

# **Leadtrend Technology Corporation**

## **Handbook for the 2026 Annual Meeting of Shareholders**

**(TRANSLATION)**

**Meeting type: Physical shareholders' meeting**

**Meeting date: May 28, 2026**

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

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# **Leadtrend Technology Corporation**

## **2026 Annual Shareholder's Meeting Procedure**

- 1. Call the meeting to order**
- 2. Chairman's Address**
- 3. Report Items**
- 4. Ratification Items**
- 5. Discussion Items**
- 6. Extemporaneous Motions**
- 7. Adjournment**

# **Leadtrend Technology Corporation**

## **2026 Annual Shareholders' Meeting**

### **Meeting Agenda**

(Translation)

**Time:** 9:00 a.m., May 28, 2026 (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) 2025 Business Report
  - (2) 2025 Audit Committee's Review Report
  - (3) Report on the Distribution of Remuneration for Employees and Directors in 2025
  - (4) Report on the Cash Distribution from Retained Earnings and Capital Surplus in 2025
- 4. Ratification Items**
  - (1) Adoption of the 2025 Business Report and Financial Statements
  - (2) Adoption of the Proposal for the Distribution of 2025 Earnings
- 5. Discussion Items**
  - (1) Amendment to the Company's "Procedures for Acquisition or Disposal of Assets"
  - (2) Amendment to the Company's "Procedures for Financial Derivatives Transactions"
  - (3) The Company Will Issue the Restricted Stocks for Employees in 2026
- 6. Extemporaneous Motions**
- 7. Adjournment**

## Report Items

### Report Item (1)

Subject: 2025 Business Report

Descriptions: The 2025 Business Report is attached on pages 11 to 15 (see Attachment 1)

### Report Item (2)

Subject: 2025 Audit Committee's Review Report

Descriptions: The 2025 Audit Committee's Review Report is attached on page 16 (see Attachment 2)

### Report Item (3)

Subject: Report on the Distribution of Remuneration for Employees and Directors in 2025

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 10% of the profit for employee compensation and a maximum of 2% of the profit for director remuneration. A minimum of 40% of the aforementioned compensation for non-managerial employees should be allocated to them.
- (2) The total remuneration allocated to employees and directors is NT\$5,506,802 and NT\$518,287, 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. Of the total number of employees referred to in the preceding paragraph, NT\$3,304,081 has been allocated for distribution to non-managerial employees.

## Report Item (4)

Subject: Report on the Cash Distribution from Retained Earnings and Capital Surplus in 2025

### 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\$18,306,805 has been allocated to shareholders, equating to NT\$0.30 per share (NT\$300 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\$12,204,536 is allocated from the capital surplus generated by share premiums, resulting in a cash dividend distribution of NT\$0.20 per share (NT\$200 per 1,000 shares). Consequently, the total cash dividend per share amounts to NT\$0.50 (NT\$500 per 1,000 shares).
- (3) The cash dividend amount for each shareholder shall be rounded down to the nearest integer (New Taiwan Dollar). Fractional amounts less than NT\$1 shall be aggregated and recognized as other income of the Company. The Chairman is authorized to determine the record date, payment date, and other relevant matters regarding this distribution.
- (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.

## Ratification Items

### Proposal (1)

Subject: Adoption of the 2025 Business Report and Financial Statements

[Proposed by the Board of Directors]

Descriptions:

- (1) The Company's 2025 Financial Statements have been audited by CPAs Ya-Yun Chang and Ming-Hui Chen of Deloitte & Touche. An independent auditors' report with an unqualified opinion has been issued.
- (2) For the 2025 Business Report, Independent Auditor's Report, and Financial Statements, please refer to Attachments 1 and 3 (pages 11-15 and 17-37) of this Handbook.

Resolution:

### Proposal (2)

Subject: Adoption of the Proposal for the Distribution of 2025 Earnings

[Proposed by the Board of Directors]

Descriptions:

For the 2025 Earnings Distribution Table, please refer to Attachment 4 (page 38) of this Handbook.

Resolution:

## Discussion Items

### Proposal (1)

Subject: Amendment to the Company's "Procedures for Acquisition or Disposal of Assets"

[Proposed by the Board of Directors]

Descriptions:

- (1) To comply with Directive No. 1140383333 issued by the Financial Supervisory Commission on July 24, 2025, certain provisions of the Company's "Procedures for the Acquisition or Disposal of Assets" are proposed to be amended.
- (2) Please refer to Attachment 5 (pages 39-65) of this Handbook for the Comparison Table for the Procedures for Acquisition or Disposal of Assets Before and After Amendment.

Resolution:

### Proposal (2)

Subject: Amendment to the Company's "Procedures for Financial Derivatives Transactions"

[Proposed by the Board of Directors]

Descriptions:

- (1) To comply with Directive No. 1140383333, issued by the Financial Supervisory Commission on July 24, 2025, and to align with the Company's actual operations, certain provisions of the Company's "Procedures for Financial Derivatives Transactions" are proposed to be amended.
- (2) Please refer to Attachment 6 (pages 66-72) of this Handbook for the Comparison Table for the Procedures for Financial Derivatives Transactions Before and After Amendment.

Resolution:

### Proposal (3)

Subject: The Company Will Issue the Restricted Stocks for Employees in 2026

[Proposed by the Board of Directors]

#### Descriptions:

- (1) We plan to issue restricted stocks to employees 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 stocks for employees 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 either 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 stocks for employees 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 remaining employed at Leadtrend when any of the following granting periods expire. The employee will then receive the restricted stocks for employees based on the ratio of the granted portion for the relevant granting period.

<u>Vesting Schedule</u>	<u>Granting Ratio</u>
From the grant date until October 11 of the first year following the grant date.	1/6
From the grant date until April 11 of the second year following the grant date.	1/6
From the grant date until October 11 of the second year following the grant date.	1/6
From the grant date until April 11 of the third year following the grant date.	1/6
From the grant date until October 11 of the third year following the grant date.	1/6
From the grant date until April 11 of the fourth year following the grant date.	1/6

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

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

When an employee fails to meet the granting conditions, we will revoke and cancel the restricted stocks for employees, 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 stocks for employees.

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 stocks for employees 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 stocks for employees, 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 be approval from the Chairman and subsequently be reported to the Board of Directors for their consent. However, if any of the employees also serve as a director and/or manager, approval from the Remuneration Committee must be obtained first. If any of the employees also do not serve as a director and/or manager, approval from the Audit Committee must be obtained first.

D. Justifiable Reasons for Issuance of Restricted Stocks for Employees

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.

E. Potential Expenses Amount, Dilution of Leadtrend'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\$47.55 on March 4, 2026, amounts to NT\$19,971 thousand. The estimated expenses for the years 2026 to 2030 respectively are as follows: NT\$2,207 thousand, NT\$9,901 thousand,

NT\$5,363 thousand, NT\$2,222 thousand and NT\$278 thousand, respectively.

(ii) Dilution of Leadtrend'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 are as follows: the earnings per share for the years 2026 to 2030 are projected to decrease by NT\$0.025, NT\$0.112, NT\$0.060, NT\$0.025 and NT\$0.003, respectively. (These figures are calculated based on 62,014,182 shares issued on March 4, 2026, plus restricted stocks for employees.) The total dilution of the Company's EPS is estimated at NT\$0.225, which has no significant impact on shareholders' equity.

The Regulations for the Issue of Restricted Stocks for Employees in 2026 have been established. Please refer to Attachment 7 (pages 73-77) 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:

## **Extemporary Motions**

### **Adjournment**

# Leadtrend Technology Corporation

## 2025 Business Report

### Dear Shareholders,

In 2025, the ACDC power management integrated circuit (IC) industry was significantly impacted by the US–China trade war, tariff uncertainties, and geopolitical tensions. Taiwanese manufacturers benefited from order diversions driven by the “China+1” trend. However, to counter these challenges, Chinese manufacturers initiated a series of price wars in the mature process technology sector, significantly affecting the areas in which we operate. Although Leadtrend adopted a strategy focused on enhancing product value and differentiation—deepening its involvement in mid-to-high-end applications through one-stop services and collaborating closely with clients on development to build trust—revenue declined by 7.24% in 2025 compared to the previous year. This decrease was due to intensified competition in the end market and headwinds such as the appreciation of the New Taiwan Dollar in the second quarter. Looking ahead, the Company plans to continue launching products that meet market demand for low-power, high-performance, and high-power-density solutions while optimizing its cost structure and expanding the mix of high-margin products to navigate the volatile macroeconomic environment.

### 2025 Business Performance Outcomes

#### (1) Results of the Implementation of the Operational Plan

The semiconductor market is rebounding, driven by the development of AI applications. Alongside ongoing energy efficiency regulations across various sectors and the rapid evolution of industry standards, the power management IC market in which Leadtrend operates presents a structural opportunity characterized by specification upgrades that enhance solution value. First, the EU’s external power supply energy efficiency regulations have come into effect. These are expected to drive customer demand for highly integrated, low-standby-power and high-efficiency products. This shifts the strategic focus of power management ICs away from cost-based competition toward providing more comprehensive system solutions and design support. Second, the USB-C fast charging market is shifting from increasing power to optimizing efficiency and thermal management, thereby raising the technical barriers for integrated technologies such as conversion efficiency, protection mechanisms, and system integration.

In response to these trends, Leadtrend continued to pursue a development strategy focused on total solutions and highly integrated products in 2025. By enhancing the comprehensiveness of our medium- to high-power AC-DC control

solutions and advancing our integrated design and application reference solutions, we aim to help our customers shorten their development timelines and improve their products' competitiveness. This approach will increase the value of our product portfolio, expand our market penetration, and strengthen our long-term partnerships across the laptop, TV, monitor, networking, smart home appliances, e-bike, industrial PC (IPC), lighting, and other power supply application markets.

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

Leadtrend's consolidated financial performance for the fiscal year 2025 is summarized as follows: annual revenue reached NT\$1,349 million, representing a 7.24% decrease compared to the previous year. Gross profit amounted to NT\$458 million, accounting for 34.0% of revenue, which is a 17.02% decline from the previous year. Operating income was reported at NT\$16 million, or 1.22% of revenue, a decrease of 80.68% from the previous year. Net income was recorded at NT\$31 million, resulting in earnings per share (EPS) of NT\$0.50 and a return on shareholders' equity of 1.74%.

## **(3) Status of Research and Development**

Leadtrend's R&D strategy shows a high level of continuity. It focuses on the mass production of medium- and high-power digital control ICs in 2025, with the goal of progressing toward the development of ultra-energy-efficient, high-end drive topology control and forward-looking, emerging applications in 2026.

### 2025 R&D Achievements

#### 1. Medium-to high-power Digital Combo ICs

Successfully mass-produced PFC+LLC digital control combo ICs. Utilizing proprietary noise-free technology and high efficiency, these ICs effectively streamline system components and have been widely adopted in large-screen TVs and networking products.

#### 2. High-Performance PFC Controller ICs

We have launched digital interleaved PFC controllers and low total harmonic distortion (THD) critical conduction mode boost PFC controllers. Thanks to our advanced power factor correction technology, these products have been mass-produced and adopted by several leading power supply manufacturers, demonstrating our technical expertise in medium- to high -power supply architectures.

#### 3. Emerging Field of Low-Earth Orbit (LEO) Satellites

The Company has completed the verification of key technologies and successfully integrated them into satellite power systems, meeting the stringent requirements for

high reliability and lightweight design in LEO satellite equipment. This achievement has enabled the Company to successfully expand into new application markets.

## 2026 R&D Outlook

### 1. High-End Drive and Topology Control Strategy

Accelerate the commercialization of high-power-density SiC MOSFET solutions. For medium-to high-power applications, complete the planning and development of a series of high-frequency drive and control ICs that support mainstream topologies such as LLC, AHB, and PFC.

### 2. Promotion of Zero Standby Power (ZSP) Technology

Building on the success of NB Total Solutions, we will expand the application of IEC 62301 ZSP technology across additional product lines, enabling our customers to meet stringent global energy efficiency regulations.

### 3. R&D of Next-Generation Medium- to High-Power Digital LLC and CCM PFC Control ICs

Focusing on the server and industrial power supply markets, we are investing in the research and development of next-generation standalone digital LLC control ICs to achieve a faster dynamic response and enhanced system stability, thereby establishing significant technical barriers to entry.

As of the end of 2025, Leadtrend had filed a total of 760 patent applications worldwide, with 578 patents granted—including 221 in Taiwan, 169 in mainland China, 186 in the United States, and two in Japan. In addition to continuously strengthening its intellectual property barriers, the team frequently publishes research findings in leading international power electronics journals, such as the IEEE JESTPE. This approach enhances Leadtrend's global brand visibility and professional standing through industry-academia collaboration.

Leadtrend's research and development efforts across all product lines have consistently pursued the vision of **“Green your power and 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, while 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 2026 Business Plan**

### **(1) Business Plan**

Leadtrend adheres to core principles of innovation, service, quality, and collaboration, providing customers with prompt and comprehensive support. The Company's long-term development strategy emphasizes a strong focus on Taiwan, a deep engagement with the Chinese market, and an aspiration to connect with international brands worldwide.

### **(2) Expected Sales Volume and Its Underpinnings**

In 2025, the global semiconductor market maintained strong growth, driven by demand for AI, cloud data centers, and high-performance computing. This reflects a rebound in demand for end-user electronic systems overall, as well as the continued adoption of new applications. In the power management IC market, where Leadtrend operates, growth is driven not only by expansion in the overall semiconductor market but also by evolving specifications, regulations, and system upgrades. This market exhibits growth characteristics driven by structural upgrades. As this trend evolves, market competition is shifting its focus from simple power increases to requirements such as efficiency, thermal management, integration, and interoperability. This shift will benefit Leadtrend by expanding its serviceable addressable market (SAM) and enhancing its product portfolio value. The outlook for future operational growth is optimistic, and the sales in 2026 are projected to increase significantly compared to the previous year.

### **(3) Important Policies Regarding Production and Sales**

Leadtrend is recognized as Taiwan's most comprehensive medium- to high-power ACDC total solution integrated circuit design company. Leveraging Taiwan's unique semiconductor division of labor capabilities, the Company offers flexible customization options. It maintains strong relationships with, and close manufacturing partnerships with local foundries, as well as packaging and testing facilities, to ensure production capacity and meet customer delivery schedules. However, geopolitical factors, logistics challenges, and fluctuations in energy and material costs may still impact the supply side. Additionally, as may the concentration of resources in certain manufacturing processes and packaging formats. In the event of a rapid reversal in demand, there may still be temporary fluctuations in delivery times and prices. Therefore, Leadtrend will continue to adopt a cautiously optimistic approach to market assessments and production capacity planning, making timely adjustments based on customer adoption progress, supply chain conditions, and market changes.

**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.**

Leadtrend is firmly committed to developing innovative product technologies, maintaining sound corporate governance, fulfilling its corporate social responsibilities, and pursuing sustainable development. Through continuous innovation, we strive to deliver high-performance power management IC products that help our customers comply with the latest international regulations, reduce their energy consumption, and protect the planet. Despite facing rapid changes in the business environment and intense competition, Leadtrend continues to develop new technologies and product roadmaps that align with future market trends. We seek growth opportunities by creating diverse and specialized products, continuously innovating and enhancing our technical capabilities, and working toward increased profitability to create greater value for our customers and shareholders.

The Board of Directors remains committed to maintaining the trust and long-term support of our shareholders. The Board will oversee the management team and collaborate diligently with all employees to actively pursue the Company's growth and development, thereby expressing our 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 2025 Business Report, Financial Statements, and Distribution of Earnings. The financial statements have been audited by CPAs Ya-Yun Chang and Ming-Hui Chen 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., 2026 Annual Shareholders' Meeting

Leadtrend Technology Corporation

Convener of the Audit Committee: Ding-Ren Liu

April 15, 2026

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders

Leadtrend Technology Corporation

### **Opinion**

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Leadtrend Technology Corporation and its subsidiaries as of December 31, 2025 and 2024 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC) and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Auditing Standards in the Republic of China. Our responsibilities under those standards are further described in the section of our report. We are independent of Leadtrend Technology Corporation and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the consolidated financial statements of Leadtrend Technology Corporation and its subsidiaries for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the consolidated financial statements of Leadtrend Technology Corporation and its subsidiaries for the year ended December 31, 2025 are stated as follows:

### Recognition of Sales Revenue

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.

We assessed that, for customers with significant fluctuations in revenue during 2025, there is a risk relating to the occurrence of revenue recognition. Accordingly, we performed the following audit procedures with respect to sales transactions with such customers to assess the occurrence of revenue recognized by Leadtrend Technology Corporation and its subsidiaries:

1. We obtained an understanding of, and tested, the effectiveness of internal controls over order approval and shipment procedures.
2. We inspected supporting documentation relating to sales revenue and traced such transactions to cash receipts or subsequent collections to verify the existence and occurrence of sales, and examined whether there were any unusual circumstances between the sales counterparties and the recipients of payment.

## **Other Matters**

The Company has also prepared the parent company only financial statements for the years ended December 31, 2025 and 2024, for which we have issued an audit report, along with 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 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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.

As part of an audit in accordance with the auditing standards of the Republic of China, 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, 2025. 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.

The engagement partners on the audit resulting in this independent auditors' report are Ya-Yun Chang and Ming-Huei Chen.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 5, 2026

**LEADTREND TECHNOLOGY CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**

**December 31, 2025 and 2024**

(In thousands of New Taiwan Dollars)

Code	Assets	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
	<b>Current asset</b>				
1100	Cash and cash equivalents (Note 4 and 6)	\$ 522,303	26	\$ 493,439	24
1110	Financial assets at fair value through profit or loss - current (Note 4 and 7)	105,835	5	103,975	5
1170	Notes and accounts receivable (Note 4, 5 and 9)	232,609	12	236,825	11
130X	Inventories (Note 4, 5 and 10)	635,437	32	709,100	34
1470	Other current assets (Note 15)	18,106	1	12,047	1
11XX	Total current assets	<u>1,514,290</u>	<u>76</u>	<u>1,555,386</u>	<u>75</u>
	<b>Non-current assets</b>				
1540	Financial assets at amortized cost- non-current (Note 4 and 8)	1,000	-	1,000	-
1600	Property, plant and equipment (Note 4 and 12)	438,770	22	462,119	22
1755	Right-of-use assets (Note 4 and 13)	21,137	1	34,656	2
1780	Intangible assets (Note 4 and 14)	6,324	1	7,130	-
1990	Other non-current assets (Note 4 and 15)	6,121	-	8,084	1
15XX	Total non-current assets	<u>473,352</u>	<u>24</u>	<u>512,989</u>	<u>25</u>
1XXX	Total assets	<u>\$1,987,642</u>	<u>100</u>	<u>\$2,068,375</u>	<u>100</u>
	<b>Liabilities and Equity</b>				
	<b>Current liabilities</b>				
2170	Accounts payable	\$ 101,542	5	\$ 108,662	5
2200	Remuneration payable to employees and directors (Note 22)	6,025	-	23,042	1
2230	Current income tax liabilities (Note 4 and 23)	3,207	-	8,682	-
2280	Lease liabilities - current (Note 4 and 13)	11,874	1	12,989	1
2320	Long-term borrowings -current portion (Note 4 and 16)	-	-	10,208	1
2399	Other current liabilities (Note 17)	86,771	5	79,083	4
21XX	Total current liabilities	<u>209,419</u>	<u>11</u>	<u>242,666</u>	<u>12</u>
	<b>Non-current liability</b>				
2540	Long-term borrowings (Note 4 and 16)	-	-	24,792	1
2570	Deferred tax liabilities (Note 4 and 23)	794	-	335	-
2580	Lease liabilities - non-current (Note 4 and 13)	9,344	-	21,652	1
2645	Deposits received	13,919	1	13,138	1
25XX	Total non-current liabilities	<u>24,057</u>	<u>1</u>	<u>59,917</u>	<u>3</u>
2XXX	Total liabilities	<u>233,476</u>	<u>12</u>	<u>302,583</u>	<u>15</u>
	<b>Equity (Notes 4, 19 and 20)</b>				
	<b>Share capital</b>				
3110	Common stock	620,142	31	604,421	29
	<b>Capital surplus</b>				
3210	Share premium	246,555	12	250,212	12
3251	Donations received from shareholders	84,732	4	84,732	4
3273	Restricted stocks for employees	54,702	3	61,218	3
3280	Others	154	-	131	-
	<b>Retained earnings</b>				
3310	Legal reserve	229,360	12	218,171	11
3320	Special reserve	-	-	786	-
3350	Undistributed earnings	542,492	27	581,831	28
	<b>Other equity</b>				
3410	Exchange differences on translating the financial statements of foreign operations	12,415	1	9,971	-
3491	Unearned compensation	( <u>36,386</u> )	( <u>2</u> )	( <u>45,681</u> )	( <u>2</u> )
3XXX	Total equity	<u>1,754,166</u>	<u>88</u>	<u>1,765,792</u>	<u>85</u>
	<b>Total liabilities and equity</b>	<u>\$1,987,642</u>	<u>100</u>	<u>\$2,068,375</u>	<u>100</u>

The accompanying notes are an integral 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 STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

(In thousands of New Taiwan Dollars, except earnings per share)

Code		2025		2024	
		Amount	%	Amount	%
4000	Operating revenues (Note 4,21 and 31)	\$ 1,348,683	100	\$ 1,453,906	100
5000	Operating costs (Notes 10,18 and 22)	<u>890,301</u>	<u>66</u>	<u>901,475</u>	<u>62</u>
5900	Operating margin	<u>458,382</u>	<u>34</u>	<u>552,431</u>	<u>38</u>
	Operating expenses (Notes 18 and 22)				
6100	Selling expenses	60,356	5	67,320	5
6200	Administrative expenses	109,775	8	117,226	8
6300	Research and development expenses	<u>271,841</u>	<u>20</u>	<u>282,932</u>	<u>19</u>
6000	Total operating expenses	<u>441,972</u>	<u>33</u>	<u>467,478</u>	<u>32</u>
6900	Net operating income	<u>16,410</u>	<u>1</u>	<u>84,953</u>	<u>6</u>
	Non-operating income and expenses (Note 22)				
7100	Interest income	7,099	1	6,684	-
7010	Other Income	4,172	-	5,147	-
7020	Other gains and losses	3,486	-	15,201	1
7050	Finance costs	( <u>671</u> )	-	( <u>557</u> )	-
7000	Total non-operating income and expenses	<u>14,086</u>	<u>1</u>	<u>26,475</u>	<u>1</u>
7900	Net profit before income tax	30,496	2	111,428	7
7950	Income tax benefit (Notes 4 and 23)	( <u>97</u> )	-	( <u>461</u> )	-
8200	Net profit for the year	30,593	2	111,889	7
	Other Comprehensive Income and loss				
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations (Note 19)	<u>\$ 2,444</u>	-	<u>\$ 10,757</u>	<u>1</u>
8500	Total comprehensive Income (loss)	<u>\$ 33,037</u>	<u>2</u>	<u>\$ 122,646</u>	<u>8</u>
	Earnings per share (NTD, Note 24)				
9750	Basic earnings per share	<u>\$ 0.50</u>		<u>\$ 1.85</u>	
9850	Diluted earnings per share	<u>\$ 0.50</u>		<u>\$ 1.83</u>	

The accompanying notes are an integral 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 STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

(In thousands of New Taiwan Dollars, unless stated otherwise)

Code		Share capital - common stock		Capital surplus			Retained earnings				Other equity		Total equity	
		Shares (In thousands)	Amount	Share premium	Donations received from shareholders	Restricted stocks for employees	Others	Legal reserve	Special reserve	Undistributed earnings	Total	Exchange differences on translating the financial statements of foreign operations		Unearned compensation
A1	Balance at January 1, 2024	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 retained earnings for 2023													
B1	Legal reserve	-	-	-	-	-	-	2,887	-	( 2,887 )	-	-	-	-
B3	Special reserve	-	-	-	-	-	-	-	786	( 786 )	-	-	-	-
B9	Stock dividends to shareholders—\$0.2 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 surplus used for distribution of cash dividends—\$0.4 per share	-	-	( 23,275 )	-	-	-	-	-	-	-	-	-	( 23,275 )
C17	Changes in other capital surplus	-	-	-	-	-	6	-	-	-	-	-	-	6
D1	Net profit for the year ended December 31, 2024	-	-	-	-	-	-	-	-	111,889	111,889	-	-	111,889
D3	Other comprehensive (income) loss for the year ended December 31, 2024	-	-	-	-	-	-	-	-	-	-	10,757	-	10,757
D5	Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	-	-	111,889	111,889	10,757	-	122,646
N1	Issuance of restricted stocks for employees	420	4,200	-	-	32,928	-	-	-	-	-	-	( 37,128)	-
N1	Acquired restricted stocks for employees	-	-	18,815	-	( 18,815 )	-	-	-	-	-	-	-	-
N1	Canceled restricted stocks for employees	( 60 )	( 595 )	-	-	595	-	-	-	-	-	-	-	-
N1	Compensation cost of the restricted stocks for employees	-	-	-	-	( 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
	Distribution of retained earnings for 2024													
B1	Legal reserve	-	-	-	-	-	-	11,189	-	( 11,189 )	-	-	-	-
B17	Reversal of special reserve	-	-	-	-	-	-	-	( 786 )	786	-	-	-	-
B5	Cash dividends to shareholders—\$0.8 per share	-	-	-	-	-	-	-	-	( 47,623 )	( 47,623 )	-	-	( 47,623 )
B9	Stock dividends to shareholders—\$0.2 per share	1,191	11,906	-	-	-	-	-	-	( 11,906 )	( 11,906 )	-	-	-
	Total distribution of retained earnings	1,191	11,906	-	-	-	-	11,189	( 786 )	( 69,932 )	( 59,529 )	-	-	( 47,623 )
C15	Capital surplus used for distribution of cash dividends—\$0.4 per share	-	-	( 23,812 )	-	-	-	-	-	-	-	-	-	( 23,812 )
C17	Changes in other capital surplus	-	-	-	-	-	23	-	-	-	-	-	-	23
D1	Net profit for the year ended December 31, 2025	-	-	-	-	-	-	-	-	30,593	30,593	-	-	30,593
D3	Other comprehensive (income) loss for the year ended December 31, 2025	-	-	-	-	-	-	-	-	-	-	2,444	-	2,444
D5	Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	-	-	-	30,593	30,593	2,444	-	33,037
N1	Issuance of restricted stocks for employees	420	4,200	-	-	16,128	-	-	-	-	-	-	( 20,328 )	-
N1	Acquired restricted stocks for employees	-	-	20,155	-	( 20,155 )	-	-	-	-	-	-	-	-
N1	Canceled restricted stocks for employees	( 39 )	( 385 )	-	-	385	-	-	-	-	-	-	-	-
N1	Compensation cost of the restricted stocks for employees	-	-	-	-	( 2,874 )	-	-	-	-	-	-	29,623	26,749
Z1	Balance at December 31, 2025	62,014	\$ 620,142	\$ 246,555	\$ 84,732	\$ 54,702	\$ 154	\$ 229,360	\$ -	\$ 542,492	\$ 771,852	\$ 12,415	( \$ 36,386 )	\$ 1,754,166

The accompanying notes are an integral 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 STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

(In thousands of New Taiwan Dollars)

Code		2025	2024
	Cash flows from operating activities		
A10000	Net profit before income tax	\$ 30,496	\$ 111,428
A20010	Adjustments for:		
A20100	Depreciation expenses	72,710	74,833
A20200	Amortization expenses	7,533	6,588
A20400	Net gain on financial assets or liabilities at fair value through profit or loss	( 1,390 )	( 1,546 )
A20900	Finance costs	671	557
A21200	Interest income	( 7,099 )	( 6,684 )
A21900	Compensation cost of the restricted stocks for employees	26,749	23,454
A22500	Loss on disposal of property, plant and equipment	1	8
A23700	Write-down of inventories	-	7,433
A24100	Unrealized foreign exchange gain	( 5,266 )	( 10,524 )
A30000	Net changes in operating assets and liabilities		
A31150	Notes and accounts receivable	4,942	( 39,800 )
A31200	Inventories	73,663	( 108,783 )
A31240	Other current assets	( 4,328 )	7,139
A32150	Accounts payable	( 6,902 )	( 1,260 )
A32200	Remuneration payable to employees and directors	( 17,017 )	3,827
A32230	Other current liabilities	6,860	225
A33000	Cash flow generated from operations	181,623	66,895
A33300	Interest paid	( 671 )	( 557 )
A33500	Income tax paid	( 6,514 )	( 819 )
AAAA	Net cash flows from operating activities	<u>174,438</u>	<u>65,519</u>
	Cash flows from investment 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 )
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	-	76,126
B02700	Acquisition of property, plant and equipment	( 35,694 )	( 38,359 )
B03700	Increase in refundable deposits	( 4 )	( 180 )

(Continued on next page)

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Code		2025	2024
B04500	Acquisition of intangible assets	( \$ 4,160 )	( \$ 5,153 )
B07500	Interest received	<u>7,042</u>	<u>6,702</u>
BBBB	Net cash flows used in investment activities	( <u>32,816</u> )	( <u>53,663</u> )
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	-	30,000
C00200	Decrease in short-term borrowings	-	( 30,000 )
C01600	Proceeds from long-term debt	-	35,000
C01700	Decrease in long-term borrowings	( 35,000 )	-
C03000	Increase in deposits received	781	12,278
C04020	Repayment of the principal portion of lease liabilities	( 13,299 )	( 13,655 )
C04500	Cash dividends paid	( 71,435 )	( 23,275 )
C09900	Other financing activities	<u>23</u>	<u>6</u>
CCCC	Net cash flows from (used in) financing activities	( <u>118,930</u> )	<u>10,354</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>6,172</u>	<u>13,484</u>
EEEE	Net increase in cash and cash equivalents	28,864	35,694
E00100	Cash and cash equivalents at beginning of the year	<u>493,439</u>	<u>457,745</u>
E00200	Cash and cash equivalents at end of the year	<u>\$ 522,303</u>	<u>\$ 493,439</u>

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

Chairman: Yu-Kun Kao

Manager: Heng-Chung Chi

Accounting Manager: Shu-Wei Yu

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders

Leadtrend Technology Corporation

### **Opinion**

We have audited the accompanying parent company only financial statements of Leadtrend Technology Corporation, which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements 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 position of Leadtrend Technology Corporation as of December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended.

### **Basis for Opinion**

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Auditing Standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of Leadtrend Technology Corporation in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit

evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of Leadtrend Technology Corporation for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the parent company only financial statements of Leadtrend Technology Corporation for the year ended December 31, 2025 are stated as follows:

#### Recognition of Sales Revenue

For the disclosure of significant sales revenue of Leadtrend Technology Corporation, please refer to Note 20. Sales of power management integrated circuits are the primary revenue source of the Company. The revenue recognition process involves production planning personnel preparing goods based on delivery orders provided by the business unit. Once the products are ready, quality assurance personnel are notified to perform inspections. Upon successful inspection, the production planning personnel sign the delivery orders and finished goods outbound orders, which are then approved by authorized supervisors before shipment, and the inventory details are updated in the operating system. Accounting personnel then recognize sales revenue based on the delivery orders signed by customers or shipping companies.

We assessed that for customers with significant fluctuations in revenue during 2025, there is a risk relating to the occurrence of revenue recognition. Accordingly, we performed the following audit procedures on sales to such customers to verify the occurrence of revenue recognized by the Company:

1. Obtained an understanding of and tested the effectiveness of internal controls over order approval and shipment procedures.
2. Sampled and inspected supporting documents related to sales revenue and traced them to cash receipts or subsequent collections to verify the existence and occurrence of sales, and examined whether any unusual circumstances existed between the sales counterparties and the recipients of payments.

## **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.

As part of an audit in accordance with the auditing standards of the Republic of China, 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.
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 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.
5. 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.
6. 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, 2025. 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.

The engagement partners on the audit resulting in this independent auditors' report are Ya-Yun Chang and Ming-Huei Chen.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 5, 2026

**LEADTREND TECHNOLOGY CORPORATION**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2025 AND 2024**

(In thousands of New Taiwan Dollars)

Code	Assets	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
	<b>Current assets</b>				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 469,708	24	\$ 456,534	22
1170	Accounts receivable (Notes 4, 5, 8 and 20)	89,502	4	98,511	5
1180	Accounts receivable – related parties (Notes 4, 5, 8, 20 and 26)	74,744	4	87,572	4
130X	Inventories (Notes 4, 5 and 9)	540,784	28	608,919	30
1470	Other current assets (Notes 14 and 26)	15,842	1	11,622	1
11XX	Total current assets	<u>1,190,580</u>	<u>61</u>	<u>1,263,158</u>	<u>62</u>
	<b>Non-current assets</b>				
1535	Financial assets at amortized cost- non-current (Notes 4 and 7)	1,000	-	1,000	-
1550	Investments accounted for using equity method (Notes 4 and 10)	334,723	17	306,379	15
1600	Property, plant and equipment (Notes 4 and 11)	395,242	20	414,136	21
1755	Right-of-use assets (Notes 4 and 12)	18,323	1	27,722	2
1780	Intangible assets (Notes 4 and 13)	6,324	1	7,130	-
1990	Other non-current assets (Notes 4 and 14)	5,037	-	7,051	-
15XX	Total non-current assets	<u>760,649</u>	<u>39</u>	<u>763,418</u>	<u>38</u>
1XXX	Total assets	<u>\$1,951,229</u>	<u>100</u>	<u>\$2,026,576</u>	<u>100</u>
	<b>Liabilities and Equity</b>				
	<b>Current liabilities</b>				
2170	Accounts payable	\$ 87,681	5	\$ 95,923	5
2180	Accounts receivable – related parties (Note 26)	959	-	501	-
2200	Remuneration payable to employees and directors (Note 21)	6,025	-	23,042	1
2230	Current income tax liabilities (Notes 4 and 22)	3,207	-	6,242	-
2280	Lease liabilities - current (Notes 4 and 12)	9,529	1	9,266	-
2320	Long-term borrowings -current portion (Notes 4 and 15)	-	-	10,208	1
2399	Other current liabilities (Note 16)	79,530	4	71,538	4
21XX	Total current liabilities	<u>186,931</u>	<u>10</u>	<u>216,720</u>	<u>11</u>
	<b>Non-current liabilities</b>				
2540	Long-term borrowings (Notes 4 and 15)	-	-	24,792	1
2570	Deferred tax liabilities (Notes 4 and 22)	794	-	335	-
2580	Lease liabilities- non-current (Notes 4 and 12)	9,282	-	18,811	1
2645	Deposits received	56	-	126	-
25XX	Total non-current liabilities	<u>10,132</u>	<u>-</u>	<u>44,064</u>	<u>2</u>
2XXX	Total liabilities	<u>197,063</u>	<u>10</u>	<u>260,784</u>	<u>13</u>
	<b>Equity (Notes 4, 18 and 19)</b>				
	<b>Share capital</b>				
3110	Common stock	620,142	32	604,421	30
	<b>Capital surplus</b>				
3210	Share premium	246,555	13	250,212	13
3251	Donations received from shareholders	84,732	4	84,732	4
3273	Restricted stocks for employees	54,702	3	61,218	3
3280	Others	154	-	131	-
	<b>Retained earnings</b>				
3310	Legal reserve	229,360	11	218,171	11
3320	Special reserve	-	-	786	-
3350	Undistributed earnings	542,492	28	581,831	28
	<b>Other Equity</b>				
3410	Exchange differences on translating the financial statements of foreign operations	12,415	1	9,971	-
3491	Unearned compensation	( 36,386 )	( 2 )	( 45,681 )	( 2 )
3XXX	Total equity	<u>1,754,166</u>	<u>90</u>	<u>1,765,792</u>	<u>87</u>
	Total liabilities and equity	<u>\$1,951,229</u>	<u>100</u>	<u>\$2,026,576</u>	<u>100</u>

The accompanying notes are an integral 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 STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

(In thousands of New Taiwan Dollars, except earnings per share)

Code		2025		2024	
		Amount	%	Amount	%
4000	Operating revenues (Notes 4, 20 and 26)	\$ 1,195,167	100	\$ 1,299,376	100
5000	Operating costs (Notes 9, 17 and 21)	<u>806,671</u>	<u>67</u>	<u>858,881</u>	<u>66</u>
5900	Gross profit	388,496	33	440,495	34
5910	Unrealized profit from sales (Note 4)	( 14,587 )	( 1 )	( 26,243 )	( 2 )
5920	Realized profit from sales (Note 4)	<u>17,264</u>	<u>1</u>	<u>1,103</u>	<u>-</u>
5950	Operating margin	<u>391,173</u>	<u>33</u>	<u>415,355</u>	<u>32</u>
	Operating expenses (Notes 17 and 21)				
6100	Selling expenses	45,399	4	49,246	4
6200	Administrative expenses	106,055	9	113,167	9
6300	Research and development expenses	<u>244,149</u>	<u>20</u>	<u>252,465</u>	<u>19</u>
6000	Total operating expenses	<u>395,603</u>	<u>33</u>	<u>414,878</u>	<u>32</u>
6900	Net operating (loss) income	( <u>4,430</u> )	<u>-</u>	<u>477</u>	<u>-</u>
	Non-operating income and expenses (Note 21)				
7100	Interest income	7,072	1	6,636	-
7010	Other income	3,216	-	2,864	-
7020	Other gains and losses	2,044	-	13,661	1
7050	Finance costs	( 574 )	-	( 380 )	-
7070	Share of profit or loss of subsidiaries using the equity method (Notes 4 and 10)	<u>23,223</u>	<u>2</u>	<u>85,263</u>	<u>7</u>
7000	Total non-operating income and expenses	<u>34,981</u>	<u>3</u>	<u>108,044</u>	<u>8</u>

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Code		2025		2024	
		Amount	%	Amount	%
7900	Net profit before income tax	\$ 30,551	3	\$ 108,521	8
7950	Income tax benefit (Notes 4 and 22)	( 42 )	-	( 3,368 )	-
8200	Net profit for the year	30,593	3	111,889	8
	Other comprehensive incomes (losses)				
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations (Note 18)	2,444	-	10,757	1
8500	Total comprehensive incomes (losses) for the year	<u>\$ 33,037</u>	<u>3</u>	<u>\$ 122,646</u>	<u>9</u>
	Earnings per share (NTD, Note 23)				
9750	Basic earnings per share	<u>\$ 0.50</u>		<u>\$ 1.85</u>	
9850	Diluted earnings per share	<u>\$ 0.50</u>		<u>\$ 1.83</u>	

The accompanying notes are an integral 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 STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

(In thousands of New Taiwan Dollars, unless stated otherwise)

Code		Share capital - common stock		Capital surplus				Retained earnings				Other Equity		Total equity
		Shares (In thousands)	Amount	Share premium	Donations received from shareholders	Restricted stocks for employees	Others	Legal reserve	Special reserve	Undistributed earnings	Total	Exchange differences on translating the financial statements of foreign operations	Unearned compensation	
A1	Balance at January 1, 2024	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 retained earnings for 2023													
B1	Legal reserve	-	-	-	-	-	-	2,887	-	( 2,887 )	-	-	-	-
B3	Special reserve	-	-	-	-	-	-	-	786	( 786 )	-	-	-	-
B9	Stock dividends to shareholders — \$0.2 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 surplus used for distribution of cash dividends — \$0.4 per share	-	-	( 23,275 )	-	-	-	-	-	-	-	-	-	( 23,275 )
C17	Changes in other capital surplus	-	-	-	-	-	6	-	-	-	-	-	-	6
D1	Net profit of the year ended December 31, 2024	-	-	-	-	-	-	-	-	111,889	111,889	-	-	111,889
D3	Other comprehensive incomes (losses) for the year ended December 31, 2024	-	-	-	-	-	-	-	-	-	-	10,757	-	10,757
D5	Total comprehensive incomes (losses) for the year ended December 31, 2024	-	-	-	-	-	-	-	-	111,889	111,889	10,757	-	122,646
N1	Issuance of restricted stocks for employees	420	4,200	-	-	32,928	-	-	-	-	-	-	( 37,128 )	-
N1	Acquired restricted stocks for employees	-	-	18,815	-	( 18,815 )	-	-	-	-	-	-	-	-
N1	Cancelled restricted stocks for employees	( 60 )	( 595 )	-	-	595	-	-	-	-	-	-	-	-
N1	Compensation cost of the restricted stocks for employees	-	-	-	-	( 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
	Distribution of retained earnings for 2024													
B1	Legal reserve	-	-	-	-	-	-	11,189	-	( 11,189 )	-	-	-	-
B17	Reversal of special reserve	-	-	-	-	-	-	-	( 786 )	786	-	-	-	-
B5	Cash dividends to shareholders — \$0.8 per share	-	-	-	-	-	-	-	-	( 47,623 )	( 47,623 )	-	-	( 47,623 )
B9	Stock dividends to shareholders — \$0.2 per share	1,191	11,906	-	-	-	-	-	-	( 11,906 )	( 11,906 )	-	-	-
	Total distribution of retained earnings	1,191	11,906	-	-	-	-	11,189	( 786 )	( 69,932 )	( 59,529 )	-	-	( 47,623 )
C15	Capital surplus used for distribution of cash dividends — \$0.4 per share	-	-	( 23,812 )	-	-	-	-	-	-	-	-	-	( 23,812 )
C17	Changes in other capital surplus	-	-	-	-	-	23	-	-	-	-	-	-	23
D1	Net profit of the year ended December 31, 2025	-	-	-	-	-	-	-	-	30,593	30,593	-	-	30,593
D3	Other comprehensive incomes (losses) for the year ended December 31, 2025	-	-	-	-	-	-	-	-	-	-	2,444	-	2,444
D5	Total comprehensive incomes (losses) for the year ended December 31, 2025	-	-	-	-	-	-	-	-	30,593	30,593	2,444	-	33,037
N1	Issuance of restricted stocks for employees	420	4,200	-	-	16,128	-	-	-	-	-	-	( 20,328 )	-
N1	Acquired restricted stocks for employees	-	-	20,155	-	( 20,155 )	-	-	-	-	-	-	-	-
N1	Cancelled restricted stocks for employees	( 39 )	( 385 )	-	-	385	-	-	-	-	-	-	-	-
N1	Compensation cost of the restricted stocks for employees	-	-	-	-	( 2,874 )	-	-	-	-	-	-	29,623	26,749
Z1	Balance at December 31, 2025	62,014	\$ 620,142	\$ 246,555	\$ 84,732	\$ 54,702	\$ 154	\$ 229,360	\$ -	\$ 542,492	\$ 771,852	\$ 12,415	( \$ 36,386 )	\$ 1,754,166

The accompanying notes are an integral 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 STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

(In thousands of New Taiwan Dollars)

Code		2025	2024
	Cash flows from operating activities		
A10000	Net profit before income tax	\$ 30,551	\$ 108,521
A20010	Adjustments for:		
A20100	Depreciation expenses	63,505	65,438
A20200	Amortization expenses	7,533	6,588
A20900	Finance costs	574	380
A21200	Interest income	( 7,072 )	( 6,636 )
A21900	Compensation cost of the restricted stocks for employees	26,749	23,454
A22400	Share of profit or loss of subsidiaries using the equity method	( 23,223 )	( 85,263 )
A23700	Write-down (reversal) of inventories	( 752 )	6,694
A23900	Unrealized profit on intercompany sales	14,587	26,243
A24000	Realized profit on intercompany sales	( 17,264 )	( 1,103 )
A24100	Unrealized foreign exchange gain	( 4,689 )	( 6,051 )
A30000	Net changes in operating assets and liabilities		
A31150	Notes and accounts receivable	9,735	15,750
A31160	Accounts receivable – related parties	12,828	( 46,781 )
A31200	Inventories	68,887	( 73,634 )
A31240	Other current assets	( 4,163 )	2,188
A32150	Accounts payable	( 7,988 )	( 546 )
A32160	Accounts payable – related parties	440	501
A32200	Remuneration payable to employees and directors	( 17,017 )	3,827
A32230	Other current liabilities	<u>7,146</u>	<u>7,027</u>
A33000	Cash flow generated from operations	160,367	46,597
A33300	Interest paid	( 574 )	( 380 )
A33500	Income tax paid	( <u>2,534</u> )	( <u>340</u> )
AAAA	Net cash flows from operating activities	<u>157,259</u>	<u>45,877</u>

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Code		2025	2024
	Cash flows from investing activities		
B00040	Acquisition of financial assets at amortized cost	\$ -	(\$ 1,000)
B02700	Acquisition of property, plant and equipment	( 34,920)	( 34,188)
B03700	Increase in refundable deposits	-	( 139)
B04500	Acquisition of intangible assets	( 4,160)	( 5,153)
B07500	Interest received	<u>7,015</u>	<u>6,654</u>
BBBB	Net cash flows used in investing activities	( <u>32,065</u> )	( <u>33,826</u> )
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	-	30,000
C00200	Decrease in short-term borrowings	-	( 30,000)
C01600	Proceeds from long-term borrowings	-	35,000
C01700	Decrease in long-term borrowings	( 35,000)	-
C03000	Decrease in deposits received	( 70)	( 106)
C04020	Repayment of the principal portion of lease liabilities	( 9,266)	( 9,089)
C04500	Cash dividends paid	( 71,435)	( 23,275)
C09900	Other financing activities	<u>23</u>	<u>6</u>
CCCC	Net cash flows from (used in) financing activities	( <u>115,748</u> )	<u>2,536</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>3,728</u>	<u>2,727</u>
EEEE	Net increase in cash and cash equivalents	13,174	17,314
E00100	Cash and cash equivalents at the beginning of the year	<u>456,534</u>	<u>439,220</u>
E00200	Cash and cash equivalents at the end of the year	<u>\$ 469,708</u>	<u>\$ 456,534</u>

The accompanying notes are an integral 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	511,898,746
Net profit after tax for the period	30,593,346
Legal reserve appropriated	<u>(3,059,335)</u>
Earnings available for distribution	<u>27,534,011</u>
Cumulative earnings available for distribution	<u><u>539,432,757</u></u>
Distribution Items:	
Shareholder Dividends –Cash (NT\$0.8 per Share)	<u>(18,306,805)</u>
Ending balance of unappropriated retained earnings	<u><u>521,125,952</u></u>

Note1 : The dividend distribution was calculated based on the 61,022,682 outstanding shares available for distribution as of April 15, 2026, 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

### The Comparison Table of Amended Articles for the “Procedures for Acquisition or Disposal of Assets”

Article No.	Original Article	Amended Article	Description
Article 2	<p>Legal basis</p> <p>These operating procedures have been established in accordance with Article 36-1 of the Securities and Exchange Act, as well as the relevant provisions of the 'Regulations Governing the Acquisition and Disposal of Assets by Public Companies'.</p>	<p>Legal basis</p> <p>These operating procedures have been established in accordance with Article 36-1 of the Securities and Exchange Act, as well as the relevant provisions of the 'Regulations Governing the Acquisition and Disposal of Assets by Public Companies', <u>which have been promulgated by the Financial Supervisory Commission (hereafter referred to as the 'FSC')</u>.</p>	Clarification of legal basis
Article 3	<p>The Scope of Assets</p> <ol style="list-style-type: none"> <li>1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.</li> <li>2. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.</li> <li>3. Memberships</li> <li>4. Patents, copyrights, trademarks, franchise rights, and other intangible assets.</li> <li>5. Right-of-use assets.</li> <li>6. Claims of financial institutions.</li> <li>7. Derivatives</li> <li>8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.</li> <li>9. Other major assets.</li> </ol>	<p>The Scope of Assets</p> <ol style="list-style-type: none"> <li>1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.</li> <li>2. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.</li> <li>3. Memberships<sub>2</sub></li> <li>4. Patents, copyrights, trademarks, franchise rights, and other intangible assets.</li> <li>5. Right-of-use assets.</li> <li>6. Claims of financial institutions <u>(including receivables, bills purchased and discounted, loans, and overdue receivables)</u>.</li> <li>7. Derivatives<sub>2</sub></li> <li>8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.</li> </ol>	In line with legal amendments

Article No.	Original Article	Amended Article	Description
		9. Other major assets.	
Article 3-1	<p><u>The operating procedures used in these Procedures are defined as follows:</u>  <u>The operating procedures used in these Procedures are defined as follows:</u></p> <p>1. Derivatives: Forward contracts, options contracts, futures contracts, leverage margin contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or combinations of the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.  (Omitted)</p>	<p><u>The procedures used in these Procedures are defined as follows:</u></p> <p>1. Derivatives: Forward contracts, options contracts, futures contracts, leverage margin contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or combinations of the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.  (Omitted)</p>	Adjustments to wording
Article 5	<p>Appraisal Procedures</p> <p>1. <u>The Finance Department</u> shall analyse the expected benefits and assess the potential risks associated with the acquisition or disposal of long- or short-term securities investments, or derivative transactions. Each unit must draw up a capital expenditure plan in advance for the purchase or sale of real property <u>and</u> equipment. They must also conduct a feasibility assessment of the purpose and expected benefits of the acquisition or disposal. In the case of transactions with related parties, the reasonableness of the transaction terms and other relevant</p>	<p>Appraisal Procedures</p> <p>1. <u>The Finance and Accounting Department</u> shall analyse the expected benefits and assess the potential risks associated with the acquisition or disposal of long- or short-term securities investments, or derivative transactions. Each unit must draw up a capital expenditure plan in advance for the acquisition or disposal of real property, <u>equipment, intangible assets, right-of-use assets or membership certificates.</u> They must also conduct a feasibility assessment of the purpose of the acquisition or disposal and the expected benefits. In the case of</p>	In line with legal amendments

Article No.	Original Article	Amended Article	Description
	<p>matters shall be assessed in accordance with Section 2 of these Procedures.</p> <p>2.Acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a CPA, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by the FSC. <u>The Company acquires or disposes of assets through court auction procedures. In this case, the evidentiary documentation issued by the court may be substituted for an appraisal report or CPA opinion.</u></p> <p>3. The method for determining the price of acquiring or disposing of assets, and the basis for such a determination, shall be handled in accordance with the following circumstances, in addition to taking into account the opinions of relevant experts, such as professional appraisers and accountants, as provided above:</p> <p>(1) The acquisition or disposal of securities traded on a stock exchange or at a securities firm's premises shall be based on the</p>	<p>transactions with related parties, the reasonableness of the transaction terms and other relevant matters shall be assessed in accordance with Section 2 of these Procedures.</p> <p>2.Acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a CPA, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by the FSC.</p> <p>3.<u>In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall be handled in accordance with the asset valuation procedures set out in Article 8 of these Procedures.</u></p> <p>4. <u>If the Company acquires or disposes of intangible assets, right-of-use assets or memberships, and the transaction amount reaches 20 percent or more of paid-in capital, or NT\$300 million or more (except in</u></p>	

Article No.	Original Article	Amended Article	Description
	<p>prevailing market price of the shares or bonds at the time.</p> <p>(2) The acquisition or disposal of securities not traded on a stock exchange or at a securities firm's business premises shall be determined by taking into account their net asset value per share, technical and earning capabilities, future growth potential, market interest rates, bond coupon rates and the creditworthiness of the obligor. Reference shall also be made to the most recent transaction price.</p> <p>(3) The acquisition or disposal of intangible assets, rights to use such assets or membership certificates shall be determined by considering the benefits they may generate with reference to the most recent transaction price; the acquisition or disposal of intangible assets such as patents, copyrights, trademarks and franchise rights shall be determined by reference to international or market practices, useful life and impact on the Company's technology and business.</p> <p>(4) The acquisition or disposal of real property and equipment shall be determined by reference to the announced or appraised current value, assessed current value, the actual transaction prices of neighbouring properties, the book value or the supplier quotations. In the case of transactions with related parties, the transaction price shall first be calculated in accordance with the methods</p>	<p><u>transactions with a domestic government agency), the Company must engage a CPA prior to the date of occurrence of the event to provide an opinion on the reasonableness of the transaction price.</u></p> <p><u>5.The Company must not acquire or dispose of claims held by financial institutions.</u></p> <p><u>6.When carrying out mergers, demergers, acquisitions or share transfers, the reasonableness of the transaction terms and any other relevant matters must be assessed in accordance with the provisions set out in Section III of these Procedures.</u></p> <p><u>7. In acquiring or disposing of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for an appraisal report or CPA opinion.</u></p> <p><u>8. The method for determining the price of acquiring or disposing of assets, and the basis for such a determination, shall be handled in accordance with the following circumstances, in addition to taking into account the opinions of relevant experts, such as professional appraisers and accountants, as provided above:</u></p> <p>(1) The acquisition or disposal of securities traded on a stock exchange or at a securities firm's premises shall be based on the prevailing market price of the shares or bonds at the time.</p> <p>(2) The acquisition or disposal of securities not traded on a stock exchange or at a securities firm's business premises shall be determined by taking into account</p>	

Article No.	Original Article	Amended Article	Description
	<p>specified in Section II of these operating procedures, in order to assess whether the transaction price is reasonable.</p> <p>(5) When engaging in derivative transactions, consideration shall be given to trading conditions in the futures market and to trends in exchange rates and interest rates.</p> <p>(6) When carrying out mergers, demergers, acquisitions or share transfers, the following factors shall be taken into consideration: the nature of the business; net asset value per share; asset value; technology; profitability; production capacity; and future growth potential.</p> <p>The transaction amount <u>under the preceding paragraph</u> shall be calculated in accordance with Article 7; "within one year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA opinion has been obtained in accordance with <u>these operating procedures</u> need not be counted toward the transaction amount.</p>	<p>their net asset value per share, technical and earning capabilities, future growth potential, market interest rates, bond coupon rates and the creditworthiness of the obligor. Reference shall also be made to the most recent transaction price.</p> <p>(3) The acquisition or disposal of intangible assets, rights to use such assets or membership certificates shall be determined by considering the benefits they may generate with reference to the most recent transaction price; the acquisition or disposal of intangible assets such as patents, copyrights, trademarks and franchise rights shall be determined by reference to international or market practices, useful life and impact on the Company's technology and business.</p> <p>(4) The acquisition or disposal of real property and equipment shall be determined by reference to the announced or appraised current value, assessed current value, the actual transaction prices of neighbouring properties, the book value or the supplier quotations. In the case of transactions with related parties, the transaction price shall first be calculated in accordance with the methods specified in Section II of these operating procedures, in order to assess whether the transaction price is reasonable.</p> <p>(5) When engaging in derivative transactions, consideration shall be given to trading conditions in the</p>	

Article No.	Original Article	Amended Article	Description
		<p>futures market and to trends in exchange rates and interest rates.</p> <p>(6) When carrying out mergers, demergers, acquisitions or share transfers, the following factors shall be taken into consideration: the nature of the business; net asset value per share; asset value; technology; profitability; production capacity; and future growth potential.</p> <p>The transaction amount <u>for items 2 to 4</u> shall be calculated in accordance with Article 7; "within one year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA opinion has been obtained in accordance with <u>these Procedures</u> need not be counted toward the transaction amount.</p>	
Article 6	<p>Procedures:</p> <p>I. Authorisation limits and levels</p> <p>(1) Marketable securities: Transactions involving the acquisition or disposal of marketable securities with a transaction amount of NT\$10 million or less (inclusive) require the approval of the General Manager. For amounts exceeding NT\$10 million but not exceeding NT\$30 million (inclusive), the approval of the Chairman is required. For amounts exceeding NT\$30 million or a monthly cumulative total exceeding NT\$100 million, the resolution of the Board of Directors is required. Long-term investments, including the establishment of new companies or the acquisition of</p>	<p>Procedures:</p> <p>I. Authorisation limits and levels</p> <p>(1) Marketable securities: Transactions involving the acquisition or disposal of marketable securities with a transaction amount of NT\$10 million or less (inclusive) require the approval of the General Manager. For amounts exceeding NT\$10 million but not exceeding NT\$30 million (inclusive), the approval of the Chairman is required. For amounts exceeding NT\$30 million or a monthly cumulative total exceeding NT\$100 million, the resolution of the Board of Directors is required. Long-term investments, including the establishment of new companies or the acquisition of</p>	In line with legal amendments

Article No.	Original Article	Amended Article	Description
	<p>equity in existing companies, require Board of Directors resolution before execution, regardless of the amount.</p> <p>(2) Intangible assets, right-of-use assets or memberships: The acquisition and disposal of these assets shall be handled in accordance with the Company's "Procedures for the Management of Decision-Making Authorities".</p> <p>(3) Derivative transactions: Such transactions must be conducted in accordance with the Company's Procedures for Financial Derivatives Transactions.</p> <p>(4) Related-party transactions: The relevant documentation must be prepared in accordance with Section 2 of these procedures. Such transactions may only proceed after the Audit Committee has submitted a <u>resolution</u> and received <u>approval</u> from the Board of Directors.</p> <p>(5) Mergers, demergers, acquisitions or transfers of shares: The relevant procedures must be carried out, and the necessary documentation prepared, in accordance with Section III of these Procedures. Mergers, demergers and acquisitions require the approval of a shareholders' meeting resolution, unless other legislation exempts such matters from the requirement to convene a shareholders' meeting. Additionally, transfers of shares must be approved by the Board of Directors.</p> <p>(6) Other matters: Transactions must be conducted in accordance with the operational procedures set out in the internal control system and the</p>	<p>equity in existing companies, require Board of Directors resolution before execution, regardless of the amount.</p> <p>(2) <u>Real property, equipment</u>, intangible assets, right-of-use assets or memberships: The acquisition and disposal of these assets shall be handled in accordance with the Company's "Procedures for the Management of Decision-Making Authorities". <u>If the transaction amount exceeds 20% of the Company's paid-in capital or NT\$300 million, the matter must be submitted to the Audit Committee for consent and to the Board of Directors for resolution before proceeding.</u></p> <p>(3) Derivative transactions: Such transactions must be conducted in accordance with the Company's Procedures for Financial Derivatives Transactions.</p> <p>(4) Related-party transactions: The relevant documentation must be prepared in accordance with Section 2 of these procedures. Such transactions may only be executed after the Audit Committee has submitted a <u>consent</u> and received <u>resolution</u> from the Board of Directors.</p> <p>(5) Mergers, demergers, acquisitions or transfers of shares: The relevant procedures must be carried out, and the necessary documentation prepared, in accordance with Section III of these Procedures. Mergers, demergers and acquisitions require the approval of a shareholders' meeting resolution, unless other legislation exempts such matters</p>	

Article No.	Original Article	Amended Article	Description
	<p>regulations governing decision-making authority. All transactions whose amounts meet the public announcement and reporting standards specified in Article 7 must first be approved by a resolution of the Board of Directors, except for the acquisition or disposal of equipment used for business operations, which may be ratified by the Board of Directors after the fact. If any of the circumstances specified in Article 185 of the Company Act apply, such transactions must be approved by resolution of the shareholders' meeting first.</p> <p>2. Executing units and transaction processes</p> <p>The executing units for the Company's investments in long- and short-term securities, as well as transactions involving derivative instruments, are the <u>Finance Department</u> and personnel designated by the Chairman.</p> <p>The executing units for real property, <u>membership cards</u>, intangible assets, right-of-use assets and other assets are the user departments and relevant responsible units.</p> <p>The executing units for mergers, demergers, acquisitions or share transfers are designated by the Chairman. Once the required valuation has been completed and approval has been obtained for the acquisition or disposal of assets, the executing unit shall carry out the transaction processes, including executing contracts, receiving and paying funds, delivery, and acceptance. These processes shall</p>	<p>from the requirement to convene a shareholders' meeting. Additionally, transfers of shares must be approved by the Board of Directors.</p> <p>(6) Other matters: Transactions must be conducted in accordance with the operational procedures set out in the internal control system and the regulations governing decision-making authority. All transactions whose amounts meet public announcement and reporting standards specified in Article 7 must first be approved by a resolution of the Board of Directors, except for the acquisition or disposal of equipment used for business operations, which may be ratified by the Board of Directors after the fact. If any of the circumstances specified in Article 185 of the Company Act apply, such transactions must be approved by resolution of the shareholders' meeting first.</p> <p>2. Executing units and transaction processes</p> <p>The executing units for the Company's investments in long- and short-term securities, as well as transactions involving derivative instruments, are the <u>Finance and Accounting Department</u> and personnel designated by the Chairman.</p> <p>The executing units for real property, <u>equipment</u>, intangible assets, right-of-use assets, <u>membership cards</u> and other assets are the user departments and relevant responsible units.</p> <p>The executing units for mergers, demergers, acquisitions or share</p>	

Article No.	Original Article	Amended Article	Description
	<p>be conducted in accordance with the relevant operational procedures under the internal control system, depending on the nature of the asset. Additionally, transactions involving derivatives, related-party transactions, mergers, demergers, acquisitions or share transfers shall be handled in accordance with the ' Procedures for Financial Derivatives Transactions ' and Sections II and III of these Procedures.</p> <p><u>The transaction amount under the preceding paragraph shall be calculated in accordance with the provisions of Article 7. Furthermore, the 'within one year' reference period shall be calculated by looking back one year from the date on which the relevant transaction occurred. Any portions for which a valuation report has already been obtained from a professional appraiser or CPA in accordance with these Procedures shall be excluded from the calculation.</u></p>	<p>transfers are designated by the Chairman. Once the required valuation has been completed and approval has been obtained for the acquisition or disposal of assets, the executing unit shall carry out the transaction processes, including executing contracts, receiving and paying funds, delivery, and acceptance. These processes shall be conducted in accordance with the relevant operational procedures under the internal control system, depending on the nature of the asset. Additionally, transactions involving derivatives, related-party transactions, mergers, demergers, acquisitions or share transfers shall be handled in accordance with the ' Procedures for Financial Derivatives Transactions ' and Sections II and III of these Procedures.</p>	
Article 7	<p>Procedures for Public Announcement and Reporting</p> <p>1. If the Company acquires or disposes of assets in any of the following circumstances, it must file a public announcement and report the relevant information on <u>the Commission's website</u> within two days of the date of occurrence of the event. This must be done in accordance with the nature of the transaction and using the prescribed format.</p> <p>(1) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets</p>	<p>Procedures for Public Announcement and Reporting</p> <p>1. If the Company acquires or disposes of assets in any of the following circumstances, it must file a public announcement and report the relevant information on <u>the website designated by the FSC</u> within two days of the date of occurrence of the event. This must be done in accordance with the nature of the transaction and using the prescribed format.</p> <p>(1) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets</p>	In line with legal amendments

Article No.	Original Article	Amended Article	Description
	<p>other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more.</p> <p>However, this provision does not apply to the purchase or sale of domestic government bonds or bonds subject to repurchase or resale agreements, nor to the subscription or redemption of money market funds issued by domestic securities investment trust companies.</p> <p>(2) Engaging in a merger, demerger, acquisition or transfer of shares.</p> <p>(3) Incurring losses from derivative transactions that reach the specified aggregate or individual contract loss limits in the 'Procedures for Financial Derivatives Transactions'.</p> <p>(4) The acquisition or disposal of equipment or right-of-use assets for business purposes where the counterparty is not a related party and the transaction amount meets one of the following criteria:</p> <p>(i) The Company's paid-in capital is less than NT\$10 billion and the transaction amount is NT\$500 million or more.</p> <p>(ii) The Company's paid-in capital is NT\$10 billion or more and the transaction amount is NT\$1 billion or more.</p> <p>(5) Where assets are acquired through construction on own land, construction on rented land, joint construction and allocation of housing units, joint construction and</p>	<p>other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more.</p> <p>However, this provision does not apply to the purchase or sale of domestic government bonds or bonds subject to repurchase or resale agreements, nor to the subscription or redemption of money market funds issued by domestic securities investment trust companies.</p> <p>(2) Engaging in a merger, demerger, acquisition or transfer of shares.</p> <p>(3) Incurring losses from derivative transactions that reach the specified aggregate or individual contract loss limits in the 'Procedures for Financial Derivatives Transactions'.</p> <p>(4) The acquisition or disposal of equipment or right-of-use assets for business purposes where the counterparty is not a related party and the transaction amount meets one of the following criteria:</p> <p>(i) The Company's paid-in capital is less than NT\$10 billion and the transaction amount is NT\$500 million or more.</p> <p>(ii) The Company's paid-in capital is NT\$10 billion or more <u>but less than NT\$50 billion</u>, and the transaction amount is NT\$1 billion or more.</p> <p><u>(iii) The Company's paid-in capital is NT\$50 billion or more and the transaction amount is 5% or more of the Company's paid-in</u></p>	

Article No.	Original Article	Amended Article	Description
	<p>allocation of ownership percentages, or joint construction and separate sale, and the counterparty is not a related party, and the amount the Company expects to invest is NT\$500 million or more.</p> <p>(6) Asset transactions other than those specified in the preceding <u>five</u> subparagraphs, as well as the disposal of claims by financial institutions or investments in the Mainland, where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more. However, this provision does not apply to the following circumstances:</p> <p>(i) The purchase or sale of domestic government bonds or foreign government bonds with a credit rating that is no lower than that of the Republic of China's sovereign rating.</p> <p>(ii) The purchase or sale of bonds subject to repurchase or reverse repurchase agreements, or the subscription or redemption of money market funds issued by domestic securities investment trust companies..</p> <p>The transaction amount in the preceding paragraph shall be calculated as follows:</p> <p>(i) The amount of each individual transaction.</p> <p>(ii) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same counterparty within one year.</p> <p>(iii) The cumulative transaction amount of acquisitions and disposals</p>	<p><u>capital.</u></p> <p>(5) Where assets are acquired through construction on own land, construction on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the counterparty is not a related party, and the amount the Company expects to invest is NT\$500 million or more.</p> <p>(6) <u>When the Company's paid-in capital reaches NT\$50 billion or more, transactions involving government bonds, ordinary corporate bonds, and general financial bonds not involving equity (excluding subordinated bonds) traded on a stock exchange or at the business premises of a securities firm, which do not fall under any of the circumstances listed in the proviso to Subparagraph (7) and the counterparty is not a related party, and the transaction amount reaches 5% or more of the Company's paid-in capital.</u></p> <p>(7) Asset transactions other than those specified in the preceding <u>six</u> subparagraphs, as well as the disposal of claims by financial institutions or investments in the Mainland, where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more. However, this provision does not apply to the following circumstances:</p> <p>(i) The purchase or sale of domestic government bonds or foreign government bonds with a credit rating that is no lower than that</p>	

Article No.	Original Article	Amended Article	Description
	<p>(calculated separately for acquisitions and disposals) of real property or right-of-use assets thereof within the same development project within one year.</p> <p>(iv)The cumulative transaction amount of acquisitions and disposals (calculated separately for acquisitions and disposals) of the same security within one year.</p> <p>"Within one year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedures need not be counted toward the transaction amount.</p> <p>2. Where a subsidiary is not a domestic public company, and has any matter required to be announced and reported, the Company shall perform the announcement and reporting on its behalf.</p> <p>The determination of whether the subsidiary meets the announcement and reporting thresholds based on paid-in capital or total assets shall be based on the paid-in capital or total assets of the Company.</p> <p>3. The Company shall, by the 10th day of each month, report in the prescribed format the status of derivative transactions engaged in up to the end of the preceding month by itself and its subsidiaries that are not domestic public companies.</p> <p>4. Where there is any error or omission in the items required to be announced, the Company shall again make a public announcement and report of all the items within two days from the date of knowing such</p>	<p>of the Republic of China's sovereign rating.</p> <p>(ii)The purchase or sale of bonds subject to repurchase or reverse repurchase agreements, or the subscription or redemption of money market funds issued by domestic securities investment trust companies.</p> <p>The transaction amount in the preceding paragraph shall be calculated as follows:</p> <p>(i)The amount of each individual transaction.</p> <p>(ii) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same counterparty within one year.</p> <p>(iii) The cumulative transaction amount of acquisitions and disposals (calculated separately for acquisitions and disposals) of real property or right-of-use assets thereof within the same development project within one year.</p> <p>(iv) The cumulative transaction amount of acquisitions and disposals (calculated separately for acquisitions and disposals) of the same security within one year.</p> <p>"Within one year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedures need not be counted toward the transaction amount.</p> <p>2. Where a subsidiary is not a domestic public company, and has any matter required to be announced and reported, the Company shall perform</p>	

Article No.	Original Article	Amended Article	Description
	<p>error or omission.</p> <p>5. Where any of the following circumstances occurs with respect to a transaction already announced, a public announcement and report shall be made on the website designated by <u>the Commission</u> within two days from the date of occurrence of the event:</p> <p>(i) Amendment, termination, or rescission of the relevant contract.</p> <p>(ii) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date.</p> <p>(iii) Change to the original announcement and report.</p> <p><u>The Company shall retain the relevant contracts, minutes, logbooks, appraisal reports, and opinions of CPAs, attorneys, or securities underwriters at the Company for at least five years, unless otherwise provided by law.</u></p>	<p>the announcement and reporting on its behalf.</p> <p>The determination of whether the subsidiary meets the announcement and reporting thresholds based on paid-in capital or total assets shall be based on the paid-in capital or total assets of the Company.</p> <p>3. The Company shall, by the 10th day of each month, report in the prescribed format the status of derivative transactions engaged in up to the end of the preceding month by itself and its subsidiaries that are not domestic public companies.</p> <p>4. Where there is any error or omission in the items required to be announced, the Company shall again make a public announcement and report of all the items within two days from the date of knowing such error or omission.</p> <p>5. Where any of the following circumstances occurs with respect to a transaction already announced, a public announcement and report shall be made on the website designated by <u>the FSC</u> within two days from the date of occurrence of the event:</p> <p>(i) Amendment, termination, or rescission of the relevant contract.</p> <p>(ii) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date.</p> <p>(iii) Change to the original announcement and report.</p>	
Article 8	<p>Procedures for Valuing Assets</p> <p>When the Company acquires or disposes of real property, equipment, or right-of-use assets thereof, unless the</p>	<p>Procedures for Valuing Assets</p> <p>When the Company acquires or disposes of real property, equipment, or right-of-use assets thereof, unless the</p>	Adjustments to wording

Article No.	Original Article	Amended Article	Description
	<p>transaction is with a domestic government agency, involves construction on own land or on rented land, or involves the acquisition or disposal of equipment or right-of-use assets thereof for business use, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report from a professional appraiser prior to the date of occurrence of the event, and shall comply with the following provisions:</p> <ol style="list-style-type: none"> <li>1. Where a limited price, specified price, or special price is used as the reference basis for the transaction price due to special circumstances, such transaction shall be submitted to the Board of Directors for resolution in advance; the same shall apply to any subsequent changes in the terms of the transaction.</li> <li>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</li> <li>3. Where the appraisal results of the professional appraisers fall under any of the following circumstances, unless the appraisal results for the acquired assets are all higher than the transaction amount, or the appraisal results for the disposed assets are all lower than the transaction amount, a CPA shall be engaged to provide a specific opinion regarding the reason for the discrepancy and the fairness of the transaction price:               <ol style="list-style-type: none"> <li>(i) The discrepancy between the appraisal result and the</li> </ol> </li> </ol>	<p>transaction is with a domestic government agency, involves construction on own land or on rented land, or involves the acquisition or disposal of equipment or right-of-use assets thereof for business use, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report from a professional appraiser prior to the date of occurrence of the event, and shall comply with the following provisions:</p> <ol style="list-style-type: none"> <li>1. Where a limited price, specified price, or special price is used as the reference basis for the transaction price due to special circumstances, such transaction shall be submitted to the Board of Directors for resolution in advance; the same shall apply to any subsequent changes in the terms of the transaction.</li> <li>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</li> <li>3. Where the appraisal results of the professional appraisers fall under any of the following circumstances, unless the appraisal results for the acquired assets are all higher than the transaction amount, or the appraisal results for the disposed assets are all lower than the transaction amount, a CPA shall be engaged to provide a specific opinion regarding the reason for the discrepancy and the fairness of the transaction price:               <ol style="list-style-type: none"> <li>(i) The discrepancy between the appraisal result and the</li> </ol> </li> </ol>	

Article No.	Original Article	Amended Article	Description
	<p>transaction amount is 20% or more of the transaction amount.  (ii)The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p> <p>4. The interval between the date of the appraisal report and the contract date shall not exceed three months. However, where the announced current value for the same period is applied and the interval does not exceed six months, a supplementary opinion may be issued by the original professional appraiser.</p> <p><u>The transaction amount under the preceding paragraph shall be calculated in accordance with Article 7: 'within one year' refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report or a CPA opinion has been obtained in accordance with these Procedures need not be counted toward the transaction amount.</u></p>	<p>transaction amount is 20% or more of the transaction amount.  (ii)The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p> <p>4. The interval between the date of the appraisal report and the contract date shall not exceed three months. However, where the announced current value for the same period is applied and the interval does not exceed six months, a supplementary opinion may be issued by the original professional appraiser.</p>	
Article 9	<p><u>Scope and Limits of Investments</u>  In addition to acquiring assets used for business operations, the Company and its subsidiaries may invest in real property and right-of-use assets thereof or marketable securities not used for business operations, subject to the following limits. In accordance with subparagraphs 4 and 5, investments made in connection with the establishment of a business or in which the Company serves as a director and intends to hold for the long term may be excluded from the calculation of limits.</p> <p>1. The total amount invested in real property and right-of-use assets not</p>	<p><u>Limits on the acquisition of real property and right-of-use assets thereof or marketable securities not for business use</u>  In addition to acquiring assets used for business operations, the Company and its subsidiaries may invest in real property and right-of-use assets thereof or marketable securities not used for business operations, subject to the following limits. In accordance with subparagraphs 4 and 5, investments made in connection with the establishment of a business or in which the Company serves as a director and intends to hold for the long term may be</p>	Adjustments to wording

Article No.	Original Article	Amended Article	Description
	<p>used for business operations must not exceed 20% of the net worth as shown in the Company's most recent financial statements audited or reviewed by a CPA. For subsidiaries, the total amount must not exceed 10% of the net worth as shown in the most recent financial statements audited or reviewed by a CPA. If no such audit or review is available, a taxation certification may be substituted. If no tax certification is available, the self-prepared financial statements shall apply.</p> <p>2. The total value of investments in marketable securities shall not exceed 75% of the net value shown in the Company's most recent financial statements audited or reviewed by a CPA. A subsidiary's investment in securities shall not exceed 75% of its net worth as shown in its most recent audited or reviewed financial statements, certified by a CPA. If no such audit or review is available, a tax certification may be substituted. If no tax certification is available, the self-prepared financial statements shall apply.</p> <p>3. The limit on investments in individual securities shall not exceed 15% of the net worth as shown in the Company's most recent financial statements audited or reviewed by a CPA. A subsidiary's investment in any single listed or over-the-counter company shall not exceed 15% of its net worth as shown in its most recent financial statements audited or reviewed by a CPA. If no such audit or review is available, a tax</p>	<p>excluded from the calculation of limits.</p> <p>1. The total amount invested in real property and right-of-use assets not used for business operations must not exceed 20% of the net worth as shown in the Company's most recent financial statements audited or reviewed by a CPA. For subsidiaries, the total amount must not exceed 10% of the net worth as shown in the most recent financial statements audited or reviewed by a CPA. If no such audit or review is available, a tax certification may be substituted. If no tax certification is available, the self-calculated amount shall apply.</p> <p>2. The total value of investments in marketable securities shall not exceed 75% of the net value shown in the Company's most recent financial statements audited or reviewed by a CPA. A subsidiary's investment in securities shall not exceed 75% of its net worth as shown in its most recent audited or reviewed financial statements, certified a CPA. If no such audit or review is available, a tax certification may be substituted. If no tax certification is available, the self-prepared financial statements shall apply.</p> <p>3. The limit on investments in individual securities shall not exceed 15% of the net worth as shown in the Company's most recent financial statements audited or reviewed by a CPA. A subsidiary's investment in any single listed or over-the-counter company shall not exceed 15% of its net worth as shown in its most</p>	

Article No.	Original Article	Amended Article	Description
	<p>certification may be substituted. If no tax certification is available, the self-calculated figure shall apply.</p> <p>4. The net investment of the Company and its subsidiaries in a single listed or OTC-listed company shall not exceed 10% of the net worth of each respective company as shown in its most recent financial statements audited or reviewed by a CPA.</p> <p>5. The aggregate investment holdings of the Company and its subsidiaries in a single listed or OTC-listed company shall not exceed 10% of the total issued shares of such listed or OTC-listed company.</p>	<p>recent financial statements audited or reviewed by a CPA. If no such audit or review is available, a tax certification may be substituted. If no tax certification is available, the self-calculated figure shall apply.</p> <p>4. The net investment of the Company and its subsidiaries in a single listed or OTC-listed company shall not exceed 10% of the net worth of each respective company as shown in its most recent financial statements audited or reviewed by a CPA.</p> <p>5. The aggregate investment holdings of the Company and its subsidiaries in a single listed or OTC-listed company shall not exceed 10% of the total issued shares of such listed or OTC-listed company.</p>	
Article 13	<p><b>Resolution Procedures</b></p> <p>In the event that the Company acquires or disposes of real property or right-of-use assets thereof from a related party, or acquires or disposes of assets other than real property or right-of-use assets thereof from a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of its total assets, or NT\$300 million or more, except for the purchase or sale of domestic government bonds and bonds subject to repurchase or resale agreements, or the subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the Audit Committee for <u>resolution</u> and to the Board of Directors for <u>approval</u> before any transaction agreement may be executed or payment made:</p>	<p><b>Resolution Procedures</b></p> <p>In the event that the Company acquires or disposes of real property or right-of-use assets thereof from a related party, or acquires or disposes of assets other than real property or right-of-use assets thereof from a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of its total assets, or NT\$300 million or more, except for the purchase or sale of domestic government bonds and bonds subject to repurchase or resale agreements, or the subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the Audit Committee for <u>consent</u> and to the Board of Directors for <u>resolution</u> before any transaction agreement may be executed or payment made:</p>	Adjustments to wording

Article No.	Original Article	Amended Article	Description
	<p>1. The purpose, necessity and expected benefits of the acquisition or disposal of assets.</p> <p>2. The rationale behind the selection of the related party as the counterparty to the transaction.</p> <p>3. Data for assessing the reasonableness of the proposed transaction terms in accordance with Articles 14 and 15 for the acquisition of real property or right-of-use assets thereof from a related party.</p> <p>4. The original acquisition date and price of the related party, the counterparty, and its relationship with the Company and the related party.</p> <p>5. A monthly cash flow forecast for the coming year beginning from the month of the intended contract signing, and an assessment of the necessity of the transaction and the reasonableness of the use of funds.</p> <p>6. An appraisal report issued by a professional appraiser, or a CPA opinion.</p> <p>7. Restrictive covenants and other important terms and conditions of the transaction.</p> <p>Pursuant to Article 6, the Board of Directors may authorise the Chairman to decide and have such decision subsequently ratified by the next board meeting for the following transactions between the Company and its subsidiaries, or between its subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital:</p> <p>1. The acquisition or disposal of equipment or right-of-use assets for business use.</p>	<p>1. The purpose, necessity and expected benefits of the acquisition or disposal of assets.</p> <p>2. The rationale behind the selection of the related party as the counterparty to the transaction.</p> <p>3. Data for assessing the reasonableness of the proposed transaction terms in accordance with Articles 14 and 15 for the acquisition of real property or right-of-use assets thereof from a related party.</p> <p>4. The original acquisition date and price of the related party, the counterparty, and its relationship with the Company and the related party.</p> <p>5. A monthly cash flow forecast for the coming year beginning from the month of the intended contract signing, and an assessment of the necessity of the transaction and the reasonableness of the use of funds.</p> <p>6. An appraisal report issued by a professional appraiser, or a CPA opinion.</p> <p>7. Restrictive covenants and other important terms and conditions of the transaction.</p> <p>Pursuant to Article 6, the Board of Directors may authorise the Chairman to decide and have such decision subsequently ratified by the next board meeting for the following transactions between the Company and its subsidiaries, or between its subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital:</p> <p>1. The acquisition or disposal of equipment or right-of-use assets for business use.</p>	

Article No.	Original Article	Amended Article	Description
	<p>2. The acquisition or disposal of real property or right-of-use assets thereof for business use.</p> <p>When matters are submitted to the Board of Directors for discussion pursuant to the first paragraph, the opinions of each independent director shall be fully taken into account; if any independent director objects or has reservations, such opinion shall be recorded in the minutes of the Board meeting.</p> <p>Matters submitted to the Audit Committee for <u>resolution</u> pursuant to the first paragraph shall be approved by a majority of at least one-half of all Audit Committee members and then submitted to the Board of Directors for a resolution; the provisions of Article 23 shall apply mutatis mutandis.</p> <p>In the event that the Company or any of its subsidiaries that is not a publicly listed company enters into a transaction as outlined in the first paragraph and the transaction amount exceeds 10% of the total assets of <u>the publicly listed company</u>, the Company shall submit the information specified in the first paragraph to the shareholders' meeting for resolution prior to entering into the transaction agreement and making any payments. However, it should be noted that this provision shall not apply to transactions between the Company and <u>its parent company or subsidiaries</u>, or between its subsidiaries.</p> <p>The calculation of the transaction amounts specified in the first paragraph and the preceding paragraph shall be conducted in accordance with Article 7: "within one year" refers to the year preceding the date of occurrence of the</p>	<p>2. The acquisition or disposal of real property or right-of-use assets thereof for business use.</p> <p>When matters are submitted to the Board of Directors for discussion pursuant to the first paragraph, the opinions of each independent director shall be fully taken into account; if any independent director objects or has reservations, such opinion shall be recorded in the minutes of the Board meeting.</p> <p>Matters submitted to the Audit Committee for <u>consent</u> pursuant to the first paragraph shall be approved by a majority of at least one-half of all Audit Committee members and then submitted to the Board of Directors for a resolution; the provisions of Article 23 shall apply mutatis mutandis.</p> <p>In the event that the Company or any of its subsidiaries that is not a publicly listed company enters into a transaction as outlined in the first paragraph and the transaction amount exceeds 10% of the total assets of <u>the Company</u>, the Company shall submit the information specified in the first paragraph to the shareholders' meeting for resolution prior to entering into the transaction agreement and making any payments. However, it should be noted that this provision shall not apply to transactions between the Company and <u>its subsidiaries</u>, or between its subsidiaries.</p> <p>The calculation of the transaction amounts specified in the first paragraph and the preceding paragraph shall be conducted in accordance with Article 7: "within one year" refers to the year preceding the date of occurrence of the</p>	

Article No.	Original Article	Amended Article	Description
	<p>event; portions that have already been approved by the shareholders' meeting, the Board of Directors for resolution, and <u>ratified</u> to by the Audit Committee in accordance with these Procedures shall not be included in the calculation.</p>	<p>event; portions that have already been approved by the shareholders' meeting, the Board of Directors for resolution, and <u>consented</u> to by the Audit Committee in accordance with these Procedures shall not be included in the calculation.</p>	
<p>Article 15</p>	<p>Things to do when the costs of a transaction are lower than the price of the transaction</p> <p>Where the results of the Company's appraisal conducted in accordance with the preceding Article are uniformly lower than the transaction price, the Company <u>shall handle the matter in accordance with Paragraph 3, except</u> where the following circumstances exist and objective evidence is submitted and specific opinions of reasonableness are obtained from a professional real property appraiser and a CPA.</p> <p>1. Where the related party acquired undeveloped land or leased land for construction, and submits evidence of meeting one of the following conditions:</p> <p>(i) Where the undeveloped land is appraised in accordance with Article 14, and the house is appraised based on the related party's construction costs plus reasonable construction profit, and the total amount exceeds the actual transaction price. The term "reasonable construction profit" shall be determined based on the lower of the average gross profit margin of the related party's construction division over the past three fiscal years or the most recent gross profit margin for the construction</p>	<p>Things to do when the costs of a transaction are lower than the price of the transaction</p> <p>Where the results of the Company's appraisal conducted in accordance with the preceding Article are uniformly lower than the transaction price, <u>the matter shall be handled in accordance with Paragraph 3. However, this shall not apply</u> where the following circumstances exist and objective evidence is submitted and specific opinions of reasonableness are obtained from a professional real property appraiser and a CPA:</p> <p>1. Where the related party acquired undeveloped land or leased land for construction, and submits evidence of meeting one of the following conditions:</p> <p>(i) Where the undeveloped land is appraised in accordance with Article 14, and the house is appraised based on the related party's construction costs plus reasonable construction profit, and the total amount exceeds the actual transaction price. The term "reasonable construction profit" shall be determined based on the lower of the average gross profit margin of the related party's construction division over the past three fiscal years or the most recent gross</p>	<p>Adjustments to wording</p>

Article No.	Original Article	Amended Article	Description
	<p>industry as published by the Ministry of Finance.</p> <p>(ii) Other transactions involving the same property or adjacent areas within the past year, where the transaction parties are not related parties, provided that the property areas are comparable and the transaction terms are deemed equivalent after adjusting for reasonable floor-level or regional price differentials in accordance with customary practices for real property sales or leases.</p> <p>2. The Company submits evidence that the transaction terms for the real property or right-of-use assets thereof are comparable to other transaction cases in the neighboring area within one year with similar area.</p> <p>Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.</p> <p>3. Where the Company acquires real property or right-of-use assets thereof from a related party and the</p>	<p>profit margin for the construction industry as published by the Ministry of Finance.</p> <p>(ii) Other transactions involving the same property or adjacent areas within the past year, where the transaction parties are not related parties, provided that the property areas are comparable and the transaction terms are deemed equivalent after adjusting for reasonable floor-level or regional price differentials in accordance with customary practices for real property sales or leases.</p> <p>2. The Company submits evidence that the transaction terms for the real property or right-of-use assets thereof are comparable to other transaction cases in the neighboring area within one year with similar area.</p> <p>Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.</p> <p>3. Where the Company acquires real property or right-of-use assets</p>	

Article No.	Original Article	Amended Article	Description
	<p>appraised cost is lower than the transaction price, the Company shall:</p> <p>(i) Should there be any discrepancy between the transaction price of real property or assets representing the right to use such property and their appraised cost, it shall be set aside as a special surplus reserve in accordance with Article 41, Paragraph 1 of <u>the Securities and Exchange Act</u>. This amount may not be distributed or used to increase capital or issue shares. Investors who account for their investments in a company using the equity method, if such investors are publicly listed companies, shall also set aside a special surplus reserve in proportion to their shareholding in accordance with Article 41, Paragraph 1 of <u>this Act</u>.</p> <p>(ii) The Audit Committee shall act in accordance with Article 218 of the Company Act.</p> <p>(iii) Report the measures taken to the shareholders' meeting and disclose the details in the annual report and prospectus.</p> <p>Where the Company sets aside a special surplus reserve in accordance with the preceding paragraph, it shall not utilize the reserve until the assets purchased or leased at a high price have recognized a loss on decline in value, or have been disposed of, or the lease has been terminated, or adequate compensation has been made, or the status quo has been restored, or there is other evidence confirming that there</p>	<p>thereof from a related party and the appraised cost is lower than the transaction price, the Company shall:</p> <p>(i) Should there be any discrepancy between the transaction price of real property or assets representing the right to use such property and their appraised cost, it shall be set aside as a special surplus reserve in accordance with Article 41, Paragraph 1 of <u>the Securities and Exchange Act</u>. This amount may not be distributed or used to increase capital or issue shares. Investors who account for their investments in a company using the equity method, if such investors are publicly listed companies, shall also set aside a special surplus reserve in proportion to their shareholding in accordance with Article 41, Paragraph 1 of <u>the Securities and Exchange Act</u>.</p> <p>(ii) The Audit Committee shall act in accordance with Article 218 of the Company Act.</p> <p>(iii) Report the measures taken to the shareholders' meeting and disclose the details in the annual report and prospectus.</p> <p>Where the Company sets aside a special surplus reserve in accordance with the preceding paragraph, it shall not utilize the reserve until the assets purchased or leased at a high price have recognized a loss on decline in value, or have been disposed of, or the lease has been terminated, or adequate compensation has been made, or the status quo has been restored, or there</p>	

Article No.	Original Article	Amended Article	Description
	<p>is no unreasonableness, and the consent of the competent authority has been obtained</p> <p>The Company acquires real property or right-of-use assets thereof from a related party, and there is other evidence indicating that the transaction is not at arm's length, the provisions of the preceding two paragraphs shall also apply.</p>	<p>is other evidence confirming that there is no unreasonableness, and the consent of the competent authority has been obtained</p> <p>The Company acquires real property or right-of-use assets thereof from a related party, and there is other evidence indicating that the transaction is not at arm's length, the provisions of the preceding two paragraphs shall also apply.</p>	
Article 17	<p>A company participating in a merger, demerger, or acquisition shall convene a Board of Directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or <u>the Commission</u> is notified in advance of extraordinary circumstances and grants consent.</p> <p>A company participating in a transfer of shares shall call a Board of Directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.</p> <p>When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:</p> <p>1. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or</p>	<p>A company participating in a merger, demerger, or acquisition shall convene a Board of Directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or <u>the FSC</u> is notified in advance of extraordinary circumstances and grants consent.</p> <p>A company participating in a transfer of shares shall call a Board of Directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.</p> <p>When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:</p> <p>1. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or</p>	Adjustments to wording

Article No.	Original Article	Amended Article	Description
	<p>implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.</p> <p>2. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a Board of Directors meeting.</p> <p>3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors meetings.</p> <p>When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to <u>the Commission</u> for recordation.</p> <p>Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the Company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of the preceding two paragraphs.</p> <p>Every person participating in or privy to</p>	<p>implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.</p> <p>2. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a Board of Directors meeting.</p> <p>3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors meetings.</p> <p>When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to <u>the FSC</u> for recordation.</p> <p>Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the Company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of the preceding two paragraphs.</p> <p>Every person participating in or privy to</p>	

Article No.	Original Article	Amended Article	Description
	<p>the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.</p>	<p>the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.</p>	
Article 22-1	<p>For the calculation of 10 percent of total assets under these Procedures, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used. In the case of a company whose shares have no par value or a par value other than NT\$10—for the calculation of transaction amounts of 20 percent of paid-in capital under these Procedures, 10 percent of equity attributable to owners of the parent shall be substituted: for calculations under the provisions of these Procedures regarding transaction amounts relative to paid-in capital of NT\$10 billion, NT\$20 billion of equity attributable to owners of the parent shall be substituted.</p>	<p>For the calculation of 10 percent of total assets under these Procedures, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used. In the case of a company whose shares have no par value or a par value other than NT\$10—for the calculation of transaction amounts of 20 percent of paid-in capital under these Procedures, 10 percent of equity attributable to owners of the parent shall be substituted; <u>for the calculation of transaction amounts of 5 percent of paid-in capital under these Procedures, 2.5 percent of equity attributable to owners of the parent shall be substituted</u>; for calculations under the provisions of these Procedures regarding transaction amounts relative to paid-in capital of NT\$10 billion, NT\$20 billion of equity attributable to owners of the parent shall be substituted; <u>for calculations under the provisions of these Procedures regarding transaction amounts relative to paid-in capital of NT\$50 billion,</u></p>	In line with legal amendments

Article No.	Original Article	Amended Article	Description
		<u>NT\$100 billion of equity attributable to owners of the parent shall be substituted.</u>	
Article 23	<p>These Procedures shall be consent by the Audit Committee, submitted to the Board of Directors for a resolution, and further submitted to the shareholders' meeting a resolution before implementation; the same shall apply to any amendments hereto.</p> <p>If a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to Audit Committee.</p> <p>When a transaction involving the acquisition or disposal of assets is submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If <u>any director</u> objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p>	<p>These Procedures shall be consent by the Audit Committee, submitted to the Board of Directors for a resolution, and further submitted to the shareholders' meeting a resolution before implementation; the same shall apply to any amendments hereto.</p> <p>If a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to Audit Committee.</p> <p>When a transaction involving the acquisition or disposal of assets is submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If <u>an independent director</u> objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p> <p><u>When the Procedures for the acquisition and disposal of assets are adopted or amended they shall be submitted for consent by one-half or more of all Audit Committee members and submitted to the Board of Directors for a resolution. If approval of one-half or more of all Audit Committee members as required in the preceding paragraph is not obtained, the Procedures may be implemented if approved by two-thirds or more of all directors, and the consent of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.</u></p> <p><u>The terms "all Audit Committee</u></p>	In line with legal amendments

Article No.	Original Article	Amended Article	Description
		<u>members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u>	
Article 25	<p>The processing procedure was established on November 10,2006.</p> <p>The first amendment was made on June 17, 2010.</p> <p>The second amendment was made on June 27, 2012.</p> <p>The third amendment was made on June 26, 2014.</p> <p>The fourth amendment was made on June 21, 2016.</p> <p>The fifth amendment was made on June 27, 2017.</p> <p>The sixth amendment was made on June 27, 2019.</p> <p>The seventh amendment was made on June 9, 2022.</p>	<p>The processing procedure was established on November 10,2006.</p> <p>The first amendment was made on June 17, 2010.</p> <p>The second amendment was made on June 27, 2012.</p> <p>The third amendment was made on June 26, 2014.</p> <p>The fourth amendment was made on June 21, 2016.</p> <p>The fifth amendment was made on June 27, 2017.</p> <p>The sixth amendment was made on June 27, 2019.</p> <p>The seventh amendment was made on June 9, 2022.</p> <p><u>The eighth amendment was made on May 28, 2026.</u></p>	Addition of amendment dates and revision history

## Leadtrend Technology Corporation

### The Comparison Table of Amended Articles for the “Procedures for Financial Derivatives Transactions”

Article No.	Original Article	Amended Article	Description
Article 3	<p>Definitions</p> <p>Derivatives as used in these Procedures refers to forward contracts, options contracts, futures contracts, leverage margin contracts, and swap contracts, whose value is derived from <u>assets</u>, interest rates, foreign exchange rates, <u>indices</u>, or other interests; and <u>hybrid contracts combining the above</u>. The term 'forward contracts' does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p>	<p>Definitions</p> <p>Derivatives as used in these Procedures refers to forward contracts, options contracts, futures contracts, leverage margin contracts, or swap contracts, whose value is derived from <u>a specified</u> interest rate, <u>financial instrument price</u>, <u>commodity price</u>, foreign exchange rate, <u>index of prices or rates</u>, <u>credit rating or credit index</u>, or <u>other variable</u>; or combinations of the above <u>contracts</u>; or <u>hybrid contracts or structured products containing embedded derivatives</u>. The term 'forward contracts' does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p>	In line with legal amendments
Article 4	<p>Trading Principles and Policies</p> <p>1.Types of Transactions</p> <p>The Company may engage in the following types of derivative transaction: forward contracts; options; interest rate and currency swaps; <u>futures</u>; and hybrid contracts formed by combinations of the above products. If the Company requires approval to engage in other commodity transactions, this must be granted by the Board of Directors in the form of a resolution.</p> <p>2.Business or Hedging Strategies</p> <p><u>The Company's derivative transactions fall into two categories: hedging purposes and non-hedging purposes (i.e., trading purposes)</u>. The strategy should primarily aim to mitigate business risks. Products should be selected for hedging risks relating to foreign</p>	<p>Trading Principles and Policies</p> <p>1.Types of Transactions</p> <p>The Company may engage in the following types of derivative transaction: forward contracts; options; interest rate and currency swaps; and hybrid contracts formed by combinations of the above products. If the Company requires approval to engage in other commodity transactions, this must be granted by the Board of Directors in the form of a resolution.</p> <p>2.Business or Hedging Strategies</p> <p><u>The Company engages in derivative transactions for hedging purposes</u>. The strategy should primarily aim to mitigate business risks. Products should be selected for hedging risks relating to foreign exchange income and expenses, as well as assets and liabilities arising</p>	To meet the Company's actual operational needs

Article No.	Original Article	Amended Article	Description
	<p>exchange income and expenses, as well as assets and liabilities arising from the Company's business operations. <u>However, if an opportunity to enter into non-hedging derivative transactions arises due to changes in objective circumstances, it is expected to generate non-operating income or reduce non-operating losses.</u> Furthermore, counterparties should be financial institutions with whom the Company does business to avoid credit risk. <u>Before trading, the transaction type must be clearly defined as either hedging or investment to inform accounting entries.</u></p> <p>3. Division of Responsibilities</p> <p>(i) Trading personnel: These personnel are responsible for executing the Company's derivative transactions and are appointed by the Chairman. Their responsibilities include formulating trading strategies within the authorised scope, executing trading orders, disclosing future trading risks, and providing real-time information to relevant departments.</p> <p>(ii) <u>Finance Department:</u> Responsible for transaction confirmation and settlement. All transactions must be accounted for in accordance with the relevant regulations and transaction records must be maintained. The fair market value of outstanding positions is assessed regularly and provided to dedicated trading personnel. The department shall also disclose matters relating to derivatives in the financial statements.</p> <p>4. Key points of performance evaluation:</p> <p>(i) Hedging transactions: The performance evaluation will be based on the profit or loss generated by the</p>	<p>from the Company's business operations. Furthermore, counterparties should be financial institutions with whom the Company does business to avoid credit risk..</p> <p>3. Division of Responsibilities</p> <p>(i) Trading personnel: These personnel are responsible for executing the Company's derivative transactions and are appointed by the Chairman. Their responsibilities include formulating trading strategies within the authorised scope, executing trading orders, disclosing future trading risks, and providing real-time information to relevant departments.</p> <p>(ii) <u>Finance and Accounting Department:</u> Responsible for transaction confirmation and settlement. All transactions must be accounted for in accordance with the relevant regulations and transaction records must be maintained. The fair market value of outstanding positions is assessed regularly and provided to dedicated trading personnel. The department shall also disclose matters relating to derivatives in the financial statements.</p> <p>4. Key points of performance evaluation:</p> <p>(i) Hedging transactions: The performance evaluation will be based on the profit or loss generated by the difference between the Company's on-book exchange and interest rate costs and the costs of the derivative financial transactions. Evaluations shall be conducted at least twice a month and the results presented to management for reference.</p> <p>5. Trading limits and maximum losses for all and individual contracts</p>	

Article No.	Original Article	Amended Article	Description
	<p>difference between the Company's on-book exchange and interest rate costs and the costs of the derivative financial transactions. Evaluations shall be conducted at least twice a month and the results presented to management for reference.</p> <p><u>(ii) Specific purpose transactions: Performance evaluation will be based on the actual profit or loss generated. Evaluations shall be conducted at least once a week and the results presented to management for reference.</u></p> <p>5. Trading limits and maximum losses for all and individual contracts</p> <p>(I) Hedging operations: The total value of the Company's hedging contracts shall not exceed the net offsetting position, or the assets and liabilities arising from business operations, over the next six months. The maximum loss on any one contract shall not exceed 20% of the contract amount, applicable to both individual and all contracts.</p> <p><u>(II) Trading operations: The Company does not engage in trading operations.</u></p>	<p>(I) Hedging operations: The total value of the Company's hedging contracts shall not exceed the net offsetting position, or the assets and liabilities arising from business operations, over the next six months. The maximum loss on any one contract shall not exceed 20% of the contract amount, applicable to both individual and all contracts.</p>	
Article 5	<p>Operating Procedures</p> <p>1. Authorisation limits and levels</p> <p>(i) Hedging transactions: Based on the Company's turnover and changes in risk exposure, personnel designated by the Chairman shall obtain the General Manager's approval for a single transaction or net cumulative position of USD 1 million or less (including the equivalent in other currencies). For positions of USD 1 million or more, the Chairman's approval is required.</p>	<p>Operating Procedures</p> <p>1. Authorisation limits and levels</p> <p>(i) Hedging transactions: Based on the Company's turnover and changes in risk exposure, personnel designated by the Chairman shall obtain the General Manager's approval for a single transaction or net cumulative position of USD 1 million or less (including the equivalent in other currencies). For positions of USD 1 million or more, the Chairman's approval is required.</p>	To meet the Company's actual operational needs

Article No.	Original Article	Amended Article	Description
	<p><u>(ii) Non-hedging transactions: To mitigate risk, a single transaction or net cumulative position of USD 1 million or less (including the equivalent in other currencies) shall require the General Manager's approval. For positions of USD 1 million or more, the Chairman's approval is required.</u></p> <p>2. Executing Unit: <u>The Finance Department</u> and personnel designated by the Chairman.</p>	<p>2. Executing Unit: <u>Finance and Accounting Department</u> and personnel designated by the Chairman.</p>	
Article 6	<p>Accounting treatment</p> <p>The accounting treatment and financial reporting disclosures for derivative transactions shall be handled in accordance with <u>Financial Accounting Standards and the "Key Points for Disclosure of Derivative Financial Product Transactions in Financial Reports by Public Companies" issued by the FSC.</u></p>	<p>Accounting treatment</p> <p>The accounting treatment and financial reporting disclosures for derivative transactions shall be handled in accordance with <u>the relevant International Financial Reporting Standards (IFRS) or International Accounting Standards (IAS).</u></p>	In line with legal amendments
Article 10	<p>Regular evaluation methods and handling of abnormal situations</p> <p>1. Regular monthly or weekly evaluations of derivative transactions shall be conducted. The profit and loss for the month or week, as well as the open positions for non-hedging transactions, shall be compiled and presented to senior management authorised by the Board of Directors and the Chairman. These reports shall serve as a reference for management performance evaluation and risk measurement.</p> <p>2. Senior management, as designated by the Board of Directors, shall at all times pay attention to the supervise and control the risks associated with derivative transactions.</p> <p>3. The Board of Directors shall periodically evaluate whether transaction performance meets the Company's established economic strategies and</p>	<p>Regular evaluation methods and handling of abnormal situations</p> <p>1. Regular monthly or weekly evaluations of derivative transactions shall be conducted. The profit and loss for the month or week, as well as the open positions for non-hedging transactions, shall be compiled and presented to senior management authorised by the Board of Directors and the Chairman. These reports shall serve as a reference for management performance evaluation and risk measurement.</p> <p>2. Senior management, as designated by the Board of Directors, shall at all times pay attention to the supervise and control the risks associated with derivative transactions.</p> <p>3. The Board of Directors shall periodically evaluate whether transaction performance meets the Company's established economic strategies and</p>	In line with legal amendments

Article No.	Original Article	Amended Article	Description
	<p>whether the risks undertaken are within its acceptable tolerance range.</p> <p>4. Senior management authorised by the Board of Directors shall manage derivative transactions in accordance with the following principles:</p> <p>(i) Periodically assess whether the current risk management measures are appropriate, and ensure they are implemented in accordance with these Procedures.</p> <p>(ii) Supervise trading and profit/loss situations. If any abnormal circumstances are discovered, the necessary response measures shall be taken and the Board of Directors shall be reported to immediately, with independent directors attending and expressing their opinions.</p> <p>5. When the Company engages in derivative transactions, a logbook shall be established detailing: (i) the types and amounts of derivative transactions and the date of the Board of Directors' approval;(ii) the positions held in derivative transactions and matters related to their periodic evaluation;(iii) whether transaction performance meets established operating strategies and whether the risks undertaken are within the Company's acceptable range, as evaluated periodically;(iv) whether the risk management measures currently in use are appropriate and implemented in accordance with these procedures, as evaluated periodically. All these details shall be meticulously recorded in the logbook for reference.</p>	<p>whether the risks undertaken are within its acceptable tolerance range.</p> <p>4. Senior management authorised by the Board of Directors shall manage derivative transactions in accordance with the following principles:</p> <p>(i) Periodically assess whether the current risk management measures are appropriate, and ensure they are implemented in accordance with these Procedures.</p> <p>(ii) Supervise trading and profit/loss situations. If any abnormal circumstances are discovered, the necessary response measures shall be taken and the Board of Directors shall be reported to immediately, with independent directors attending and expressing their opinions.</p> <p><u>(iii) Where any person is authorized to handle matters pursuant to these Procedures, such matters shall be reported to the next Board of Directors meeting.</u></p> <p>5. When the Company engages in derivative transactions, a logbook shall be established detailing: (i) the types and amounts of derivative transactions and the date of the Board of Directors' approval;(ii) the positions held in derivative transactions and matters related to their periodic evaluation;(iii) whether transaction performance meets established operating strategies and whether the risks undertaken are within the Company's acceptable range, as evaluated periodically;(iv) whether the risk management measures currently in use are appropriate and implemented in accordance with these procedures, as evaluated periodically. All these details shall be meticulously recorded in the</p>	

Article No.	Original Article	Amended Article	Description
		logbook for reference.	
Article 11	<p>These Procedures shall be consent by the Audit Committee, submitted to the Board of Directors for a resolution, and further submitted to the shareholders' meeting a resolution before implementation; the same shall apply to any amendments hereto. If a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to Audit Committee.</p> <p>When a transaction involving the acquisition or disposal of assets is submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If <u>any director</u> objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p>	<p>These Procedures shall be consent by the Audit Committee, submitted to the Board of Directors for a resolution, and further submitted to the shareholders' meeting a resolution before implementation; the same shall apply to any amendments hereto. If a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to Audit Committee.</p> <p>When a transaction involving the acquisition or disposal of assets is submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If <u>an independent director</u> objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p> <p><u>When the Procedures for the acquisition and disposal of assets are adopted or amended they shall be submitted for consent by one-half or more of all Audit Committee members and submitted to the Board of Directors for a resolution.</u></p> <p><u>If approval of one-half or more of all Audit Committee members as required in the preceding paragraph is not obtained, the Procedures may be implemented if approved by two-thirds or more of all directors, and the consent of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.</u></p> <p><u>The terms "all Audit Committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u></p>	In line with legal amendments
Article 13	The processing procedure was established on November 10,2006.	The processing procedure was established on November 10,2006.	Addition of

Article No.	Original Article	Amended Article	Description
	<p>The first amendment was made on June 21, 2016.</p> <p>The second amendment was made on June 27, 2019.</p>	<p>The first amendment was made on June 21, 2016.</p> <p>The second amendment was made on June 27, 2019.</p> <p><u>The third amendment was made on May 28, 2026.</u></p>	<p>amendment dates and revision history</p>

## **Leadtrend Technology Corporation**

### **Regulations for the Issuance of Restricted Stocks for Employees in 2026**

#### 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 Act 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 stocks for employees.

#### Article 2: Issue Period

Within two years from the date of the approval notice issued by the relevant authorities, the shares may be issued either 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 already as of the date on which the restricted stocks for employees 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 stocks for employees, 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 be approved from the Chairman and subsequently be reported to the Board of Directors for their consent. However, if any of the employees also serve as a director and/or manager, approval from the Remuneration Committee must be obtained first. If any of the employees also do not serve as a director and/or manager, approval from the Audit Committee must be obtained first.
- (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 stocks for employees 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 remaining employed at Leadtrend when any of the following granting periods expire. The employee will then receive the restricted stocks for employees based on the ratio of the granted portion for the relevant granting period.

<u>Vesting Schedule</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 stocks for employees 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 stocks for employees 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 stocks for employees 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 stocks for employees that are withdrawn by the Company without compensation.
- (7) The restricted stocks for employees 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 stocks for employees until the expiration of the granting period.
  2. The restricted stocks for employees 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 stocks for employees, 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 stocks for employees, 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 stocks for employees 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 stocks for employees 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 stocks for employees 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) This method will be adopted upon the attendance of more than two-thirds of the directors and the approval of more than half of the directors present at the board meeting. After they have been told about it by the relevant authority. Any changes made before the document is issued will be done in the same way. If the law or any other rules change, if the people in charge of checking the rules make any changes, or if the situation in general changes, the Chairman can change these rules. Any changes like this must be given to the Board to approve before they can be issued.
- (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 Stocks for Employees.

# **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 hold shareholders' meeting by video conference or in other manners announced by the central competent authority. Regulations about the conditions required of shareholders' 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 10% 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.

A minimum of 40% of the aforementioned compensation for non-managerial employees should be allocated to them.

Employees' remuneration, including that of non-managerial employees, 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.

The Board of Directors will address the three 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.

The twenty-first amendment was made on May 29, 2025.

## **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, CPAs, 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

### Shareholding Status of All Directors

Book closure date of stock transfer: March 30, 2026

Title	Name	Date of election	Term	Shareholding When Elected		Current Shareholding	
				Holding Shares	Shareholding Ratio	Holding Shares	Holding Shares
Chairman	Yu-Kun Kao	May 29,2025	3	96,202	0.16%	99,652	0.16%
Director	Representatives from Power Investments Limited : Heng- Chung, Chi	May 29,2025	3	4,880,227	8.08%	4,977,635	8.03%
Director	Representatives from Power Investments Limited : Ming-Nan Chuang						
Independent Director	Ding-Ren Liu	May 29,2025	3	0	0.00%	0	0.00%
Independent Director	Chien-Kuo Yang	May 29,2025	3	0	0.00%	0	0.00%
Independent Director	Chih-Chun Tsai	May 29,2025	3	0	0.00%	0	0.00%
Independent Director	Hsiang-Ju Liao	May 29,2025	3	0	0.00%	0	0.00%
Total				4,976,429	8.24%	5,077,287	8.19%

Note1 : The paid-in capital of the Company is NT\$619,931,820 and 61,993,182 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.