

# **Leadtrend Technology Corporation**

## **2025 Annual Shareholders' Meeting Notice**

### **(Summary Translation)**

**2025 Annual Shareholders' Meeting (the "Meeting") of Leadtrend Technology Corporation will be convened at 9:00 AM on Thursday, May 29, 2025, in the banquet hall on the 2nd floor at No. 3, Taiyuan 1st Street, Zhubei City, Hsinchu County, Taiwan.**

**1. The agenda for the meeting is as follows:**

**(1) Report Items**

- (A) 2024 Business Report.
- (B) 2024 Audit Committee's Review Report.
- (C) Report on the Distribution of Remuneration for Employees and Directors in 2024.
- (D) Report on the Cash Distribution from Retained Earnings and Capital Surplus in 2024.

**(2) Proposed Resolutions**

- (A) Adoption of the 2024 Business Report and Financial Statements.
- (B) Adoption of the Proposal for the Distribution of Earnings for the Fiscal Year 2024.

**(3) Discussion Items**

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

**(4) Election Matters**

To Elect Directors, Including Independent Directors.

**(5) Other Motions**

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

**(6) Extemporaneous Motions**

**2. If the Company decides to hold a meeting in accordance with Article 172 of the Company Law, electronic files will be posted to the Market Observation Post System at <https://mops.twse.com.tw>. Please select "Shareholders' Meetings" under the "Electronic Books" tab, enter the relevant year, and click "GO" to locate the meeting files corresponding to the Company code.**

**3. There will be an election for seven directors, including four independent directors, at the upcoming meeting. The relevant information is as follows:**

List of Director Candidates: Yu-Kun Kao; representatives from Power Investments Limited: Heng-Chung Chi, and Ming-Nan Zhuang.

List of Independent Director Candidates: Ding-Ren Liu, Chien-Kuo Yang, Chih-Chun Tsai, and Hsiang-Ju Liao.

For information regarding the education, experiences, and other relevant details of the candidates, please visit the website: [<https://mops.twse.com.tw>].

**4. The Board of Directors has approved the following dividends:**

(1) The Board of Directors has proposed cash dividends totaling NT\$1.2.

(i) The distribution for 2024 from retained earnings amounts to NT\$47,623,280, which equates to NT\$0.80 per share (or NT\$800 per 1,000 shares). Additionally, the cash distribution from the capital surplus is NT\$23,811,640, amounting to NT\$0.40 per share (or NT\$400 per 1,000 shares).

(ii) 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.

(2) Increase capital through retained earnings in 2024 to issue new shares to common shareholders.

(i) The total amounts to NT\$11,905,820. Each common shareholder will be entitled to receive a dividend of NT\$0.20 from retained earnings.

(ii) 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.

- (iii) 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.
- (iv) 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.

## **5. The primary details regarding the proposed issuance of new restricted employee shares for 2025.**

The total amount and the conditions pertaining to the restricted employee shares to be issued at this time are outlined as follows:

### **(1) 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.

### **(2) 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  $\geq 5.8$ ) 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.

(3) 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.

(4) Justifiable Reasons for Issuance of Restricted Employee Shares:

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

(5) 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.

- 6. Pursuant to Article 165 of the Company Act, the Company hereby announces the closure of the share transfer registration from March 31, 2025, to May 29, 2025.**
- 7. Please find enclosed the "Notice of Attendance" and the "Proxy Statement." If you plan to attend the meeting in person, please sign or affix your seal in the "Registration Card" section. Shareholders may sign or place their seal in the "Proxy Statement" section to appoint a proxy to attend on their behalf and execute a power of attorney in writing. Please complete the "Proxy Statement" and submit it to the Company's stock agency, Capital Securities Corporation, Transfer Agent, by May 23, 2025, which is five days prior to the meeting date.**
- 8. The company will compile a summary statement of the relevant information provided by shareholders through the solicitation of the proxies and will disclose the content on the Securities & Futures Institute (SFI) website by April 28, 2025. Shareholders can visit SFI's website at (<https://free.sfi.org.tw>) to view the relevant information. (TWSE code: 3588)**
- 9. The Transfer Agency Department of Capital Securities Corporation, Ltd. acts as the proxy tallying and verification institution for this annual meeting.**



Leadtrend Technology Corp.  
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**10. Shareholders may exercise their voting rights through electronic transmission during the period from April 29, 2025, to May 26, 2025. Please log in to the “e-Vote Pass” of the Taiwan Depository & Clearing Corporation (TDCC) to cast your vote. (<https://stockservices.tdcc.com.tw>)**

Sincerely,



Board of Directors

Leadtrend Technology Corporation