation and its subsidiaries engage in design and development of integrated circuits, and sell products after outsourcing manufacturing. As such products can be replaced fast in the highly competitive industry, inventory depreciation and obsolescence risks may exist.

At the situations stated in any of the most important matters for the audit conducted this year, we have carried out the primary audit procedures as follows:

1. Understand and evaluate the rationality of the inventory valuation policy adopted by the management.
2. Obtain the evaluation information about the lower of inventory cost or net realizable value, sample and review the latest information of selling prices of inventories to verify the net realizable value of inventories and compare the net realizable value of inventories with the book cost of inventories to test the rationality of the amount allocated as inventory loss. Obtain the inventory aging statements, sample and review the inventory change information to test whether the inventory aging classification, inventory quantity and amount are consistent in order to verify the accuracy and completeness of the inventory aging statements. Then verify the rationality of the amount allocated as inventory obsolescence loss pursuant to the inventory evaluation policy.
3. Carry out inventory retrospectability testing. Review the status of inventory write-off and compare it with the inventory obsolescence loss allocation policy to verify whether the inventory obsolescence loss allocated for the current period is proper.

Other Matters

We have audited the financial statements of Leadtrend Technology Corporation for the years ended December 31, 2024 and 2023 on which we have issued the auditors' report containing an unqualified opinion for reference.

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

Management is responsible for preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting

Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations, which have been endorsed and issued into effect by the Financial Supervisory Commission, and also responsible for maintenance of the internal controls associated with the preparation of the consolidated financial statements, to ensure the consolidated financial statements free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is also responsible for assessing the ability of Leadtrend Technology Corporation and its subsidiaries to continue, as a going concern, disclosing any and all relevant matters and using the going concern basis of accounting unless management either intends to liquidate Leadtrend Technology Corporation and its subsidiaries or cease operations, or has no feasible alternative but to do so.

Those charged with governance (including the audit committee) are responsible for overseeing the financial reporting process of Leadtrend Technology Corporation and its subsidiaries.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If misstatements could, individually or in the aggregate, be reasonably expected to influence the economic decisions of users taken based on the consolidated financial statements, then the misstatements are considered material.

In conducting the audit in accordance with the auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

2. Obtain an understanding of the internal controls 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 internal controls of Leadtrend Technology Corporation and its subsidiaries.
3. Evaluate the appropriateness of accounting policies used, and the reasonableness of accounting estimates and related disclosures made, by management.
4. Conclude, based on the audit evidence obtained, on the appropriateness of the management's use of the going concern basis of accounting, and whether a material uncertainty exists that is associated with any events or conditions casting significant doubt on the ability of Leadtrend Technology Corporation and its subsidiaries to continue as a going concern. If we believe that a material uncertainty exists, we are required to draw attention in our auditors' report to the relevant disclosures in the consolidated financial statements, or to modify our opinion if such disclosures are inadequate. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Leadtrend Technology Corporation and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including the notes thereof) and whether the consolidated financial statements appropriately represent the underlying transactions and events.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities within Leadtrend Technology Corporation and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit conducted for Leadtrend Technology Corporation and its subsidiaries, and also responsible for our audit opinion.

We have communicated with those charged with governance about the planned scope and timing of the audit, and significant audit findings (including any and all significant flaws identified, during our audit, in the internal controls).

We have also provided those charged with governance with a statement, declaring that we as CPAs comply with applicable ethical requirements regarding independence, and have communicated with them about all relationships and other matters that may reasonably be considered to influence our independence (including relevant protection measures).

From the matters communicated with those charged with governance, we have determined the key audit matters in the audit of the consolidated financial statements of Leadtrend Technology Corporation and its subsidiaries for the year ended December 31,

2024. We have described these matters in our auditors' report unless any law or regulation prohibits the matters from being disclosed or when, in extremely rare circumstances, we decide that the matters should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interests to be facilitated.

Deloitte & Touche

Yu-Feng Huang, CPA & Mei-Chen Tsai, CPA

February. 20, 2025

Leadtrend Technology Corporation and Subsidiaries

Consolidated Balance Sheet

December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 493,439	24	\$ 457,745	24
1110	Financial assets at fair value through profit or loss - Current (Notes 4 and 7)	103,975	5	83,823	5
1170	Notes and accounts receivable (Notes 4, 5 and 9)	236,825	11	191,426	10
130X	Inventories (Notes 4, 5 and 10)	709,100	34	607,755	32
1470	Other current assets (Note 15)	12,047	1	19,210	1
11XX	Total current assets	<u>1,555,386</u>	<u>75</u>	<u>1,359,959</u>	<u>72</u>
	Non-current assets				
1535	Non-current financial assets at amortized cost (Notes 4 and 8)	1,000	-	-	-
1600	Property, plant and equipment (Notes 4 and 12)	462,119	22	477,962	26
1755	Right-of-use assets (Notes 4 and 13)	34,656	2	20,748	1
1780	Intangible assets (Notes 4 and 14)	7,130	-	11,132	1
1840	Deferred income tax assets (Notes 4 and 23)	-	-	541	-
1990	Other non-current assets (Notes 4 and 15)	8,084	1	7,747	-
15XX	Total non-current assets	<u>512,989</u>	<u>25</u>	<u>518,130</u>	<u>28</u>
1XXX	Total assets	<u>\$2,068,375</u>	<u>100</u>	<u>\$1,878,089</u>	<u>100</u>
	Liabilities and Equity				
	Current liabilities				
2170	Accounts payable	\$ 108,662	5	\$ 107,636	6
2200	Remunerations payable to employees and directors (Note 22)	23,042	1	19,215	1
2230	Current tax liabilities (Notes 4 and 23)	8,682	-	10,844	-
2280	Current lease liabilities (Notes 4 and 13)	12,989	1	11,785	1
2320	Long-term bank loan-current portion (Notes 4 and 16)	10,208	1	-	-
2399	Other current liabilities (Note 17)	79,083	4	75,259	4
21XX	Total current liabilities	<u>242,666</u>	<u>12</u>	<u>224,739</u>	<u>12</u>
	Non-current liabilities				
2540	Long-term bank loans (Notes 4 and 16)	24,792	1	-	-
2570	Deferred income tax liabilities (Notes 4 and 23)	335	-	-	-
2580	Non-current lease liabilities (Notes 4 and 13)	21,652	1	9,529	1
2645	Guarantee deposits received	13,138	1	860	-
25XX	Total non-current liabilities	<u>59,917</u>	<u>3</u>	<u>10,389</u>	<u>1</u>
2XXX	Total liabilities	<u>302,583</u>	<u>15</u>	<u>235,128</u>	<u>13</u>
	Equity (Notes 4, 19 and 20)				
	Stock capital				
3110	Ordinary share	604,421	29	589,178	31
	Capital reserve				
3210	Share premium	250,212	12	254,672	14
3251	Donations received from shareholders	84,732	4	84,732	4
3273	Employee restricted stock award shares	61,218	3	50,306	3
3280	Others	131	-	125	-
	Retained earnings				
3310	Legal reserve	218,171	11	215,284	11
3320	Special reserve	786	-	-	-
3350	Unappropriated earnings	581,831	28	485,253	26
	Other Components of Equity				
3410	Exchange differences on translation of foreign operations' financial statements	9,971	-	(786)	-
3491	Employees' unearned compensation	(45,681)	(2)	(35,803)	(2)
3XXX	Total equity	<u>1,765,792</u>	<u>85</u>	<u>1,642,961</u>	<u>87</u>
	Total liabilities and equity	<u>\$2,068,375</u>	<u>100</u>	<u>\$1,878,089</u>	<u>100</u>

The accompanying notes constitute part of the consolidated financial statements.

Chairman: Yu-Kun Kao

Manager: Heng-Chung Chi

Accounting Manager: Shu-Wei Yu

Leadtrend Technology Corporation and Subsidiaries

Consolidated Statement of Comprehensive Income

For the years ended December 31, 2024 and 2023

		(In Thousands of New Taiwan Dollars, Except Earnings Per Share)			
		2024		2023	
Code		Amount	%	Amount	%
	Operating revenue (Notes 4, 21 and 31)				
4110	Sales revenue	\$ 1,478,831	102	\$ 1,168,764	102
4170	Sales returns and allowances	(24,925)	(2)	(27,170)	(2)
4000	Net operating revenue	1,453,906	100	1,141,594	100
	Operating costs (Notes 10, 18 and 22)				
5110	Cost of goods sold	901,475	62	712,066	63
5900	Gross profit	552,431	38	429,528	37
	Operating expenses (Notes 18 and 22)				
6100	Selling expenses	67,320	5	69,935	6
6200	Administrative expenses	117,226	8	97,927	9
6300	Research and development expenses	282,932	19	267,371	23
6000	Total operating expenses	467,478	32	435,233	38
6900	Net operating income (loss)	84,953	6	(5,705)	(1)
	Non-operating income and expenses (Note 22)				
7100	Interest income	6,684	-	4,207	1
7010	Other incomes	5,147	-	22,772	2
7020	Other gains and losses	15,201	1	3,909	-
7050	Financial cost	(557)	-	(461)	-
7000	Total non-operating income and expenses	26,475	1	30,427	3
7900	Profit before tax	111,428	7	24,722	2
7950	Income tax benefit (Notes 4 and 23)	(461)	-	(4,142)	(1)
8200	Net profit of the year	111,889	7	28,864	3

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Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive incomes (losses)				
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign financial statements (Note 19)	\$ 10,757	1	(\$ 6,388)	(1)
8300	Total other comprehensive incomes (losses) (Net)	10,757	1	(6,388)	(1)
8500	Total comprehensive incomes (losses) for the year	\$ 122,646	8	\$ 22,476	2
	Earnings per share (Note 24)				
9750	Basic	\$ 1.89		\$ 0.49	
9850	Diluted	\$ 1.86		\$ 0.48	

The accompanying notes constitute part of the consolidated financial statements.

Chairman: Yu-Kun Kao

Manager: Heng-Chung Chi

Accounting Manager: Shu-Wei Yu

Leadtrend Technology Corporation and Subsidiaries
Consolidated Statement of Changes in Equity
For the years ended December 31, 2024 and 2023

Unit: thousands of New Taiwan Dollars, except as otherwise indicated herein

Code		Common share capital		Capital reserve				Retained earnings				Other Components of Equity		Total equity
		Number of shares (In Thousands)	Amount	Share premium	Donations received from shareholders	Employee restricted stock award shares	Others	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translation of foreign operations' financial statements	Employees' unearned compensation	
A1	Balance at January 1, 2023	56,883	\$ 568,838	\$ 258,027	\$ 84,732	\$ 47,567	\$ 106	\$ 199,793	\$ -	\$ 520,231	\$ 720,024	\$ 5,602	(\$ 31,945)	\$ 1,652,951
	Distribution of 2022 retained earnings:													
B1	Legal reserve allocated	-	-	-	-	-	-	15,491	-	(15,491)	-	-	-	-
B5	Cash dividends to shareholders – \$0.550 per share	-	-	-	-	-	-	-	-	(31,286)	(31,286)	-	-	(31,286)
B9	Stock dividends to shareholders – \$0.300 per share	1,707	17,065	-	-	-	-	-	-	(17,065)	(17,065)	-	-	-
	Total distribution of retained earnings	1,707	17,065	-	-	-	-	15,491	-	(63,842)	(48,351)	-	-	(31,286)
C15	Capital reserve used for distribution of cash dividends – \$0.350 per share	-	-	(19,909)	-	-	-	-	-	-	-	-	-	(19,909)
C17	Changes in other capital surplus	-	-	-	-	-	19	-	-	-	-	-	-	19
D1	Net profit of 2023	-	-	-	-	-	-	-	-	28,864	28,864	-	-	28,864
D3	Other comprehensive incomes (losses) for 2023	-	-	-	-	-	-	-	-	-	-	(6,388)	-	(6,388)
D5	Total comprehensive incomes (losses) for 2023	-	-	-	-	-	-	-	-	28,864	28,864	(6,388)	-	22,476
N1	Issuance of employee restricted stock award shares	420	4,200	-	-	23,730	-	-	-	-	-	-	(27,930)	-
N1	Employee restricted stock award shares granted to employees	-	-	16,554	-	(16,554)	-	-	-	-	-	-	-	-
N1	Cancelled employee restricted stock award shares	(92)	(925)	-	-	925	-	-	-	-	-	-	-	-
N1	Compensation cost for employee restricted stock award shares	-	-	-	-	(5,362)	-	-	-	-	-	-	24,072	18,710
Z1	Balance at December 31, 2023	58,918	589,178	254,672	84,732	50,306	125	215,284	-	485,253	700,537	(786)	(35,803)	1,642,961
	Distribution of 2023 retained earnings :													
B1	Legal reserve allocated	-	-	-	-	-	-	2,887	-	(2,887)	-	-	-	-
B3	Special reserve allocated	-	-	-	-	-	-	-	786	(786)	-	-	-	-
B9	Stock dividends to shareholders – \$0.200 per share	1,164	11,638	-	-	-	-	-	-	(11,638)	(11,638)	-	-	-
	Total distribution of retained earnings	1,164	11,638	-	-	-	-	2,887	786	(15,311)	(11,638)	-	-	-
C15	Capital reserve used for distribution of cash dividends – \$0.400 per share	-	-	(23,275)	-	-	-	-	-	-	-	-	-	(23,275)
C17	Changes in other capital surplus	-	-	-	-	-	6	-	-	-	-	-	-	6
D1	Net profit of 2024	-	-	-	-	-	-	-	-	111,889	111,889	-	-	111,889
D3	Other comprehensive incomes (losses) for 2024	-	-	-	-	-	-	-	-	-	-	10,757	-	10,757
D5	Total comprehensive incomes (losses) for 2024	-	-	-	-	-	-	-	-	111,889	111,889	10,757	-	122,646
N1	Issuance of employee restricted stock award shares	420	4,200	-	-	32,928	-	-	-	-	-	-	(37,128)	-
N1	Employee restricted stock award shares granted to employees	-	-	18,815	-	(18,815)	-	-	-	-	-	-	-	-
N1	Cancelled employee restricted stock award shares	(60)	(595)	-	-	595	-	-	-	-	-	-	-	-
N1	Compensation cost for employee restricted stock award shares	-	-	-	-	(3,796)	-	-	-	-	-	-	27,250	23,454
Z1	Balance at December 31, 2024	60,442	\$ 604,421	\$ 250,212	\$ 84,732	\$ 61,218	\$ 131	\$ 218,171	\$ 786	\$ 581,831	\$ 800,788	\$ 9,971	(\$ 45,681)	\$ 1,765,792

The accompanying notes constitute part of the consolidated financial statements.

Chairman: Yu-Kun Kao

Manager: Heng-Chung Chi

Accounting Manager: Shu-Wei Yu

Leadtrend Technology Corporation and Subsidiaries

Consolidated Statement of Cash Flows

For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

Code		2024	2023
	Cash flows from operating activities		
A10000	Profit before tax	\$ 111,428	\$ 24,722
A20010	Incomes, expenses and losses:		
A20100	Depreciation expense	74,833	87,235
A20200	Amortization expense	6,588	10,516
A20400	Net profit of financial assets and liabilities at FVTPL	(1,546)	(1,102)
A20900	Financial cost	557	461
A21200	Interest income	(6,684)	(4,207)
A21900	Compensation cost for employee restricted stock award shares	23,454	18,710
A22500	Loss (gain) on disposal of property, plant and equipment	8	(1,843)
A23700	Write-down of inventories	7,433	14,609
A24100	Net (gain) loss on foreign exchange	(10,524)	3,377
A30000	Net change in operating assets and liabilities		
A31150	Increase in notes and accounts receivable	(39,800)	(24,531)
A31200	(Increase) decrease in inventories	(108,783)	185,641
A31240	Decrease in other current assets	7,139	2,367
A32150	(Decrease) increase in accounts payable	(1,260)	45,099
A32200	Increase (decrease) in remunerations payable to employees and directors	3,827	(18,293)
A32230	Increase (decrease) in other current liabilities	225	(18,978)
A32240	Decrease in net defined benefit liabilities	-	(4,840)
A33000	Net cash provided by operations	66,895	318,943
A33300	Interest paid	(557)	(461)
A33500	Income tax paid	(819)	(584)
AAAA	Net cash generated by operating activities	65,519	317,898

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Code		2024	2023
	Cash flows from investing activities		
B00040	Acquisition of financial assets at amortized cost	(1,000)	-
B00100	Acquisition of financial assets at fair value through profit or loss	(91,799)	(103,848)
B00200	Disposal of financial assets at fair value through profit or loss	76,126	75,723
B02700	Acquisition of property, plant and equipment	(\$ 38,359)	(\$ 34,380)
B02800	Proceeds from disposal of property, plant and equipment	-	10,395
B03700	(Increase) decrease in refundable deposits	(180)	15,289
B04500	Acquisition of intangible assets	(5,153)	(7,819)
B07500	Interest received	<u>6,702</u>	<u>4,037</u>
BBBB	Net cash used in investing activities	(<u>53,663</u>)	(<u>40,603</u>)
	Cash flows from financing activities		
C00100	Increase in short-term loans	30,000	-
C00200	Decrease in short-term loans	(30,000)	-
C01600	Proceeds from long-term debt	35,000	-
C03000	Increase (decrease) in guarantee deposits received	12,278	(54)
C04020	Payments of lease liabilities	(13,655)	(12,762)
C04500	Cash dividends paid	(23,275)	(51,195)
C09900	Other financing activities	<u>6</u>	<u>19</u>
CCCC	Net cash provided by (used in) financing activities	<u>10,354</u>	(<u>63,992</u>)
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>13,484</u>	(<u>6,238</u>)
EEEE	Increase in cash and cash equivalents for the year	35,694	207,065
E00100	Balance of cash and cash equivalents at the beginning of the year	<u>457,745</u>	<u>250,680</u>
E00200	Balance of cash and cash equivalents at the end of the year	<u>\$ 493,439</u>	<u>\$ 457,745</u>

The accompanying notes constitute part of the consolidated financial statements.

Chairman: Yu-Kun Kao Manager: Heng-Chung Chi Accounting Manager: Shu-Wei Yu

Independent Auditors' Report

To: Leadtrend Technology Corporation

Opinion

We have audited the financial statements of Leadtrend Technology Corporation, which comprise the parent-company-only balance sheet as of December 31, 2024 and 2023 and the parent-company-only statement of comprehensive income, parent-company-only statement of changes in equity and parent-company-only statement of cash flows for the years then ended, and the notes to the parent-company-only financial statements (including a summary of material accounting policies).

In our opinion, the said parent-company-only financial statements are prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and present fairly the parent-company-only financial conditions of Leadtrend Technology Corporation as of December 31, 2024 and 2023 and the parent-company-only financial performance and parent-company-only cash flows for the years then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Delegated Certified Public Accountants and the Auditing Standards. Our responsibilities under the standards are further described in the section "Auditors' Responsibilities for the Audit of the Parent-company-only Financial Statements". We and our accounting firm are independent of Leadtrend Technology Corporation in accordance with the Norm of Professional Ethics for Certified Public Accountant and have fulfilled our other responsibilities under the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are the matters that, in our professional judgment, were most important in our audit of the parent-company-only financial statements of Leadtrend Technology Corporation for the year ended December 31, 2024. These matters were addressed in the process of our audit of the parent-company-only financial statements and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters with respect to the parent-company-only financial statements of Leadtrend Technology Corporation for the year ended December 31, 2024 are stated as follows:

Recognition of Sales Revenue

1. For the significant sales revenue amounts of Leadtrend Technology Corporation, please refer to Note 20. Proceeds from sale of power management integrated circuits are the main revenue of Leadtrend Technology Corporation. To initiate the process of recognizing such revenue, the production management personnel provide the delivery order to get the products ready for the customer as instructed by the business segment. After the products to be shipped are ready, quality assurance personnel are informed and requested to inspect the products. After products are inspected and qualified, production management personnel sign and affix the official seal to the delivery order and the finished goods outbound order, have the products shipped after the approval of the authorized supervisor, and update the stock details in the operating system. Then the accountant recognizes the sales revenue based on the delivery order signed by the customer or the shipping company.
2. As the aforementioned transaction involves manual control, the risk of recognizing revenue by mistake or without obtaining the delivery order signed by the customer or the shipping company exists.
3. We consider the revenue recognition policy of Leadtrend Technology Corporation and evaluate appropriateness of the revenue recognition by understanding and testing the effectiveness of the internal controls on the approval of orders and the shipment procedures, sampling the vouchers relevant to sales revenue, reviewing the amounts received in cash or subsequent cash receipts in order to verify the existence and occurrence of the sales, and also check whether any abnormality

about the entity to which products have been sold and the entity receiving payments exists.

Inventory Evaluation

Refer to Note 9 of the parent-company-only financial statements. It is significant that the inventory balance of Leadtrend Technology Corporation accounted for 30% of the total assets as of December 31, 2024. Valuation allowance for inventories is a material accounting estimate. Leadtrend Technology Corporation engage in design and development of integrated circuits, and sell products after outsourcing manufacturing. As such products can be replaced fast in the highly competitive industry, inventory depreciation and obsolescence loss risks may exist.

At the situations stated in any of the most important matters for the audit conducted this year, we have carried out the primary audit procedures as follows:

1. Understand and evaluate the rationality of the inventory valuation policy adopted by the management.
2. Obtain the evaluation information about the lower of inventory cost or net realizable value, sample and review the latest information of selling prices of inventories to verify the net realizable value of inventories, and compare the net realizable value of inventories with the book cost of inventories to test the rationality of the amount allocated as inventory loss. Obtain the inventory aging statements, sample and review the inventory change information to test whether the inventory aging classification, inventory quantity and amount are consistent in order to verify the accuracy and completeness of the inventory aging statements. Then verify the rationality of the amount allocated as inventory obsolescence loss pursuant to the inventory evaluation policy.
3. Carry out inventory retrospectability testing. Review the status of inventory write-off and compare with the inventory obsolescence loss allocation policy to verify whether the inventory obsolescence loss allocated for the current period is proper.

Responsibilities of Management and those Charged with Governance for the Parent-company-only Financial Statements

Management is responsible for 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 also responsible for maintenance of the internal controls associated with the preparation of the parent-

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

In preparing the parent-company-only financial statements, management is also responsible for assessing the ability of Leadtrend Technology Corporation to continue, as a going concern, disclosing any and all relevant matters and using the going concern basis of accounting unless management either intends to liquidate Leadtrend Technology Corporation or cease operations, or has no feasible alternative but to do so. Those charged with governance (including the audit committee) are responsible for overseeing the financial reporting process of Leadtrend Technology Corporation.

Auditors' Responsibilities for the Audit of the Parent-company-only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent-company-only financial statements 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 auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If misstatements could, individually or in the aggregate, be reasonably expected to influence the economic decisions of users taken based on the parent-company-only financial statements, then the misstatements are considered material.

In conducting the audit in accordance with the auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

3. Conclude, based on the audit evidence obtained, on the appropriateness of the management's use of the going concern basis of accounting, and whether a material uncertainty exists that is associated with any events or conditions casting significant doubt on the ability of Leadtrend Technology Corporation to continue as a going concern. If we believe that a material uncertainty exists, we are required to draw attention in our auditors' report to the relevant disclosures in the parent-company-only financial statements, or to modify our opinion if such disclosures are inadequate. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Leadtrend Technology Corporation to cease to continue as a going concern.
4. Evaluate the overall presentation, structure and content of the parent-company-only financial statements (including the notes thereof) and whether the parent-company-only financial statements appropriately represent the underlying transactions and events.
5. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities within Leadtrend Technology Corporation to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the audit conducted for Leadtrend Technology Corporation, and also responsible for our audit opinion.

We have communicated with those charged with governance about the planned scope and timing of the audit, and significant audit findings (including any and all significant flaws identified, during our audit, in the internal controls).

We have also provided those charged with governance with a statement, declaring that we as CPAs comply with applicable ethical requirements regarding independence, and have communicated with them about all relationships and other matters that may reasonably be considered to influence our independence (including relevant protection measures).

From the matters communicated with those charged with governance, we have determined the key audit matters in the audit of the parent-company-only financial statements of Leadtrend Technology Corporation for the year ended December 31, 2024. We have described these matters in our auditors' report unless any law or regulation prohibits the matters from being disclosed or when, in extremely rare circumstances, we decide that the matters should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interests to be facilitated.

Deloitte & Touche

Yu-Feng Huang, CPA & Mei-Chen Tsai, CPA

February. 20, 2025

Leadtrend Technology Corporation

Parent-company-only Balance Sheet

December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 456,534	22	\$ 439,220	24
1170	Accounts receivable (Notes 4, 5, 8 and 20)	98,511	5	108,662	6
1180	Accounts receivable – Related parties (Notes 4, 5, 8, 20 and 26)	87,572	4	40,266	2
130X	Inventories (Notes 4, 5 and 9)	608,919	30	541,979	29
1470	Other current assets (Notes 14 and 26)	<u>11,622</u>	<u>1</u>	<u>14,360</u>	<u>1</u>
11XX	Total current assets	<u>1,263,158</u>	<u>62</u>	<u>1,144,487</u>	<u>62</u>
	Non-current assets				
1535	Non-current financial assets at amortized cost (Notes 4 and 7)	1,000	-	-	-
1550	Investments accounted for using equity method (Notes 4 and 10)	306,379	15	235,499	13
1600	Property, plant and equipment (Notes 4 and 11)	414,136	21	431,913	23
1755	Right-of-use assets (Notes 4 and 12)	27,722	2	12,165	1
1780	Intangible assets (Notes 4 and 13)	7,130	-	11,132	1
1840	Deferred income tax assets (Notes 4 and 22)	-	-	541	-
1990	Other non-current assets (Notes 4 and 14)	<u>7,051</u>	<u>-</u>	<u>5,272</u>	<u>-</u>
15XX	Total non-current assets	<u>763,418</u>	<u>38</u>	<u>696,522</u>	<u>38</u>
1XXX	Total assets	<u>\$2,026,576</u>	<u>100</u>	<u>\$1,841,009</u>	<u>100</u>
	Liabilities and Equity				
	Current liabilities				
2170	Accounts payable	\$ 95,923	5	\$ 94,183	5
2180	Accounts receivable – Related parties (Note 26)	501	-	-	-
2200	Remuneration payable to staff and directors (Note 21)	23,042	1	19,215	1
2230	Current tax liabilities (Notes 4 and 22)	6,242	-	10,844	1
2280	Current lease liabilities (Notes 4 and 12)	9,266	-	8,430	1
2320	Long-term bank loan-current portion (Notes 4 and 15)	10,208	1	-	-
2399	Other current liabilities (Note 16)	<u>71,538</u>	<u>4</u>	<u>60,912</u>	<u>3</u>
21XX	Total current liabilities	<u>216,720</u>	<u>11</u>	<u>193,584</u>	<u>11</u>
	Non-current liabilities				
2540	Long-term bank loans (Notes 4 and 15)	24,792	1	-	-
2570	Deferred income tax liabilities (Notes 4 and 22)	335	-	-	-
2580	Non-current lease liabilities (Notes 4 and 12)	18,811	1	4,232	-
2645	Guarantee deposits received	<u>126</u>	<u>-</u>	<u>232</u>	<u>-</u>
25XX	Total non-current liabilities	<u>44,064</u>	<u>2</u>	<u>4,464</u>	<u>-</u>
2XXX	Total liabilities	<u>260,784</u>	<u>13</u>	<u>198,048</u>	<u>11</u>
	Equity (Notes 4, 18 and 19)				
	Stock capital				
3110	Ordinary share	604,421	30	589,178	32
	Capital reserve				
3210	Share premium	250,212	13	254,672	14
3251	Donations received from shareholders	84,732	4	84,732	4
3273	Employee restricted stock award shares	61,218	3	50,306	3
3280	Others	131	-	125	-
	Retained earnings				
3310	Legal reserve	218,171	11	215,284	12
3320	Special reserve	786	-	-	-
3350	Unappropriated earnings	581,831	28	485,253	26
	Other Components of Equity				
3410	Exchange differences on translation of foreign operations' financial statements	9,971	-	(786)	-
3491	Employees' unearned compensation	<u>(45,681)</u>	<u>(2)</u>	<u>(35,803)</u>	<u>(2)</u>
3XXX	Total equity	<u>1,765,792</u>	<u>87</u>	<u>1,642,961</u>	<u>89</u>
	Total liabilities and equity	<u>\$2,026,576</u>	<u>100</u>	<u>\$1,841,009</u>	<u>100</u>

The accompanying notes constitute part of the parent-company-only financial statements.

Chairman: Yu-Kun Kao

Manager: Heng-Chung Chi

Accounting Manager: Shu-Wei Yu

Leadtrend Technology Corporation
Parent-company-only Statement of Comprehensive Income
For the years ended December 31, 2024 and 2023

		(In Thousands of New Taiwan Dollars, Except Earnings Per Share)			
		2024		2023	
Code		Amount	%	Amount	%
	Operating revenue (Notes 4, 20 and 26)				
4110	Sales revenue	\$ 1,333,681	103	\$ 1,053,091	103
4170	Sales returns and allowances	(34,305)	(3)	(25,955)	(3)
4000	Net operating revenue	1,299,376	100	1,027,136	100
	Operating costs (Notes 9, 17 and 21)				
5110	Cost of goods sold	858,881	66	677,439	66
5900	Gross profit	440,495	34	349,697	34
5910	Unrealized profit from sales (Note 4)	(26,243)	(2)	(28,146)	(3)
5920	Realized profit from sales (Note 4)	1,103	-	27,245	3
5950	Realized gross profit	415,355	32	348,796	34
	Operating expenses (Notes 17 and 21)				
6100	Selling expenses	49,246	4	49,596	5
6200	Administrative expenses	113,167	9	93,067	9
6300	Research and development expenses	252,465	19	244,386	23
6000	Total operating expenses	414,878	32	387,049	37
6900	Net operating income (loss)	477	-	(38,253)	(3)
	Non-operating income and expenses (Note 21)				
7100	Interest income	6,636	-	4,073	-
7010	Other incomes	2,864	-	18,377	2
7020	Other gains and losses	13,661	1	2,783	-
7050	Financial cost	(380)	-	(338)	-
7070	Share of profit or loss of subsidiaries accounted for using the equity method (Notes 4 and 10)	85,263	7	38,080	4
7000	Total non-operating income and expenses	108,044	8	62,975	6

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Code		2024		2023	
		Amount	%	Amount	%
7900	Profit before tax	\$ 108,521	8	\$ 24,722	3
7950	Income tax benefit (Notes 4 and 22)	(3,368)	-	(4,142)	-
8200	Net profit of the year	<u>111,889</u>	<u>8</u>	<u>28,864</u>	<u>3</u>
	Other comprehensive incomes (losses)				
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences arising on translation of foreign operations (Note 18)	<u>10,757</u>	<u>1</u>	(6,388)	(1)
8300	Total other comprehensive incomes (losses) (Net)	<u>10,757</u>	<u>1</u>	(6,388)	(1)
8500	Total comprehensive incomes (losses) for the year	<u>\$ 122,646</u>	<u>9</u>	<u>\$ 22,476</u>	<u>2</u>
	Earnings per share (Note 23)				
9750	Basic	<u>\$ 1.89</u>		<u>\$ 0.49</u>	
9850	Diluted	<u>\$ 1.86</u>		<u>\$ 0.48</u>	

The accompanying notes constitute part of the parent-company-only financial statements.

Chairman: Yu-Kun Kao

Manager: Heng-Chung Chi

Accounting Manager: Shu-Wei Yu

Parent-company-only Statement of Changes in Equity for the years ended December 31, 2024 and 2023

												Other Components of Equity		
		Common share capital		Capital reserve				Retained earnings				Exchange differences on translation of foreign operations' financial statements	Employees' unearned compensation	Total equity
Code		Number of shares (In Thousands)	Amount	Share premium	Donations received from shareholders	Employee restricted stock award shares	Others	Legal reserve	Special reserve	Unappropriated earnings	Total			
A1	Balance at January 1, 2023	56,883	\$ 568,838	\$ 258,027	\$ 84,732	\$ 47,567	\$ 106	\$ 199,793	\$ -	\$ 520,231	\$ 720,024	\$ 5,602	(\$ 31,945)	\$ 1,652,951
	Distribution of 2022 retained earnings:													
B1	Legal reserve allocated	-	-	-	-	-	-	15,491	-	(15,491)	-	-	-	-
B5	Cash dividends to shareholders—\$0.550 per share	-	-	-	-	-	-	-	-	(31,286)	(31,286)	-	-	(31,286)
B9	Stock dividends to shareholders—\$0.300 per share	1,707	17,065	-	-	-	-	-	-	(17,065)	(17,065)	-	-	-
	Total distribution of retained earnings	1,707	17,065	-	-	-	-	15,491	-	(63,842)	(48,351)	-	-	(31,286)
C15	Capital reserve used for distribution of cash dividends—\$0.350 per share	-	-	(19,909)	-	-	-	-	-	-	-	-	-	(19,909)
C17	Changes in other capital surplus	-	-	-	-	-	19	-	-	-	-	-	-	19
D1	Net profit of 2023	-	-	-	-	-	-	-	-	28,864	28,864	-	-	28,864
D3	Other comprehensive incomes (losses) for 2023	-	-	-	-	-	-	-	-	-	-	(6,388)	-	(6,388)
D5	Total comprehensive incomes (losses) for 2023	-	-	-	-	-	-	-	-	28,864	28,864	(6,388)	-	22,476
N1	Issuance of employee restricted stock award shares	420	4,200	-	-	23,730	-	-	-	-	-	-	(27,930)	-
N1	Employee restricted stock award shares granted to employees	-	-	16,554	-	(16,554)	-	-	-	-	-	-	-	-
N1	Cancelled employee restricted stock award shares	(92)	(925)	-	-	925	-	-	-	-	-	-	-	-
N1	Compensation cost for employee restricted stock award shares	-	-	-	-	(5,362)	-	-	-	-	-	-	24,072	18,710
Z1	Balance at December 31, 2023	58,918	589,178	254,672	84,732	50,306	125	215,284	-	485,253	700,537	(786)	(35,803)	1,642,961
	Distribution of 2023 retained earnings :													
B1	Legal reserve allocated	-	-	-	-	-	-	2,887	-	(2,887)	-	-	-	-
B3	Special reserve allocated	-	-	-	-	-	-	-	786	(786)	-	-	-	-
B9	Stock dividends to shareholders—\$0.200 per share	1,164	11,638	-	-	-	-	-	-	(11,638)	(11,638)	-	-	-
	Total distribution of retained earnings	1,164	11,638	-	-	-	-	2,887	786	(15,311)	(11,638)	-	-	-
C15	Capital reserve used for distribution of cash dividends—\$0.400 per share	-	-	(23,275)	-	-	-	-	-	-	-	-	-	(23,275)
C17	Changes in other capital surplus	-	-	-	-	-	6	-	-	-	-	-	-	6
D1	Net profit of 2024	-	-	-	-	-	-	-	-	111,889	111,889	-	-	111,889
D3	Other comprehensive incomes (losses) for 2024	-	-	-	-	-	-	-	-	-	-	10,757	-	10,757
D5	Total comprehensive incomes (losses) for 2024	-	-	-	-	-	-	-	-	111,889	111,889	10,757	-	122,646
N1	Issuance of employee restricted stock award shares	420	4,200	-	-	32,928	-	-	-	-	-	-	(37,128)	-
N1	Employee restricted stock award shares granted to employees	-	-	18,815	-	(18,815)	-	-	-	-	-	-	-	-
N1	Cancelled employee restricted stock award shares	(60)	(595)	-	-	595	-	-	-	-	-	-	-	-
N1	Compensation cost for employee restricted stock award shares	-	-	-	-	(3,796)	-	-	-	-	-	-	27,250	23,454
Z1	Balance at December 31, 2024	60,442	\$ 604,421	\$ 250,212	\$ 84,732	\$ 61,218	\$ 131	\$ 218,171	\$ 786	\$ 581,831	\$ 800,788	\$ 9,971	(\$ 45,681)	\$ 1,765,792

Accounting Manager: Shu-Wei Yu

Leadtrend Technology Corporation
Parent-company-only Statement of Cash Flows
For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

Code		2024	2023
	Cash flows from operating activities		
A10000	Profit before tax	\$ 108,521	\$ 24,722
A20010	Incomes, expenses and losses:		
A20100	Depreciation expense	65,438	79,199
A20200	Amortization expense	6,588	10,516
A20900	Financial cost	380	338
A21200	Interest income	(6,636)	(4,073)
A21900	Compensation cost for employee restricted stock award shares	23,454	18,710
A22400	Share of profit or loss of subsidiaries accounted for using the equity method	(85,263)	(38,080)
A22500	Gains on disposal of property, plant and equipment	-	(1,843)
A23200	Gain on disposal of subsidiaries accounted for using equity method	-	(1,139)
A23700	Write-down of inventories	6,694	14,560
A23900	Unrealized profit on intercompany sales	26,243	28,146
A24000	Realized profit on intercompany sales	(1,103)	(27,245)
A24100	Net (gain) loss on foreign exchange	(6,051)	2,249
A30000	Net change in operating assets and liabilities		
A31150	Decrease (increase) in accounts receivable	15,750	(7,819)
A31160	Increase in accounts receivable— Related parties	(46,781)	(11,165)
A31200	(Increase) decrease in inventories	(73,634)	194,341
A31240	Decrease in other current assets	2,188	4,843
A32150	(Decrease) increase in accounts payable	(45)	37,091
A32200	Increase (decrease) in remunerations payable to employees and directors	3,827	(18,293)
A32230	Increase (decrease) in other current liabilities	7,027	(17,316)
A32240	Decrease in net defined benefit liabilities	-	(4,840)
A33000	Net cash provided by operations	46,597	282,902
A33300	Interest paid	(380)	(338)
A33500	Income tax paid	(340)	(584)
AAAA	Net cash generated by operating activities	<u>45,877</u>	<u>281,980</u>

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Code		2024	2023
	Cash flows from investing activities		
B00040	Acquisition of financial assets at amortized cost	(\$ 1,000)	\$ -
B01900	Net cash generated from disposal of subsidiaries	-	3,555
B02700	Acquisition of property, plant and equipment	(34,188)	(31,095)
B02800	Proceeds from disposal of property, plant and equipment	-	10,395
B03700	(Increase) decrease in refundable deposits	(139)	15,227
B04500	Acquisition of intangible assets	(5,153)	(7,819)
B07500	Interest received	<u>6,654</u>	<u>3,903</u>
BBBB	Net cash used in investing activities	(<u>33,826</u>)	(<u>5,834</u>)
	Cash flows from financing activities		
C00100	Increase in short-term loans	30,000	-
C00200	Decrease in short-term loans	(30,000)	-
C03000	(Decrease) increase in guarantee deposits received	(106)	30
C01600	Proceeds from long-term debt	35,000	-
C04020	Payments of lease liabilities	(9,089)	(8,561)
C04500	Cash dividends paid	(23,275)	(51,195)
C09900	Other financing activities	<u>6</u>	<u>19</u>
CCCC	Net cash provided by (used in) financing activities	<u>2,536</u>	(<u>59,707</u>)
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>2,727</u>	(<u>519</u>)
EEEE	Increase in cash and cash equivalents for the year	17,314	215,920
E00100	Balance of cash and cash equivalents at the beginning of the year	<u>439,220</u>	<u>223,300</u>
E00200	Balance of cash and cash equivalents at the end of the year	<u>\$ 456,534</u>	<u>\$ 439,220</u>

The accompanying notes constitute part of the parent-company-only financial statements.

Chairman: Yu-Kun Kao

Manager: Heng-Chung Chi

Accounting Manager: Shu-Wei Yu

Leadtrend Technology Corporation

Proposal for Distribution of Earnings

Unit : NT\$

Item	Amount
Beginning balance of unappropriated retained earnings	469,941,951
Reversal of special reserve	<u>786,216</u>
Adjusted unappropriated earnings	<u>470,728,167</u>
Net profit after tax for the period	111,888,532
Legal reserve appropriated	<u>(11,188,853)</u>
Earnings available for distribution	<u>100,699,679</u>
Cumulative earnings available for distribution	<u><u>571,427,846</u></u>
Distribution Items:	
Shareholder Dividends –Cash (NT\$0.8 per Share)	(47,623,280)
Shareholder Dividends –Stock (NT\$0.2 per Share)	<u>(11,905,820)</u>
Ending balance of unappropriated retained earnings	<u><u>511,898,746</u></u>

Note1 : The dividend distribution was calculated based on the 59,529,100 outstanding shares available for distribution as of April 10, 2005, when the Board of Directors approved the distribution.

Note 2: Pursuant to Article 20-1 of the Company's Articles of Incorporation, the Board of Directors is authorized to determine that all or a portion of the dividends, bonuses, legal reserves, and capital surplus to be distributed shall be in the form of cash payments.

Chairman: Yu-kun Kao

Manager: Heng-Chung Chi

Accounting Manager: Shu-Wei Yu

Leadtrend Technology Corporation

Comparison Table Illustrating the Original and Amended Text of the “Articles of Incorporation”

Article No.	Original Article	Amended Article	Description
Article 20	<p>If the company reports a profit for the year (defined as pre-tax profit before deducting remuneration for employees and directors), it is required to allocate <u>a minimum of 5%</u> of the profit for employee compensation and a maximum of 2% for director remuneration. However, if the company has accumulated losses (including adjustments to unappropriated earnings), it must set aside an amount in advance to cover those losses.</p> <p>Employee remuneration <u>for the aforementioned compensation</u> may be provided in the form of shares or cash and can be awarded to employees of the company's subsidiaries who meet the conditions established by the Board of Directors. However, remuneration for directors <u>under this compensation plan</u> may only be disbursed in cash.</p> <p>The Board of Directors will address the <u>two items</u> mentioned above and report the outcomes to the shareholders at the upcoming shareholders' meeting.</p> <p>When the Company issues stock options to employees, creates new shares with restricted rights for employees, offers new shares for purchase by employees, or repurchases shares to transfer to employees in accordance with the law, the recipients of these issuances or transfers may include employees of the Company's subsidiaries who meet the criteria established by the Board of Directors.</p>	<p>If the company reports a profit for the year (defined as pre-tax profit before deducting remuneration for employees and directors), it is required to allocate <u>a minimum of 10%</u> of the profit for employee compensation and a maximum of 2% for director remuneration. However, if the company has accumulated losses (including adjustments to unappropriated earnings), it must set aside an amount in advance to cover those losses.</p> <p><u>A minimum of 40% of the aforementioned compensation for non-managerial employees should be allocated to them.</u></p> <p>Employees' remuneration, <u>including that of non-managerial employees</u>, may be provided in the form of shares or cash and can be awarded to employees of the company's subsidiaries who meet the conditions established by the Board of Directors. However, remuneration for directors may only be disbursed in cash.</p> <p>The Board of Directors will address the <u>three items</u> mentioned above and report the outcomes to the shareholders at the upcoming shareholders' meeting.</p> <p>When the Company issues stock options to employees, creates new shares with restricted rights for employees, offers new shares for purchase by employees, or repurchases shares to transfer to employees in accordance with the law, the recipients of these issuances or transfers may include employees of the Company's subsidiaries who meet the criteria established by the Board of Directors.</p>	FSC No. 113038 5442

Article No.	Original Article	Amended Article	Description
Article 24	<p>These Articles of Incorporation were established on September 10, 2002.</p> <p>The first amendment was made on March 6, 2003.</p> <p>The second amendment was made on June 23, 2003.</p> <p>The third amendment was made on May 13, 2004.</p> <p>The fourth amendment was made on April 1, 2005.</p> <p>The fifth amendment was made on November 18, 2005.</p> <p>The sixth amendment was made on June 20, 2006.</p> <p>The seventh amendment was made on June 28, 2006.</p> <p>The eighth amendment was made on May 29, 2007.</p> <p>The ninth amendment was made on June 24, 2008.</p> <p>The tenth amendment was made on November 25, 2008.</p> <p>The eleventh amendment was made on May 27, 2009.</p> <p>The twelfth amendment was made on June 17, 2010.</p> <p>The thirteenth amendment was made on June 2, 2011.</p> <p>The fourteenth amendment was made on June 21, 2016.</p> <p>The fifteenth amendment was made on June 21, 2016.</p> <p>The sixteenth amendment was made on June 27, 2017.</p> <p>The seventeenth amendment was made on June 26, 2018.</p> <p>The eighteenth amendment was made on June 27, 2019.</p> <p>The nineteenth amendment was made on June 9, 2022.</p> <p>The twentieth amendment was made on June 13, 2023.</p>	<p>These Articles of Incorporation were established on September 10, 2002.</p> <p>The first amendment was made on March 6, 2003.</p> <p>The second amendment was made on June 23, 2003.</p> <p>The third amendment was made on May 13, 2004.</p> <p>The fourth amendment was made on April 1, 2005.</p> <p>The fifth amendment was made on November 18, 2005.</p> <p>The sixth amendment was made on June 20, 2006.</p> <p>The seventh amendment was made on June 28, 2006.</p> <p>The eighth amendment was made on May 29, 2007.</p> <p>The ninth amendment was made on June 24, 2008.</p> <p>The tenth amendment was made on November 25, 2008.</p> <p>The eleventh amendment was made on May 27, 2009.</p> <p>The twelfth amendment was made on June 17, 2010.</p> <p>The thirteenth amendment was made on June 2, 2011.</p> <p>The fourteenth amendment was made on June 21, 2016.</p> <p>The fifteenth amendment was made on June 21, 2016.</p> <p>The sixteenth amendment was made on June 27, 2017.</p> <p>The seventeenth amendment was made on June 26, 2018.</p> <p>The eighteenth amendment was made on June 27, 2019.</p> <p>The nineteenth amendment was made on June 9, 2022.</p> <p>The twentieth amendment was made on June 13, 2023.</p> <p><u>The twenty-first amendment was made on May 29, 2025.</u></p>	Adding revision date and number to the Articles of Incorporation

Leadtrend Technology Corporation

Regulations for the Issuance of Restricted Employee Shares for the Year 2025

Article 1: Purpose

The Company aims to attract and retain the professional talent essential for its success, motivate employees, and enhance employee engagement to collaboratively generate greater benefits for both the Company and its shareholders. In accordance with Article 267 of the Company Law and the “Guidelines for Issuers to Raise and Issue Securities” (hereinafter referred to as the “Guidelines for Raising and Issuing Securities”) issued by the Financial Supervisory Commission, as well as other relevant regulations, the Company has established regulations for the issuance of restricted employee shares.

Article 2: Issue Period

Within two years from the date of the approval notice issued by the relevant authorities, the shares may be issued in one or multiple times, depending on actual needs. The specific date of issuance shall be determined by the Chairman of the Board of Directors, as authorized by the Board.

Article 3: Conditions for Granting

- (1) Full-time employees of Leadtrend and its subsidiary companies who have reported for duty as of the date the restricted employee shares are granted are eligible. The subsidiary companies referenced herein are defined in Article 369-2 of the Company Act.
- (2) The employees who are granted restricted employee shares, along with the quantity of shares allocated, will be determined based on factors such as years of service, rank, work performance, overall contributions, special achievements, and other criteria deemed relevant by management. These awards must receive approval from the Chairman and subsequently be reported to the board of directors for their consent. However, if any of the employees also serves as a director and/or manager, the approval of the remuneration committee must be obtained first. Non-managerial employees will be reported to the audit committee.
- (3) The cumulative number of shares subscribed by the Company in connection with the issuance of employee stock options to a single employee, as stipulated in Paragraph 1 of Article 56-1 of the Regulations Governing Share Offerings, along with the cumulative number of new shares acquired through restricted employee shares, shall not exceed three times the total number of shares issued. Furthermore, the cumulative number of shares subscribed by the Company for employee stock options, as specified in Paragraph 1 of Article 56-1 of the Regulations Governing Share Offerings, shall not exceed one percent of the total number of shares issued. The number of shares that a single employee may subscribe to shall not exceed one percent of the total

number of issued shares. However, if approved by the competent authority of the central government, the total number of new shares acquired by a single employee from employee stock option certificates and new shares from restricted employee shares shall not be subject to the aforementioned limitations.

Article 4: Total amount for this issue

The total amount to be issued is NT\$4,200,000, with a total of 420,000 shares issued, each having a par value of NT\$10.

Article 5: Conditions Related to the Issue

- (1) Anticipated Issue Price: The issuance price is set at NT\$0 per share.
- (2) The shares issued and granted to employees are common shares, and their rights and obligations are the same as those of other outstanding common shares, except for the provisions of paragraph (7).

(3) Conditions for Granting:

After the restricted employee shares are allocated to an employee, the employee must achieve an assessment grade of “Compliance” or higher (i.e., a scale score of ≥ 5.8) in their most recent Individual Performance evaluation prior to the granting date. Additionally, the employee must still be remain employed at Leadtrend when any of the following granting periods expire. The employee will then receive the restricted employee shares based on the ratio of the granted portion for the relevant granting period.

<u>Granting Period</u>	<u>Granting Ratio</u>
From the date of the grant until October 11 of the subsequent year.	1/6
From the date of the grant until April 11 of the second year.	1/6
From the date of the grant until October 11 of the second year.	1/6
From the date of the grant until April 11 of the third year.	1/6
From the date of the grant until October 11 of the third year.	1/6
From the date of the grant until April 11 of the fourth year.	1/6

(4) Handling Employees Who Have Not Met Grant Conditions:

1. From the date of the grant until the expiration of the granting period, the Company shall reclaim any ungranted shares from employees without compensation. This policy applies to employees who voluntarily leave the Company, are dismissed, repatriated, retire, pass away, take a leave of absence without pay, or are transferred to an affiliate.
 2. If the Company fails to meet the most recent individual performance metrics prior to the grant date, it shall reclaim the ungranted shares from the employees without compensation.
- (5) In the event of any of the following circumstances, the unallocated restricted

employee shares shall be managed as follows::

1. In the event that an individual becomes physically disabled due to an occupational disaster and is unable to continue working, any restricted employee shares that have not yet been granted shall be considered granted at the time of employment termination.
 2. In the event of death resulting from an occupational disaster, any restricted employee shares that have not been granted at the time of the employee's death shall be considered fully granted. The successor may apply to receive the inherited shares, along with the associated rights and interests, after completing the necessary legal procedures and submitting the relevant documentation.
- (6) The Company will cancel the new shares, as well as the restricted employee shares that are withdrawn by the Company without compensation.
- (7) The restricted employee shares are subject to specific conditions that must be met before they can be granted:
1. Employees may not sell, pledge, transfer, give to another person, set up, or otherwise dispose of the restricted employee shares until the expiration of the granting period.
 2. The restricted employee shares issued under the Act shall not entitle the holder to any stock, cash bonuses, or rights to capital surplus until the granting period has expired. All other rights of shareholders shall be equivalent to those of the company's outstanding common shares.
 3. After the issuance of restricted employee shares, the shares shall be immediately delivered to the trustee. Employees may not request the trustee to return the restricted stock for any reason or in any manner until the granting conditions have been fulfilled.
 4. If the employee terminates or revokes the Company's proxy authorization in violation of paragraph (8) of this Article before the granting conditions are fulfilled, the Company shall recover the proxy authorization from the employee without compensation.
 5. In the event of a cash refund resulting from a cash capital reduction by the Company during the granting period, any ungranted capital reduction refund from the allotment shall be deposited in a trust and delivered to the employee, without interest, along with the granted shares upon the fulfillment of the granting conditions and the expiration of the granting period. However, the Company shall reclaim such shares if the granting conditions have not been fulfilled by the expiration of the granting period. If the granting conditions are not met by the expiration date, the Company will recover the cash.

(8) Other Agreed Matters:

During the delivery period of the new shares to the Trust, which includes the restricted employee shares, the Company shall have exclusive authority to act on behalf of the employees and the Stock Trust Organization. This authority encompasses, but is not limited to, the negotiation, execution, amendment, extension, release, and termination of the Trust Deed, as well as the instructions for the delivery, use, and disposition of the Trust Property.

Article 6: Contract and Confidentiality

Employees who have been allocated restricted employee shares must adhere to confidentiality provisions and refrain from disclosing the number of shares allotted or any related information, unless required by law or a competent authority. If an employee breaches these provisions in a manner deemed material by the Company, the employee will be immediately disqualified from receiving any restricted employee shares for which the granting conditions have not yet been met. The Company reserves the right to reclaim the employee's shares without compensation and to cancel them.

Article 7: Implementation Rules:

The Company's contractors shall inform the Company of the procedures and detailed operating hours associated with the list of assigned employees and their signatures.

Article 8: Taxation

Taxes related to the restricted employee shares allocated under these regulations shall comply with the laws and regulations of the Republic of China in effect at the time of allocation.

Article 9: Other Important Matters

- (1) These Regulations have been approved by the Board of Directors. Should there be a need to amend these Regulations in the future due to changes in laws and regulations, requests for review by the competent authorities, or shifts in the objective environment, the Board of Directors intends to authorize the Chairman to address such matters at his or her sole discretion.
- (2) Before meeting the vesting requirements, employees shall authorize the trust custodian organization to exercise their rights to attend, propose, speak, and vote at the Company's shareholders' meetings, as well as to address other matters related to shareholders' interests on their behalf.
- (3) Any matters not addressed in these Regulations shall be managed in accordance with the applicable laws and regulations.
- (4) The determination of the under this Act shall be in accordance with the provisions of Accounting Research and Development Foundation Statement No. 139: Handling of Doubts Regarding Restricted Employee Shares.

Attachment 7

List of Director and Independent Director Candidates

Title	Name	Education and Professional Qualifications	Experiences	Concurrent Position and Title of another Company	Shareholdings (Unit: share)
Director	Yu-Kun Kao	<ul style="list-style-type: none"> • Master of Management, Cheng-chi University 	<ul style="list-style-type: none"> • Vice General Manager of Product Development Department of Leader Electronics Inc. 	<ul style="list-style-type: none"> • Chairman of Leadtrend Technology Corp. 	96,202
Director	Representatives from Power Investments Limited: Heng-Chung, Chi	<ul style="list-style-type: none"> • Master of Electrical ngineering, Yuanzhi University 	<ul style="list-style-type: none"> • Monolithic Power Systems Senior business manager 	<ul style="list-style-type: none"> • General Manager of Leadtrend Technology Corp. 	4,880,227
Director	Representatives from Power Investments Limited: Ming-Nan Zhuang.	<ul style="list-style-type: none"> • Master of Electrical Engineering, Tsinghua University 	<ul style="list-style-type: none"> • Research and Development Manager, Analog Integrations Corp. 	<ul style="list-style-type: none"> • Deputy General Manager of Leadtrend Technology Corp. 	4,880,227
Independent Director	Ding-Ren Liu	<ul style="list-style-type: none"> • PhD Program, Institute of Electrical Engineering, State University of New York, Stony Brook (PhD candidate) • Institute of Electronics Jiaotong University Master Degree • Department of Electronic Physics, Jiaotong University Bachelor Degree 	<ul style="list-style-type: none"> • Director of Mediatek Technology • Executive Vice General Manager of Mediatek Technology • Manager of IC Design Department of UMC Electronics Memory Products Business Division, Communication Products Business Division, and Multimedia R&D Team • Legal director representative of Egis Technology Inc. 	<ul style="list-style-type: none"> • Senior consultant of Vincera Capital • Representative of corporate directors of Algoltek, Inc. • Representative of corporate directors of Alcor Micro, Corp. • Supervisor of H&J Management Corp. • Director of Chenyuan Investment Co., Ltd. 	0
Independent Director	Chien-Kuo Yang	<ul style="list-style-type: none"> • Bachelor of International Trade, Tamkang University 	<ul style="list-style-type: none"> • Partner of Ernst & Young • Director of Spirox Corporation • Supervisor of Spirox Corporation • Independent Director of Spirox Corporation • Independent Director of M31 Technology Corporation • Supervisor of YoungTek Electronics Corp. 	<ul style="list-style-type: none"> • Chairman of Diwan & Company • Chairman of Diwan International Management Consulting Inc. • Independent Director of Andes Technology Corp. • Chairman of Tien Da Investment Co., Ltd. • Independent Director of Macronix International Co., Ltd. • Independent Director of YoungTek Electronics Corp. 	0

Title	Name	Education and Professional Qualifications	Experiences	Concurrent Position and Title of another Company	Shareholdings (Unit: share)
Independent Director	Chih-Chun Tsai	<ul style="list-style-type: none"> • M.S., Computer Science, Utah State University • National Chiao Tung University, Bachelor of Computer Science 	<ul style="list-style-type: none"> • Senior Director, Asia/Pacific Business, Taiwan Semiconductor Manufacturing Company Limited 	<ul style="list-style-type: none"> • Director of Coretech Optical Co., Ltd. • Chairman of Hua Jieh Investment Co., Ltd. • Director of Egis Technology Inc. • Independent Director of Daxin Materials Corp. 	0
Independent Director	Hsiang-Ju Liao	<ul style="list-style-type: none"> • Master, National Tsing-Hua University 	<ul style="list-style-type: none"> • Deputy Manager, United Microelectronics Corp. • Director, Davicom Semiconductor Inc. • Vice President, Powervision Inc. • Managing Partner, Paralink Asset Management Corp. • Managing Director-Investment, H&Q Asia Pacific • Managing Partner, Riselink • Co-founder, NTHU Garage 	<ul style="list-style-type: none"> • Independent Director of Novatek Microelectronics Corp. • Representative of corporate directors of Azion Corp. • Chairman of TEN Incubation Corp. • Chairman of TEN Angel Investment Corp. • Chairman of Cornerstone Venture Capital Corp. • Director and General Manager of TsingHua Culture Media Co., Ltd. • Director of TsingHua Investment Corp. • Director of TsingHua Management Consultant Corp. • Director of iMT Co., Ltd. • Director of JelloX Biotech Inc. • Director of MedFluid Co., Ltd. • Supervisor of Buynearby Co., Ltd. • Supervisor of Xcelerator • Supervisor of Alliance Capital Managing Corp. • Supervisor of Across Films Company • Supervisor of Adamas Technology Co., Ltd. 	0

Reasons for Nomination of Independent Directors for a Term of Three Years

Name	Reasons for Nomination for Three Terms
Ding-Ren Liu	<p>Mr. Ding- Jen, Liu is the convenor of the Company's Compensation Committee. He has extensive practical experience and expertise in the semiconductor design services industry in which the Company operates, is familiar with the industry chain and has cross-disciplinary industry experience, and is capable of making forward-looking proposals on the Company's research and development strategies and product development. Based on his discussions and votes in the Board of Directors and the Functional Committee, the Board of Directors believes that Mr. Ding-Jen, Liu still possesses the necessary independence and ability to make fair judgments in the performance of his duties and judgments, and has therefore decided to re-nominate him.</p>
Chien-Kuo Yang	<p>Mr. CHIEN-KUO, YANG is the convenor of the audit committee of the Company. He has extensive experience and expertise in the semiconductor design service industry in which the Company operates and is able to provide professional accounting, auditing and corporate governance advice, in addition to making important recommendations for the Company's operational management to enhance operational efficiency. The Company is also capable of providing professional accounting, auditing and corporate governance advice. Based on his discussions and votes in the Board of Directors and the Functional Committee, the Board of Directors believes that Mr. CHIEN-KUO, YANG still possesses the necessary independence and ability to exercise fair judgment in the performance of his duties and judgments, and has therefore decided to re-nominate him.</p>

Leadtrend Technology Corporation

Articles of Incorporation

Chapter 1 General

- Article 1: The Company is organized in accordance with the Company Act and is named Leadtrend Technology Corporation.
- Article 2: The Company operates the following businesses:
1. CC01080 Electronics Components Manufacturing.
 2. I301010 Information Software Services.
 3. I501010 Product Designing.
 4. I599990 Other Designing
 5. F601010 Intellectual Property Rights.
- Article 3: The Company has its headquarters in Hsinchu County and may set up domestic and overseas branches through board resolutions as required.
- Article 4: The Company makes public announcements in accordance with the Company Act, applicable laws and regulations of the competent authority.
- Article 4-1: The Company may invest in other companies as required for business and may become other companies' limited liability shareholder through board resolutions. The total amount of investment may exceed the limit under Article 13 of the Company Act.

Chapter 2 Shares

- Article 5: The Company's total capital is NT\$2,000,000,000, divided into 200,000,000 shares with face value of NT\$10 per share. The board of directors is authorized to issue such shares through multiple issuances.
- Among the capital amount under the previous paragraph, NT\$78,000,000 is reserved for issuance of employee stock options for a total of 7,800,000 shares with face value of NT\$10 per share. The board of directors is authorized to issue such shares through multiple issuances.
- Article 6: All of the Company's shares are registered shares and shall be issued after affixation of signatures or seals of directors on behalf of the Company and certification by the bank that may serve as a share issuance certifying party in accordance with the law. The Company may also issue shares without printing share certificates, provided that registration shall be made with a securities custodian institution.
- Article 7: Registration of share transfer is suspended during a period of 60 days before a general shareholders' meeting, 30 days before a special shareholders' meeting and 5 days before the record date for the Company's decision to distribute dividend, bonus or other interest.

Chapter 3 Shareholders' Meeting

Article 8: Shareholders' meetings are divided into general meetings and special meetings. General meetings shall be held at least once a year and shall be convened by the board of directors within 6 months from the end of each accounting year in accordance with the law.

The Company may holds shareholders' meeting by video conference or in other manners announced by the central competent authority. Regulations about the conditions required of sharehodlers' meetings by video conference, the procedures and other compliance matters shall be subject to further regulations by the competent authority, if any.

Article 9: Any shareholder who cannot attend a shareholders' meeting may issue a proxy printed by the Company, specifying the scope of authorization and affixed with its signature or seal, to designate a representative to attend the meeting on its behalf.

Article 10: Each shareholder of the Company is entitled to one voting right per share, except restricted shares or shares with no voting right listed under the second paragraph, Article 179 of the Company Act. Shareholders of the Company may also exercise their voting rights in electronic manners. Shareholders exercising voting rights in electronic manners are deemed to have attended the meeting in person. Relevant matters shall be in accordance with the law.

Article 11: Unless otherwise provided by the Company Act, shareholders' resolutions shall be approved by the majority of voting rights held by shareholders who attend a meeting that is attended by shareholders representing the majority of all outstanding shares.

Article 12: If the Company has one single corporate shareholder, the duties of the shareholders' meeting of the Company shall be exercised by the board of directors and the provisions about shareholders' meetings in this Articles of Association shall not be applicable.

Chapter 4 Board of Directors

Article 13: The Company has 5 to 9 directors. All directors are elected under the candidate nomination system by the shareholders' meeting from a list of candidates to serve terms of 3 years. The same person may be re-elected upon expiry of the term. Following election, the Company may purchase liability for insurance for its directors through board resolution.

Article 13-1: The Company has an audit committee in accordance with Article 14-4 of the Securities and Exchange Act, which is formed by all independent directors and which is responsible for performing the duties to be performed by supervisors in accordance with the Company Act, the Securities and Exchange Act and other legislations.

Article 14: The board of directors is formed by directors. One chairman shall be elected from among the directors by the majority of directors attending a meeting that is attended by 2/3 of all directors. The chairman is the Company's representative.

Article 14-1: To convene a board meeting of the Company, the agenda shall be specified and a notice shall be given to each director in writing, by email or by fax 7 days in advance. In case of emergency, the Company may hold a board meeting at any time in writing, by email or by fax.

Article 15: Among the number of directors under Article 13 of these Articles of Association, there shall be at least 3 independent directors. The professional qualifications, shareholding, restriction on other positions served, nomination and election manners and other compliance matters in relation to independent directors shall be in accordance with applicable regulations of the securities competent authority.

Article 16: When the chairman is on leave or cannot perform his duties for any reason, the representation shall be in accordance with Article 208 of the Company Act.

Article 16-1: Directors may give written authorizations for other directors to attend board meetings and exercise voting rights on all matters in the meeting on their behalf, provided that a representative shall represent no more than one other person.

Article 17: The board of directors is authorized to determine the remuneration of the chairman and directors in accordance with the level of participation in the Company's operation, the value of their contribution and in reference to the industry level.

Chapter 5 Officers

Article 18: The Company may have officers, the hiring, dismissal and remuneration of which shall be in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 19: At the end of each of the Company's accounting years, the board of directors shall prepare statements such as (1) business report, (2) financial report and (3) profit distribution or loss compensation proposal to be submitted to the general shareholders' meeting in accordance with the law for approval.

Article 20: If the company reports a profit for the year (defined as pre-tax profit before deducting remuneration for employees and directors), it is required to allocate a minimum of 5% of the profit for employee compensation and a maximum of 2% for director remuneration. However, if the company has accumulated losses (including adjustments to unappropriated earnings), it must set aside an amount in advance to cover those losses.

Employee remuneration for the aforementioned compensation may be

provided in the form of shares or cash and can be awarded to employees of the company's subsidiaries who meet the conditions established by the Board of Directors. However, remuneration for directors under this compensation plan may only be disbursed in cash.

The Board of Directors will address the two items mentioned above and report the outcomes to the shareholders at the upcoming shareholders' meeting.

When the Company issues stock options to employees, creates new shares with restricted rights for employees, offers new shares for purchase by employees, or repurchases shares to transfer to employees in accordance with the law, the recipients of these issuances or transfers may include employees of the Company's subsidiaries who meet the criteria established by the Board of Directors.

Article 20-1: If the Company's annual closing shows after-tax net profit in the current period, it shall be distributed in the following order:

- (1) Compensation of accumulated losses (including adjustment of non-distributed profit amount).
- (2) 10% legal reserve, except if the legal reserve already reached the Company's paid-in capital.
- (3) Provision or recycling of special reserve in accordance with laws or regulations of the competent authority.
- (4) For the remaining profit, together with non-distributed profit in the beginning of same period (including adjustment of non-distributed profit amount), the board of director shall prepare a profit distribution proposal. If done through issuance of new shares, the proposal shall be submitted to the shareholders' meeting for resolution and distribution.

If all or part of the dividend, bonus, legal or capital reserve is issued in cash by the Company, the board of directors is authorized to do so through the majority of directors attending a meeting that is attended by 2/3 or more of all directors, with a report to the shareholders' meeting.

The distribution of the Company's dividend shall be consistent with the profitability status of the current period and shall be in accordance with the status of the current year's earnings, including distributable earnings, capital surplus and such distributable sources as provided by the law. The total proportion of allocation shall not be less than 30% of the current year's profit after tax. Cash dividends allocated a year shall not be less than 10% of the sum of the cash dividends and stock dividends allocated for the year.

Chapter 7 Miscellaneous

Article 21: After the Company's stock is listed in the market, the listing shall not be cancelled unless there is a shareholders' resolution. This clause shall not be amended during the period of the Company's trading on the OTC market or during its listing period.

Article 22: Deleted.

Article 23: Anything that is not stipulated in these Articles of Association shall be governed by the Company Act.

Article 24: These Articles of Incorporation were established on September 10, 2002.

The first amendment was made on March 6, 2003.

The second amendment was made on June 23, 2003.

The third amendment was made on May 13, 2004.

The fourth amendment was made on April 1, 2005.

The fifth amendment was made on November 18, 2005.

The sixth amendment was made on June 20, 2006.

The seventh amendment was made on June 28, 2006.

The eighth amendment was made on May 29, 2007.

The ninth amendment was made on June 24, 2008.

The tenth amendment was made on November 25, 2008.

The eleventh amendment was made on May 27, 2009.

The twelfth amendment was made on June 17, 2010.

The thirteenth amendment was made on June 2, 2011.

The fourteenth amendment was made on June 21, 2016.

The fifteenth amendment was made on June 21, 2016.

The sixteenth amendment was made on June 27, 2017.

The seventeenth amendment was made on June 26, 2018.

The eighteenth amendment was made on June 27, 2019.

The nineteenth amendment was made on June 9, 2022.

The twentieth amendment was made on June 13, 2023.

Leadtrend Technology Corporation

Rules of Procedure for Shareholders' Meeting

Article 1: Purpose and Legislative Basis

To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2: Scope of Application

The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3: Convening shareholders meetings and shareholders meeting notices

Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such

inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4: Attending shareholders' meeting through proxy and authorization

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5: Principles determining the time and place of a shareholders meeting

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. Full

consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6: Preparation of documents such as the attendance book

The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders or proxy holders (hereinafter "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7: The chair and non-voting participants of a shareholders meeting

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8: Documentation of a shareholders meeting by audio or video

The Company shall make an audio and video recording of the full proceedings of the shareholders meeting. The recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9: Counting of shares attending shareholders' meeting and proceeding with the meeting

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, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

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 and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

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.

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 10: Discussion of proposals

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). 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 of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the

chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11: Shareholder speech

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.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, 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.

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.

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

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

Article 12: Calculation of voting shares and recusal system

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13: Voting on agenda, vote monitoring and vote calculation manners

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

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

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is

passed, the other proposals will then be deemed rejected, and no further voting shall be required.

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

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

Article 14: Election Matters

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15: Meeting minutes and signature matters

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

Article 16: Public disclosure

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17: Maintaining order at the meeting place

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

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

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

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

Article 18: Recess and resumption of a shareholders meeting

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

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

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

Article 19: Miscellaneous

These Rules shall be implemented following resolution by the board of directors of the Company and approval by its shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

Article 20: These Rules were established on January 12, 2007.

The first amendment was made on June 27, 2012.

The second amendment was made on June 16, 2015.

The third amendment was made on June 21, 2016.

The fourth amendment was made on June 23, 2020.

The fifth amendment was made on August 3, 2021.

Leadtrend Technology Corporation

Rules for Election of Directors

Article 1: Purpose and Basis of the Act

For the purpose of electing directors of the Company in a fair, just and open manner, I hereby promulgate this method in accordance with Article 21 of the "Code of Corporate Governance Practices for Listed Companies".

Article 2: Scope of Application

The election of directors of the Company shall be in accordance with these Regulations unless otherwise provided by law or the Articles of Incorporation.

Article 3: The selection of directors of the Company shall take into consideration the overall configuration of the Board of Directors. The composition of the Board of Directors shall be diversified, and appropriate diversification guidelines shall be formulated with respect to the Company's operations, business model and development needs, which shall include but not limited to the following two major criteria :

- I. Basic Requirements and Values: Gender, Age, Nationality, Culture, etc.
- II. Professional Knowledge and Skills: Professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

Members of the Board of Directors should generally possess the knowledge, skills and qualities necessary for the performance of their duties, and their overall competencies are set forth below:

- I. Operational Judgment.
- II. Accounting and financial analysis skills.
- III. Operational management capacity.
- IV. Crisis management capacity.
- V. Industrial Knowledge.
- VI. International Market View.
- VII. Leadership.
- VIII. Decision-making capacity.

A majority of the directors shall be elected by the board of directors, and the directors shall not be related to each other by marriage or consanguinity or affinity.

The Company shall hold a by-election at the most recent shareholders' meeting if the number of directors is less than five due to the termination of the directors' terms of office. However, if the number of directors reaches one-third of the number of seats stipulated in the Articles of Incorporation, the Company shall, within 60 days from the date of occurrence of the event, convene a shareholders' meeting to hold a by-election.

Article 4: Delete.

Article 5: The qualifications of independent directors of the Company shall comply with the provisions of Articles 2, 3 and 4 of the "Regulations Governing the Establishment of Independent Directors of Public Companies and Matters to be Followed".

The selection of independent directors of the Company shall comply with Articles 5, 6, 7, 8 and 9 of the "Regulations Governing the Establishment of Independent Directors of Public Companies and Matters to be Followed" and shall be conducted in accordance with Article 24 of the "Code of Corporate Governance Practices for Listed OTC Companies".

If the number of independent directors is insufficient to meet the requirement of the first proviso of Article 14-2 of the Securities and Exchange Act, the independent directors shall be elected at the most recent shareholders' meeting; if all the independent directors are dismissed, an extraordinary shareholders' meeting shall be held within 60 days from the date of the occurrence of the event to hold a by-election.

Article 6: The election of directors of the Company shall be conducted in accordance with the procedures of the candidate nomination system stipulated in Article 192-1 of the Company Act.

Article 7: The Company's election of directors shall be by means of a single-member cumulative election method. Unless otherwise provided by law, each share shall have the same number of voting rights as the number of directors to be elected, and each share may elect one person in a centralized election or allocate the election to several persons.

Article 8: The Board of Directors shall prepare election ballots equal to the number of directors to be elected, fill in their weightings, and distribute them to the shareholders attending the shareholders' meeting. The names of the electors may be substituted by the attendance card numbers printed on the election ballots.

Article 9: The directors of the Company shall, in accordance with the quotas set forth in the Company's Articles of Incorporation, be counted as independent directors and non-independent directors, and the directors shall be elected by the persons whose election ballots represent the greater number of election rights in order of precedence, and in the event that two or more persons receive the same number of election rights and the number of election rights exceeds the quota provided for, the persons who have received the same number of election rights will draw lots to determine the winner, with the Chairman of the Board of Directors drawing the lot on behalf of the person who is not present. The foregoing election rights are calculated by adding the election rights cast at the shareholders' meeting and the election rights cast by electronic voting.

Article 10: Prior to the commencement of the election, the chairman shall designate a number of scrutineers and tellers to perform the relevant duties, provided that the scrutineers shall have the status of shareholders. Ballot boxes shall be prepared by the Board of Directors and opened by the scrutineers in public before the voting.

Article 11: The elector shall fill in the name of the elector in the elector's column of the ballot paper. However, if a government or a corporate shareholder is an elector, the name of the government or the corporation shall be entered in the elector's household name column of the ballot, and the name of the government or the

corporation and the name of its representative(s) may also be entered; if there are more than one representative(s), the names of the representative(s) shall be entered separately.

Article 12: An election ballot is invalid if it contains one of the following conditions:

- I. Not using the ballot prepared by the convening authority.
- II. Those who cast a blank ballot paper into the ballot box.
- III. The handwriting is illegible or has been altered.
- IV. If there is any inconsistency between the names of the nominees and the list of candidates for the election of directors.
- V. Inclusion of words other than the name of the person to be elected or the name of the household.
- VI. If two or more electors are listed on the same election ballot.

Article 13: The votes shall be cast on the spot after the polls are completed and the results of the polls shall be announced by the chairman of the meeting on the spot, including the list of directors elected and their election rights.

Election ballots for the preceding election shall be sealed and signed by the scrutineers and kept in a safe place for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, the ballot shall be kept until the lawsuit is terminated.

Article 14: Deletion.

Article 15: Deletion.

Article 16: Bylaws

The establishment and amendment of this Act shall be approved by the Board of Directors of the Company and shall come into effect after it has been approved by the shareholders at the shareholders' meeting.

Article 17: These operating procedures are established on January 12, 2007, in the Republic of China.

The first amendment was made on June 28, 2013.

The second amendment was made on June 16, 2015.

The third amendment was made on June 21, 2016.

The fourth amendment was made on June 27, 2017.

The fifth amendment was made on June 27, 2019.

The sixth amendment was made on August 3, 2021.

Leadtrend Technology Corporation

Shareholding Status of All Directors

Book closure date of stock transfer: March 31,2025

Title	Name	Date of election	Term	Shareholding When Elected		Current Shareholding	
				Holding Shares	Shareholding Ratio	Holding Shares	Holding Shares
Chairman	Representatives from Power Investments Limited : Yu-Kun Kao	June 9,2022	3	4,340,216	8.21%	4,880,227	8.08%
Director	Representatives from Power Investments Limited : Ming-Nan Chuang						
Director	Representatives from Power Investments Limited : Wen-chi Huang						
Independent Director	Chong-Yu Wu	June 9,2022	3	0	0.00%	0	0.00%
Independent Director	Ding-Ren Liu	June 9,2022	3	0	0.00%	0	0.00%
Independent Director	Chien-Kuo Yang	June 9,2022	3	0	0.00%	0	0.00%
Independent Director	Chih-Chun Tsai	June 9,2022	3	0	0.00%	0	0.00%
Total				4,340,216	8.21%	4,880,227	8.08%

Note1 : The paid-in capital of the Company is NT\$604,431,600 and 60,431,600 shares have been issued.

Note2 : The independent directors selected by the Company exceed half of the seats of all directors, and an Audit Committee has been set up according to the law. The provision that the shareholding ratio of all directors and supervisors shall not be less than a certain ratio does not apply.

Leadtrend Technology Corporation

Impact of the Issuance of Bonus Shares Proposed at the Shareholders' Meeting on Leadtread's Business Performance and Earnings Per Share

Item		Year	2025 (Estimated)
Paid-in capital at the beginning of the year (NT\$)			604,316,000
Status of shares and dividends distributed this year	Cash dividends per share (NT\$(Note 1))		1.2
	Number of shares allocated for the capital increase through capitalization of retained earnings (NT\$(Note 2))		0.2
	Number of shares allocated for the capital increase through capital surplus (NT\$)		0
Changes in business performance	Operating profit		N/A (Note 3)
	Ratio of increase (decrease) of operating profit as compared with the same period last year		
	Net profit after tax		
	Ratio of increase (decrease) of net profit after tax as compared with the same period last year		
	Earnings per share		
	Ratio of increase (decrease) of earnings per share as compared with the same period last year		
	Average rate of return on investment (Reciprocal of average price-to-earning ratio)		
Pro forma earnings per share and price-to-earning ratio	In case that the capital increase through capitalization of retained earnings is changed to allocation of cash dividends	Pro forma earnings per share (NT\$)	N/A (Note 3)
		Pro forma average rate of return on investment	
	In case of no capital increase through capital surplus	Pro forma earnings per share (NT\$)	
		Pro forma average rate of return on investment	
	In case of no capital increase through capital surplus and in case that the capital increase through capitalization of retained earnings is changed to allocation of cash dividends	Pro forma earnings per share (NT\$)	
		Pro forma average rate of return on investment	

Note 1: The earning distribution and the cash distributed from capital surplus for 2024 was reserved and approved at the board meeting of April 10, 2025.

Note 2: It has not been resolved at the general meeting of shareholders in 2025.

Note 3: It is not applicable because Leadtread has not published its financial forecast for 2025.