



**AP Memory Technology Corporation
2025 Annual General Shareholders' Meeting
Handbook**

MEETING DATE: April 30, 2025

PLACE: 2F, No.3, Taiyuan 1st St., Zhubei City, Hsinchu County 302,
Taiwan (R.O.C.)
(Conference Room of Tai Yuen Hi-Tech Industrial Park III)

CONVENING METHOD: Physical Meeting

(This English translation is provided for reference only and might not precisely reflect the original language's true meaning and full text.)

AP Memory Technology Corp.

Procedures for the 2025 Annual General Shareholders' Meeting

1. Call the Meeting to Order
2. Open Speech by Chairman
3. Report Items
4. Proposed Resolutions
5. Discussion Items
6. Director Election
7. Other Proposal
8. Extemporaneous Motions
9. Adjournment

AP Memory Technology Corp.

Agenda of the 2025 Annual General Shareholders' Meeting

Time: 9:00 a.m. on Wednesday, April 30, 2025

Place: 2F, No. 3, Taiyuan 1st St., Zhubei City, Hsinchu County 302, Taiwan (R.O.C.)
(Conference Room of Tai Yuen Hi-Tech Industrial Park III)

Convening Method: Physical Meeting

Procedure:

1. Call the Meeting to Order
2. Open Speech by the Chairman
3. Report Items
 - A. To report the business of 2024
 - B. The 2024 Audit Committee's Review Report
 - C. To report 2024 employees' profit-sharing bonus and directors' compensation
 - D. To report 2024 earnings distribution
 - E. To report the 2024 remuneration details and amounts received by directors
4. Proposed Resolutions
To accept the 2024 Business Report, Financial Statements, and Earnings Distribution Table
5. Discussion Items
Amendment of the "Articles of Incorporation"
6. Director Election
To elect one Independent Director to fill the vacancy
7. Other Proposal
To release the Directors and its designated representatives from non-competition restrictions
8. Extemporaneous Motions
9. Adjournment

Report Items

Item 1: To report the business of 2024.

Explanatory Notes: Please refer to page 8-11 (Attachment 1).

Item 2: The 2024 Audit Committee's Review Report.

Explanatory Notes: Please refer to page 12 (Attachment 2).

Item 3: To report 2024 employees' profit-sharing bonus and directors' compensation.

Explanatory Notes:

- A. In accordance with the Company's Articles of Incorporation, the Company is required to provide employees' compensation at a rate of not less than 1% of the current year's pre-tax benefits before deducting the distribution of employees' profit-sharing bonus and directors' compensation. Taking into consideration the Company's capital structure, shareholders' equity, and the provisions of the Articles of Incorporation, the Company proposes to distribute employees' profit-sharing bonus amounting to NT\$24,008,027 out of the fiscal year 2024 earnings, and the entire amount is to be paid out in cash. The appropriation ratio is 1.16% of the aforementioned pre-tax benefit, which is in compliance with the Articles of Incorporation.
- B. As stipulated in the preceding paragraph, the appropriation of directors' compensation should not be higher than 3% of the current year's pre-tax income before deducting the distribution of employees' profit-sharing bonus and directors' compensation. Taking into consideration the Company's capital structure, shareholders' equity, and the Articles of Incorporation, it is proposed to allocate NT\$6,200,000 from the fiscal year 2024 earnings, and the entire amount will be paid in cash, at a ratio of 0.30% of the aforementioned pre-tax benefit, which is in compliance with the Articles of Incorporation.
- C. There is no difference between the above allocation and the estimated amount of expenses recognized for 2024.

Item 4: To report 2024 earnings distribution.

Explanatory Notes:

- A. In accordance with Article 21-1 of the Company's Articles of Incorporation, the Board of Directors is hereby authorized to resolve that all or a portion of the dividends and bonuses to be distributed shall be in the form of cash payments and shall be reported to the Shareholders' Meeting.
- B. On February 27, 2025, the Company's Board of Directors resolved to distribute cash dividends to common shareholders: Totaling NT\$1,137,179,624. Each common shareholder will be entitled to receive a cash dividend of NT\$7.0 per share that was based on the total number of 162,454,232 shares outstanding as of February 18, 2025. The cash dividends are distributed in proportion to the amount of the dividends up to the nearest dollar, with the amount below the nearest dollar being rounded down, and the total amount of aberrant zeros not yet distributed to the nearest dollar is included in the Company's other revenues.
- C. The Board Chairman is delegated to decide any matters in terms of the change of record date and payout ratio.

Item 5: To report the 2024 remuneration details and amounts received by directors.

Explanatory Notes:

- A. The compensation policy, system, standards, and structure for both general and independent directors, as well as the correlation between compensation amounts and factors such as responsibilities, risks, and time commitment, are described as follows:
 - (i) According to the Company's Articles of Incorporation, the directors' compensation is set at a maximum of 3% of the pre-tax net profit for the year, before deducting employee and director compensation. The distribution of employee and director compensation must be approved by a resolution of the Board of Directors, with at least two-thirds of the directors present and a majority of the attending directors voting in favor, and it must be reported to the shareholders' meeting. Additionally, in accordance with the Company's "Compensation Policy for Directors and Functional Committee Members" independent directors receive fixed compensation and do not participate in the profit-sharing distribution.
 - (ii) When determining directors' compensation, the Company takes into account future operational risks and their positive correlation with business performance to ensure a balance between sustainable development and risk management. Furthermore, the proposed compensation is submitted to the Compensation Committee for review before actual disbursement.
- B. For the 2024 remuneration details and amounts received by directors, please refer to page 13 (Attachment 3).

Proposed Resolutions

To accept the 2024 Business Report, Financial Statements, and Earnings Distribution Table.

(Proposed by the Board of Directors)

Explanatory Notes:

- A. 2024 Financial Statements, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows, were audited by independent auditors, Mr. Chien, Ming-Yen and Ms. Chuang, Pi-Yu of Deloitte & Touche.
- B. 2024 Business Report, Independent Auditors' Report, the aforementioned Financial Statements, and the Earnings Distribution Table are attached hereto on pages 8-11, 14-35, and 36 (Attachments 1, 4, and 5).

Resolution:

Discussion Items

Amendment of the “Articles of Incorporation”.

(Proposed by the Board of Directors)

Explanatory Notes:

- A. Pursuant to Article 14, Paragraph 6 of the Securities and Exchange Act, the Company amended Article 21 of the Company's Articles of Incorporation to stipulate that a certain percentage of annual earnings shall be allocated for compensation distributions for its non-executive employees.
- B. The comparison table illustrating the original and amended text is attached hereto as Page 37 (Attachment 6).

Resolution:

Director Election

To elect one Independent Director to fill the vacancy.

(Proposed by the Board of Directors)

Explanatory Notes:

- A. The former Independent Director Yeh, Jui-Pin resigned on October 21, 2024. A by-election for an independent director, as prescribed in the Company's Articles of Incorporation will take place.
- B. The independent director shall be elected by adopting the candidate nomination system as specified in the Company's “Articles of Incorporation”. The Board of Directors of the Company nominated and approved the independent director candidates on December 27, 2024, whose education and professional qualifications, experience, and relevant information are attached hereto on Page 38 (Attachment 7).
- C. The term of office of the independent director to be elected shall expire on the same date as the term of the existing directors (from April 30, 2025, to May 28, 2026).

Voting by Poll :

Other Proposal

To release the Directors and its designated representatives from non-competition restrictions.

(Proposed by the Board of Directors)

Explanatory Notes:

- A. In accordance with Article 209 of the Company Act, a director or his representative who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- B. Please refer to page 39 (Attachment 8) for details of releasing the concurrent positions of directors and their representatives from non-competition restrictions.

Resolution:

Extemporaneous Motions

Adjournment

Attachment

Attachment 1. Business Report

Business Report

The past year of 2024 was an important year for AP Memory. The company has laid a solid foundation to capitalize on market opportunities across our product lines. Specifically, VHM™ product line has signed new product-like proof-of-concept projects with major customers, IoTRAM™ product line has gained good market traction on its new ApSRAM™ product, and our S-SiCap™ product line has achieved volume production of S-SiCap™ interposers. We are confident that these achievements will bring financial returns in the years to come. More importantly, we have demonstrated our ability to bring new technology to the market.

In the consolidated income statement for 2024, the net income was NT\$1.58 billion (earnings per share of NT\$9.73), an increase of 9% compared to 2023. The consolidated revenue for 2024 was NT\$4.2 billion, a slight decrease of 1% compared to 2023, while the gross profit increased 22% from NT\$1.76 billion to NT\$2.15 billion. The gross profit rate increased 9 percentage points to 51% due to changes in the product mix, and gradual persistent increase in value-added across our product lines.

Unit: in Thousands of NT\$, unless specified otherwise

	2024 (A)	2023(B)	ΔAMT(C=A-B)	Δ%(C/B)
REVENUE	4,192,378	4,226,907	(34,529)	(1%)
GROSS PROFIT	2,145,573	1,755,006	390,567	22%
GROSS PROFIT RATE(%)	51%	42%	9%	-
OPERATING EXPENSE	1,082,483	902,225	180,258	20%
OPE. EXPENSE RATE(%)	26%	21%	5%	-
OPERATING INCOME	1,063,090	852,781	210,309	25%
NON-OPERATING NET PROFIT	969,785	766,200	203,585	27%
NET INCOME BEFORE TAX	2,032,875	1,618,981	413,894	26%
NET INCOME	1,578,232	1,444,970	133,262	9%
NET INCOME RATE(%)	38%	34%	4%	-
EPS(NT\$)	9.73	8.93	0.80	9%

As of December 31, 2024, in the consolidated balance sheet, considering the adequate funding level and the financial interest rates status, we allocated part of the "cash and cash equivalents" to fixed-term deposits of more than three months and recognized them as "financial assets at amortized cost" according to the accounting standards. Additionally, after AP Memory was elected as the Chairman of M3 Technology Inc. (M3TEK, TWSE: 6799), the equity investment in M3TEK was reclassified from "financial assets measured at FVTPL (fair value through profit or loss)" to "investments accounted for using the equity method." Furthermore, the net value of inventory at the end of 2024 was NT\$1.2 billion, maintaining a level close to our target of 6-7 months of inventory.

At the end of 2024, the total liabilities amounted to NT\$1.1 billion, with a debt ratio of 8%. The net equity of shareholders reached NT\$11.9 billion at the end of 2024, an increase of 5% compared to the end of 2023. We continue to strengthen our financial structure, with cash, cash equivalents, and fixed-term deposits of more than three months accounting for 69% of total assets.

Unit: in Thousands of NT\$,

	2024 (D)	2023 (E)	Δ AMT(F=D-E)	Δ %(F/E)
CASH AND CASH EQUIVALENTS	4,188,544	8,864,216	(4,675,672)	(53%)
FINANCIAL ASSETS AT AMORTIZED COST	4,752,325	9,441	4,742,884	50,237%
INVENTORIES	1,203,177	851,330	351,847	41%
FINANCIAL ASSETS AT FVTPL	543,115	1,139,267	(596,152)	(52%)
INVEST. ACCTED. FOR USING THE EQUITY METHOD	874,465	106,011	768,454	725%
OTHER ASSETS	1,446,662	1,543,326	(96,664)	(6%)
TOTAL ASSETS	13,008,288	12,513,591	494,697	4%
TOTAL LIABILITIES	1,101,231	1,191,797	(90,566)	(8%)
CAPITAL STOCK	812,108	811,759	349	-
OTHER EQUITY	11,094,949	10,510,035	584,914	6%
TOTAL EQUITY	11,907,057	11,321,794	585,263	5%

■ Macro Environment Changes

The US-China technology war has clearly intensified over the last year, especially around high-performance computing. While none of our products are specifically targeted by the sanctions, the impact to our business is clearly felt. The frequent changes in regulation make long-term planning more difficult, for us and our industry at large. For our customers in China, in particular, it is more difficult to plan new products incorporating technologies sourced from outside China. However, the direct impact to our business is limited.

After the roller-coaster ride of 2021-2023, the industry supply chain has found a new balance. Foundry wafer availability has returned to normal, and market demand has stabilized at a level consistent with pre-COVID trends.

The excitement around Generative-AI has spread from in-cloud high-performance computing to on-device edge computing. These on-device AI computing devices require even more customized (or optimized) memory devices. Our VHM™ and VHMStack™ have been on the forefront of the hardware side of this technology revolution.

■ IoTRAM™ Product Line

Our IoT Business Unit, which supplies cost-effective IoTRAM™ products to IoT market worldwide, finished the year with a 16% decrease in revenue, from NT\$3.97 billion in 2023 to NT\$3.34 billion in 2024. The decrease is a combined effect of inventory correction and market change.

The segment that saw a clear decline in 2024 was connectivity. This is mainly driven by commoditization of connectivity modules which drove a lower memory capacity requirement for cost savings. As a results, the average memory capacity per connectivity device has declined.

The segment that saw clear growth in 2024 was wearable. We continue to dominate this segment due to our leadership in low-power performance. We announced a new product called ApSRAM™, designed specifically for wearable devices for extreme low-power. This new product has had good market traction with multiple design-ins.

We also saw new applications for IoTRAM™, such as AI-enabled MCU, low-power display TCON, etc. We are optimistic that IoTRAM™ product line will continue to grow.

■ VHM™ Product Line

AI BU generated revenue of approximately NT\$855 million, reflecting a 231% increase from \$258 million in 2023. This growth primarily stems from shipments of the new generation VHM™ and S-SiCap™ Interposer products.

We made significant progress with existing POC projects, and signed more POC projects that are more product-like in 2024. Our customers are gaining better understanding our VHM™ technology, and are on their way to adopting the technology for mainstream application.

Besides in-cloud AI, we are also excited by many design-in opportunities for on-device AI. On-device Large Language Model (LLM) inference is emerging as a potential high volume-opportunity for VHM™ technology.

In the meantime, we continue to deliver products for crypto-currency mining industry. In 2024, ETC miners enabled by our third generation of VHM™ entered production, with power efficiency nearly three times better than earlier generations. We have maintained dominance in this space. Our continuous innovation has also given us a clear edge over our competitors.

■ S-SiCap™ Product Line

S-SiCap™ is a product line that we have been developing for a number of years. In 2024, our S-SiCap™ Interposer started early production. These interposers are tailored for leading edge high-performance computing chips incorporating HBM3 and HBM3E. We expect more adoption of our interposer IP and product in the years to come.

In 2024, we also made significant progress in qualifying our discrete S-SiCap™ products for embedding in package substrates. We have engagements with practically all major substrate vendors.

■ New Opportunities

AP Memory not only focuses on the development of the existing product lines but also continues to explore opportunities for core technologies in other related fields.

AP Memory has invested in an UHF RFID tag IC company, Onecent Technology, for a number of years. The UHF RFID tag IC market is experiencing rapid growth after decades of near dormancy. Onecent products are uniquely positioned to be low cost, high sensitivity, and have highly scalable production capacity. As of March 2025, Onecent Technology is a partially-owned subsidiary of AP Memory.

Power management IC (PMIC) is increasingly important in extreme-high-power high-performance computing, and extremely-low-power IoT devices. We made investments in M3TEK (TWSE: 6799) and a US-based startup company. Our goal is to use these partnerships to develop ground-breaking products for these high requirement applications.

■ GDR Fund and Non-Operating Update

The \$190M GDR offering that we completed in January, 2022 resulted in a 7.9% share dilution. This is a decision we took after careful consideration of our future capital needs and cost of such capital. We believe this capital provides the necessary ammunition for our battle for dominance in the market.

The deployment of this capital has been slower than we originally anticipated, primarily due to geopolitical and market condition changes. We continue to evaluate opportunities for major investments in support of our long-term goals. In this fast changing market, we are cautious in deploying our capital.

A majority of our non-operating income comes from foreign exchange gains and interest income.

Our large US dollar holdings gave us a large gain in accounting terms in 2024. We are exposed to accounting losses as well. However, we believe the large interest differential between US dollar and NTD is a natural hedge against foreign exchange loss. While we do not intend to engage in financial derivatives to hedge foreign exchange losses, we believe our financial risks in our US dollar holdings are limited. On the other hand, our USD holdings will be an anchor of stability in times of uncertainty.

■ Optimism for 2025 and beyond

After laying the foundation for a number of years, we anticipate that we will see revenue growth contribution from our VHM™ and S-SiCap™ product lines, in 2025 and beyond. These product lines are well-suited for AI and other high-performance computing platforms. While riding these big waves, we believe that our growth trends will continue. Our continuing effort to develop disruptive products will further expand the scope, size, and stability of our business, and ultimately increase the long-term value of our business.

We deeply appreciate the support and encouragement of our shareholders, as well as that of our customers, suppliers, employees, and other ecosystem partners.

AP Memory Technology Corporation

Chairman and : Chen, Wen-Liang
Chief Executive Officer

President: Hung, Chih-Hsun

Chief Financial officer: Lin, Yu-Hsin

Accounting and Financial Officer: Hung, Mao-Chuan

Attachment 2. Audit Committee's Review Report

Audit Committee's Review Report

The Board of Directors has prepared the AP Memory Technology Corporation's (APM) 2024 Business Report, Financial Statements, and proposal for allocation of annual earnings. The CPA firm of Deloitte & Touche was retained to audit APM's Financial statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and the annual earnings allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of APM. According to relevant requirements of the Securities and Exchange Act and Company Law, we hereby submit this report.

AP Memory Technology Corporation

Chairperson of Audit Committee : Sun, Elizabeth

February 27, 2025

Attachment 3. The 2024 remuneration details and amounts received by directors

Unit: In thousands of NTD; 1,000 shares; %

Job Title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company			
		Base Compensation (A)		Retirement pay and pension (B)		Director's Compensation (C)		Expenses and perquisites (D)				Salary, rewards, and special disbursement. (E)		Retirement pay and pension (F)		Employee profit-sharing compensation (G) (Note 3)									
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities				
Chairman & CEO & CTO	Chen, Wen-Liang	-	-	-	-	1,430	1,430	-	-	1,430	1,430														
Director & President	Hung, Chih-Hsun	-	-	-	-	954	954	-	-	954	954														
Director	Shanyi Investment Co., Ltd	-	-	-	-	1,908	1,908	-	-	1,908	1,908														
	Representative & Vice President: Liu, Chin-Hung (Note2)	-	-	-	-	-	-	-	-	-	-	27,908	27,908	198	198	1,612	-	1,612	-	35,974	35,974	2.28%	2.28%		
	Representative: Yeh, Jui-Pin (Note2)	-	-	-	-	-	-	8	8	8	8														
Director	Li Shun Investment Co.	-	-	-	-	1,908	1,908	-	-	1,908	1,908														
	Representative: Hsieh, Ming-Lin	-	-	-	-	-	-	48	48	48	48														
Independent Director	Wang, Hsuan	1,527	1,527	-	-	-	-	96	96	1,623	1,623	-	-	-	-	-	-	-	-	1,623	1,623	0.10%	0.10%		
Independent Director	Sun, Elizabeth	1,542	1,542	-	-	-	-	72	72	1,614	1,614	-	-	-	-	-	-	-	-	1,614	1,614	0.10%	0.10%		
Independent Director	Yeh, Jui-Pin (Note3)	1,410	1,410	-	-	-	-	80	80	1,490	1,490	-	-	-	-	-	-	-	-	1,490	1,490	0.09%	0.09%		
Independent Director	Liu, Frank	1,512	1,512	-	-	-	-	96	96	1,608	1,608	-	-	-	-	-	-	-	-	1,608	1,608	0.10%	0.10%		

Note1: Except disclosed in the table above, compensation received by a company director in the most recent year for services rendered to all companies listed in the financial statements (e.g., as a consultant, not an employee, etc.): N/A

Note2: The representative was changed from Mr. Liu, Chin-Hung to Mr. Yeh, Jui-Pin on October 21, 2024.

Note3: Resigned on October 21, 2024.

Note4: The estimated director's compensation and employee compensation in 2024 were approved to pay in cash by the resolution of the Board of Directors on February 27, 2025.

Attachment 4. Independent Auditors’ Report and 2024 Financial Statements

INDEPENDENT AUDITORS’ REPORT

The Board of Directors and Shareholders
AP Memory Technology Corporation

Opinion

We have audited the accompanying financial statements of AP Memory Technology Corporation, which comprise the Parent Company Only Statement of Financial Position as of December 31, 2024 and December 31, 2023, the Parent Company Only Statement of Comprehensive Income from January 1 to December 31, 2024 and from January 1 to December 31, 2023, Parent Company Only Statement of Change in Equity, Parent Company Only Statement of Cash Flows, and Notes to Parent Company Only Financial Statement (including a summary of significant accounting policies).

In our opinion, the accompanying parent company only financial statements are properly drawn up in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS) so as to give a true and fair view of the financial position of AP Memory Technology Corporation as of December 2024 and 2023 and of the financial performance, changes in equity and cash flows of AP Memory Technology Corporation from January 1 to December 31, 2024 and 2023.

Basis for Opinion

We were commissioned to conduct our audit in accordance with Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Generally Accepted Auditing Standards. Our responsibilities under those standards are further described in the ‘Accountant’s responsibilities for the audit of the financial statements’ section of our report. We are independent of AP Memory Technology Corporation in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities, 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

The key audit matter is which that, in our professional judgment, is most significant to our review of the Parent Company Only Financial Statements of AP Memory Technology Corporation for 2024. Such matter has been considered in the process of examining the parent company only financial statements taken as a whole and forming an opinion thereon, and we do not express an opinion on the matter individually.

The following is the description of the key audit matter in the Parent Company Only Financial Statements of AP Memory Technology Corporation for 2024:

Authenticity of Sales Revenue from Specific Customers

In the fiscal year 2024, AP Memory Technology Corporation’s sales revenue from certain customers has shown significant growth compared to the fiscal year 2023, constituting a

substantial portion of the total sales revenue. Therefore, the authenticity of the related sales revenue has been identified as one of the key audit matters.

During the audit, our accountants performed the following audit procedures in response to this key audit matter:

1. Understand and evaluate the internal control system related to revenue recognition, and test the design and execution of such controls.
2. Sample confirmation requests were sent for the entire year's sales revenue from the specific customers, and alternative procedures were conducted for those from whom confirmation was not timely received. This includes verifying transaction evidence and subsequent collections.
3. Perform audit sampling on the sales revenue details of the specific customers, review related transaction documents, including customer orders, shipping documents, and receipts, to confirm the authenticity of the revenue recognized.
4. Audit the occurrences of sales returns and allowances after the reporting period and subsequent collections to confirm the reasonableness of the sales revenue recognized.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management's responsibility is to prepare the parent company only financial statements present fairly, in all material respects, according to Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as maintain necessary internal control related to the preparation of the parent company only financial statements in order to ensure there is no major untrue expression on the financial statements due to fraud or error.

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

The responsibilities of the governing body (including the audit committee) include overseeing the financial reporting process of AP Memory Technology Corporation.

Auditors' Responsibilities for the Audit of the Parent Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken in the basis of these parent company only financial statements.

As part of an audit in accordance with GAAS, 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 audit opinions. Because fraud may be related to conspiracy, forgery, deliberate omission, false statement or breach of internal control, the risk of a material misstatement caused by fraud which is not identified is higher than the risk of a material misstatement caused by any error.

2. Obtain an understanding of 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 internal control effectiveness of AP Memory Technology Corporation.

3. Assess the appropriateness of management's use of accounting policies and the reasonability of the accounting estimate and relevant disclosure.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of AP Memory Technology Corporation to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause AP Memory 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 relevant notes), and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. We have obtained sufficient and appropriate evidence to audit the financial information of AP Memory Technology Corporation to express an opinion on the Parent Company Only Financial Statements. We are responsible for the guidance, supervision and execution of the audit and for forming an audit opinion on AP Memory Technology Corporation.

We communicate with the governing body regarding, among other matters, the planned scope and timing of the audit and significant audit findings (including any significant deficiency in internal controls that we identify during our audit).

We have also provided the governing body with a statement that the independence-regulated personnel of the firm to which we are affiliated have complied with the Code of Ethics for Professional Accountants with respect to independence and communicate with the governing body about all relationships and other matters (including related protective measures) that may be considered to affect the accountant's independence.

We have determined the key audit matter for the audit of the Parent Company Only Financial Statements of AP Memory Technology Corporation for the year ended December 31, 2024 from the communications we have had with the governing body. We identified such matter in our auditor's report, except for those matters that are not permitted by law to be disclosed publicly or, in the rarest of circumstances, we decided not to communicate those matters in our auditor's report because we reasonably could expect the negative effect of such communication to outweigh the public interest.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 27, 2025

Notice to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China. For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

AP Memory Technology Corporation
Parent Company Only Balance Sheets
December 31, 2024, and December 31, 2023

In Thousands of New Taiwan Dollars)

Assets	Dec. 31, 2024		Dec. 31, 2023	
	Amount	%	Amount	%
Current assets				
Cash and cash equivalents	\$ 3,678,357	29	\$ 8,627,464	69
Financial assets measured at amortized cost - current	4,752,325	37	2,819	-
Accounts receivable	391,705	3	463,349	4
Accounts receivable - related parties	340,826	3	199,356	2
Other receivables	60,026	1	47,800	-
Inventories	1,199,400	9	851,095	7
Other current assets	<u>49,314</u>	-	<u>51,493</u>	-
Total current assets	<u>10,471,953</u>	<u>82</u>	<u>10,243,376</u>	<u>82</u>
Non-current assets				
Financial assets measured at FVTPL - non-current	493,938	4	1,139,267	9
Investments accounted for using the equity method	1,141,888	9	269,707	2
Property, plant and equipment	44,584	-	75,078	1
Right-of-use assets	21,932	-	48,758	-
Other intangible assets	45,301	-	62,559	1
Deferred income tax assets	84,588	1	58,489	-
Refundable deposits	447,194	3	458,981	4
Other non-current assets	<u>88,327</u>	<u>1</u>	<u>126,225</u>	<u>1</u>
Total non-current assets	<u>2,367,752</u>	<u>18</u>	<u>2,239,064</u>	<u>18</u>
Total assets	<u>\$ 12,839,705</u>	<u>100</u>	<u>\$ 12,482,440</u>	<u>100</u>
Liabilities and Equity				
Current liabilities				
Short-term loans	\$ 100,000	1	\$ 300,000	2
Contract liabilities	26,017	-	58,381	1
Accounts payable	230,869	2	255,186	2
Other payables	134,795	1	149,334	1
Other payables - related parties	13,520	-	24,073	-
Income tax payable	284,278	2	238,365	2
Lease liabilities - current	11,081	-	22,497	-
Other current liabilities	<u>3,451</u>	-	<u>9,292</u>	-
Total current liabilities	<u>804,011</u>	<u>6</u>	<u>1,057,128</u>	<u>8</u>
Non-current liabilities				
Deferred income tax payable	115,533	1	77,578	1
Lease liabilities - non-current	11,104	-	9,940	-
Deposits received	<u>2,000</u>	-	<u>16,000</u>	-
Total non-current liabilities	<u>128,637</u>	<u>1</u>	<u>103,518</u>	<u>1</u>
Total liabilities	<u>932,648</u>	<u>7</u>	<u>1,160,646</u>	<u>9</u>
Equity				
Share capital				
Share capital of common stock	811,739	6	810,020	7
Share capital collected in advance	<u>369</u>	-	<u>1,739</u>	-
Total share capital	<u>812,108</u>	<u>6</u>	<u>811,759</u>	<u>7</u>
Capital surplus	<u>6,367,692</u>	<u>50</u>	<u>6,234,430</u>	<u>50</u>
Retained earnings				
Legal reserve	905,376	7	760,879	6
Special reserve	343	-	450	-
Undistributed earnings	<u>3,813,354</u>	<u>30</u>	<u>3,514,619</u>	<u>28</u>
Total retained earnings	<u>4,719,073</u>	<u>37</u>	<u>4,275,948</u>	<u>34</u>
Other equity	<u>8,184</u>	-	(<u>343</u>)	-
Total equity	<u>11,907,057</u>	<u>93</u>	<u>11,321,794</u>	<u>91</u>
Total liabilities and equity	<u>\$ 12,839,705</u>	<u>100</u>	<u>\$ 12,482,440</u>	<u>100</u>

AP Memory Technology Corporation
Parent Company Only Statements of Comprehensive Income
For the Years Ended December 31, 2024, and December 31, 2023

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

	2024		2023	
	Amount	%	Amount	%
Revenue	\$ 4,004,407	100	\$ 4,114,977	100
Cost of revenue	<u>2,049,014</u>	<u>51</u>	<u>2,469,596</u>	<u>60</u>
Gross profit	<u>1,955,393</u>	<u>49</u>	<u>1,645,381</u>	<u>40</u>
Operating expenses				
Marketing	78,259	2	93,916	2
General and administrative	170,640	4	146,814	4
R&D expenses	681,092	17	482,507	12
Expected credit losses	<u>624</u>	<u>-</u>	<u>9,208</u>	<u>-</u>
Total operating expenses	<u>930,615</u>	<u>23</u>	<u>732,445</u>	<u>18</u>
Income from operations	<u>1,024,778</u>	<u>26</u>	<u>912,936</u>	<u>22</u>
Non-operating income and expense				
Other income	1,692	-	1,669	-
Shares of the profit or loss of subsidiaries and associates recognized for using the equity method	38,283	1	(62,998)	(1)
Interest income	398,894	10	365,494	9
Gain from disposal of property, plant and equipment	(18,112)	(1)	-	-
Gain on foreign exchange, net	521,737	13	13,717	-

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	2024		2023	
	Amount	%	Amount	%
Gain on financial assets measured at FVTPL	\$ 66,802	1	\$ 388,140	9
Interest expenses	(<u>1,859</u>)	<u>-</u>	(<u>1,531</u>)	<u>-</u>
Total non-operating income and expenses	<u>1,007,437</u>	<u>24</u>	<u>704,491</u>	<u>17</u>
Net income before tax	2,032,215	50	1,617,427	39
Income tax expense	(<u>453,983</u>)	(<u>11</u>)	(<u>172,457</u>)	(<u>4</u>)
Net income	<u>1,578,232</u>	<u>39</u>	<u>1,444,970</u>	<u>35</u>
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations	<u>8,527</u>	<u>-</u>	<u>107</u>	<u>-</u>
Other comprehensive income	<u>8,527</u>	<u>-</u>	<u>107</u>	<u>-</u>
Total comprehensive income	<u>\$ 1,586,759</u>	<u>39</u>	<u>\$ 1,445,077</u>	<u>35</u>
Earnings per share				
Basic earnings per share	<u>\$ 9.73</u>		<u>\$ 8.93</u>	
Diluted earnings per share	<u>\$ 9.66</u>		<u>\$ 8.85</u>	

AP Memory Technology Corporation
Parent Company Only Statements of Changes in Equity
For the Years Ended December 31, 2024, and December 31, 2023

(In Thousands of New Taiwan Dollars)

	Share Capital			Retained Earnings				Other Equity Exchange differences arising on translation of foreign operations	Total Equity	
	Capital Stock - Common Stock	Share Capital Collected in Advance	Total Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Undistributed Earnings			Total
Balance, Jan. 1, 2023	\$ 807,786	\$ 848	\$ 808,634	\$ 6,178,947	\$ 566,709	\$ -	\$ 3,396,727	\$ 3,963,436	(\$ 450)	\$ 10,950,567
Appropriation and distribution of earnings, 2022										
Recognition of legal reserve	-	-	-	-	194,170	-	(194,170)	-	-	-
Recognition as special reserve	-	-	-	-	-	450	(450)	-	-	-
Cash dividends for the company's shareholders	-	-	-	-	-	-	(1,132,458)	(1,132,458)	-	(1,132,458)
Changes in the associates and ventures recognized for using the equity method	-	-	-	688	-	-	-	-	-	688
Cost for recognizing stock options as compensation	-	-	-	31,554	-	-	-	-	-	31,554
Net income, 2023	-	-	-	-	-	-	1,444,970	1,444,970	-	1,444,970
Other comprehensive income, net of income tax, 2023	-	-	-	-	-	-	-	-	107	107
Total comprehensive income, 2023	-	-	-	-	-	-	1,444,970	1,444,970	107	1,445,077
Common shares issued under the employee stock option plan	2,234	891	3,125	23,241	-	-	-	-	-	26,366
Balance, Dec. 31, 2023	810,020	1,739	811,759	6,234,430	760,879	450	3,514,619	4,275,948	(343)	11,321,794
Appropriation and distribution of earnings, 2023										
Recognition of legal reserve	-	-	-	-	144,497	-	(144,497)	-	-	-
Recognition as special reserve	-	-	-	-	-	(107)	107	-	-	-
Cash dividends for the company's shareholders	-	-	-	-	-	-	(1,135,107)	(1,135,107)	-	(1,135,107)
Changes in the associates and ventures recognized for using the equity method	-	-	-	48,746	-	-	-	-	-	48,746
Cost for recognizing stock options as compensation	-	-	-	60,508	-	-	-	-	-	60,508
Net income, 2024	-	-	-	-	-	-	1,578,232	1,578,232	-	1,578,232
Other comprehensive income, net of income tax, 2024	-	-	-	-	-	-	-	-	8,527	8,527
Total comprehensive income, 2024	-	-	-	-	-	-	1,578,232	1,578,232	8,527	1,586,759
Common shares issued under the employee stock option plan	1,719	(1,370)	349	24,008	-	-	-	-	-	24,357
Balance, Dec. 31, 2024	\$ 811,739	\$ 369	\$ 812,108	\$ 6,367,692	\$ 905,376	\$ 343	\$ 3,813,354	\$ 4,719,073	\$ 8,184	\$ 11,907,057

AP Memory Technology Corporation
Parent Company Only Statements of Cash Flows

For the Years Ended December 31, 2024, and December 31, 2023

(In Thousands of New Taiwan Dollars)

	2024	2023
Cash flow from operating activities		
Net income before tax	\$ 2,032,215	\$ 1,617,427
Adjustments		
Depreciation expense	47,070	58,527
Amortization expense	23,577	4,513
Expected credit losses	624	9,208
Gain on valuation of financial assets measured at FVTPL	(66,802)	(388,628)
Interest expenses	1,859	1,531
Interest income	(398,894)	(365,494)
Dividend income	-	(51)
Cost of share-based payment awards	55,871	29,413
Share of gain or loss from subsidiaries and associates recognized for using the equity method	(38,283)	62,998
Loss on disposal or retirement of property, plant and equipment	18,112	-
Losses on market price decline and obsolete and slow-moving inventories	105,252	61,623
Unrealized profit on intercompany sales	1,717	-
Unrealized loss (gain) on foreign exchange	(19,457)	12,807
Net changes in operating assets and liabilities		
Accounts receivable	(40,278)	(71,228)
Other receivables	(899)	453
Inventories	(453,557)	615,409
Other current assets	40,077	(16,884)
Refundable deposits	11,787	5,046
Contract liabilities	(32,364)	35,400
Accounts payable	(33,767)	111,845
Other payables	(25,792)	53,993
Other current liabilities	(5,841)	6,903
Cash generated from operations	1,222,227	1,844,811
Interest received	387,523	349,116
Dividends received	-	51
Interest paid	(2,057)	(1,294)
Income tax paid	(396,210)	(223,990)

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	<u>2024</u>	<u>2023</u>
Net cash generated by operating activities	<u>\$ 1,211,483</u>	<u>\$ 1,968,694</u>
Cash flows from investing activities		
Acquisition of financial assets at fair value through profit or loss	(480,000)	(500,000)
Disposal of financial assets at fair value through profit or loss	480,131	5,368
Acquisition of financial assets at amortized cost	(4,749,466)	-
Acquisition of long-term equity investments accounted for using the equity method	(85,463)	-
Purchase of property, plant and equipment	(10,822)	(9,799)
Disposal of property, plant and equipment	16,916	-
Acquisition of intangible assets	(6,319)	(2,166)
Dividends received from associates and subsidiaries	<u>23,758</u>	<u>11,160</u>
Net cash used in investing activities	<u>(4,811,265)</u>	<u>(495,437)</u>
Cash flows from financing activities		
Increase in short-term loans	150,000	300,000
Decrease in short-term loans	(350,000)	-
Increase (decrease) in deposits received	(14,000)	2,000
Repayment of lease principal	(24,597)	(45,246)
Issuance of cash dividends	(1,135,085)	(1,132,442)
Stock options exercised by employees	<u>24,357</u>	<u>26,366</u>
Net cash used in financing activities	<u>(1,349,325)</u>	<u>(849,322)</u>
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	(4,949,107)	623,935
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>8,627,464</u>	<u>8,003,529</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,678,357</u>	<u>\$ 8,627,464</u>

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF ASSOCIATES

The entities that are required to be included in the combined financial statements of AP Memory Technology Corporation as of and for the year ended December 31, 2024, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standard 10, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements of associates is included in the consolidated financial statements of parent and subsidiary companies. Consequently, AP Memory Technology Corporation and its subsidiaries do not prepare a separate set of combined financial statements of associates.

Company: AP Memory Technology Corporation

Person in charge: Chen Wen-liang

Date: February 27, 2025

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
AP Memory Technology Corporation

Opinion

We have audited the accompanying financial statements of AP Memory Technology Corporation and its subsidiaries, which comprise the Consolidated Statement of Financial Position as of December 31, 2024 and December 31, 2023, the Consolidated Statement of Comprehensive Income from January 1 to December 31, 2024 and from January 1 to December 31, 2023, Consolidated Statement of Change in Equity, Consolidated Statement of Cash Flows, and Notes to Consolidated Financial Statement (including a summary of significant accounting policies).

In our opinion, the accompanying consolidated financial statements are properly drawn up in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations Committee (IFRIC), and Standing Interpretations Committee (SIC) (hereinafter referred to as IFRSs) recognized and announced effectiveness by Financial Supervisory Commission (hereinafter referred to as FSC) so as to give a true and fair view of the consolidated financial position of AP Memory Technology Corporation and its subsidiaries as of December 31, 2024 and 2023 and of the financial performance, changes in equity and cash flows of AP Memory Technology Corporation and its subsidiaries from January 1 to December 31, 2024 and 2023.

Basis for Opinion

We were commissioned to conduct our audit in accordance with Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Generally Accepted Auditing Standards. Our responsibilities under those standards are further described in the 'Accountant's responsibilities for the audit of the financial statements' section of our report. We are independent of AP Memory Technology Corporation and its subsidiaries in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities, 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

The key audit matter is which that, in our professional judgment, is most significant to our review of the Consolidated Financial Statements of AP Memory Technology Corporation and its subsidiaries for 2024. Such matter has been considered in the process of examining the consolidated financial statements taken as a whole and forming an opinion thereon, and we do not express an opinion on the matter individually.

The following is the description of the key audit matter in the Consolidated Financial Statements of AP Memory Technology Corporation and its subsidiaries for 2024:

Authenticity of Sales Revenue from Specific Customers

In the fiscal year 2024, AP Memory Technology Corporation and its subsidiaries' sales revenue from certain customers has shown significant growth compared to the fiscal year 2023, constituting a substantial portion of the total sales revenue. Therefore, the authenticity of the related sales revenue has been identified as one of the key audit matters.

During the audit, our accountants performed the following audit procedures in response to this key audit matter:

1. Understand and evaluate the internal control system related to revenue recognition, and test the design and execution of such controls.
2. Sample confirmation requests were sent for the entire year's sales revenue from the specific customers, and alternative procedures were conducted for those from whom confirmation was not timely received. This includes verifying transaction evidence and subsequent collections.
3. Perform audit sampling on the sales revenue details of the specific customers, review related transaction documents, including customer orders, shipping documents, and receipts, to confirm the authenticity of the revenue recognized.
4. Audit the occurrences of sales returns and allowances after the reporting period and subsequent collections to confirm the reasonableness of the sales revenue recognized.

Others

AP Memory Technology Corporation has prepared parent company only financial statements for the years 2024 and 2023, and the accountant has issued unqualified audit reports for reference.

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

Management's responsibility is to prepare the consolidated financial statements present fairly, in all material respects, according to Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as the International Financial Reporting Standards, International Accounting Standards, Interpretation, and Interpretation Announcement recognized and announced the effectiveness by Financial Supervisory Commission as well as maintain necessary internal control related to the preparation of the consolidated financial statements in order to ensure there is no major untrue expression on the financial statements due to fraud or error.

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

The responsibilities of the governing body (including the audit committee) include overseeing the financial reporting process of AP Memory 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 GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken in the basis of these consolidated financial statements.

As part of an audit in accordance with GAAS, 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 audit opinions. Because fraud may be related to conspiracy, forgery, deliberate omission, false statement or breach of internal control, the risk of a material misstatement caused by fraud which is not identified is higher than the risk of a material misstatement caused by any error.
2. Obtain an understanding of 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 internal control effectiveness of AP Memory Technology Corporation and its subsidiaries.
3. Assess the appropriateness of management's use of accounting policies and the reasonability of the accounting estimate and relevant disclosure.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of AP Memory Technology Corporation and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause AP Memory 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 relevant notes), and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. We have obtained sufficient and appropriate evidence to audit the consolidated financial information of AP Memory Technology Corporation and its subsidiaries to express an opinion on the Consolidated Financial Statements. We are responsible for the guidance, supervision and execution of the audit and for forming an audit opinion on AP Memory Technology Corporation and its subsidiaries.

We communicate with the governing body regarding, among other matters, the planned scope and timing of the audit and significant audit findings (including any significant deficiency in internal controls that we identify during our audit).

We have also provided the governing body with a statement that the independence-regulated personnel of the firm to which we are affiliated have complied with the Code of Ethics for Professional Accountants with respect to independence and communicate with the governing body about all relationships and other matters (including related protective measures) that may be considered to affect the accountant's independence.

We have determined the key audit matter for the audit of the Consolidated Financial Statements of AP Memory Technology Corporation and its subsidiaries for the year ended December 31, 2024 from the communications we have had with the governing body. We identified such matter in our auditor's report, except for those matters that are not permitted by law to be disclosed publicly or, in the rarest of circumstances, we decided not to communicate those matters in our auditor's report because we reasonably could expect the negative effect of such communication to outweigh the public interest.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 27, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China. For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language auditors' report and consolidated financial statements shall prevail.

AP Memory Technology Corporation and Subsidiaries

Consolidated Balance Sheets

December 31, 2024, and December 31, 2023

(In Thousands of New Taiwan Dollars)

Assets	Dec. 31, 2024		Dec. 31, 2023	
	Amount	%	Amount	%
Current assets				
Cash and cash equivalents	\$ 4,188,544	32	\$ 8,864,216	71
Financial assets measured at amortized cost - current	4,752,325	37	2,819	-
Accounts receivable	517,992	4	567,535	5
Other receivables	60,026	-	47,800	-
Current income tax assets	-	-	1,144	-
Inventories	1,203,177	9	851,330	7
Other current assets	<u>64,511</u>	<u>1</u>	<u>55,803</u>	<u>-</u>
Total current assets	<u>10,786,575</u>	<u>83</u>	<u>10,390,647</u>	<u>83</u>
Non-current assets				
Financial assets measured at FVTPL - non-current	543,115	4	1,139,267	9
Financial assets measured at amortized cost - non-current	-	-	6,622	-
Investments accounted for using the equity method	874,465	7	106,011	1
Property, plant and equipment	66,155	1	76,438	1
Right-of-use assets	24,975	-	53,091	-
Other intangible assets	64,422	-	76,363	1
Deferred income tax assets	84,588	1	58,489	-
Refundable deposits	447,766	3	459,525	4
Other non-current assets	<u>116,227</u>	<u>1</u>	<u>147,138</u>	<u>1</u>
Total non-current assets	<u>2,221,713</u>	<u>17</u>	<u>2,122,944</u>	<u>17</u>
Total assets	<u>\$ 13,008,288</u>	<u>100</u>	<u>\$ 12,513,591</u>	<u>100</u>
	Liabilities and Equity			
Current liabilities				
Short-term loans	\$ 100,000	1	\$ 300,000	2
Contract liabilities	158,961	1	68,828	1
Accounts payable	230,869	2	255,186	2
Other payables	172,397	1	189,766	2
Income tax payable	284,309	2	238,365	2
Lease liabilities - current	11,889	-	25,917	-
Other current liabilities	<u>6,594</u>	<u>-</u>	<u>10,217</u>	<u>-</u>
Total current liabilities	<u>965,019</u>	<u>7</u>	<u>1,088,279</u>	<u>9</u>
Non-current liabilities				
Deferred income tax liabilities	115,533	1	77,578	1
Lease liabilities - non-current	12,342	-	9,940	-
Deposits received	2,000	-	16,000	-
Other payable - non-current	<u>6,337</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-current liabilities	<u>136,212</u>	<u>1</u>	<u>103,518</u>	<u>1</u>
Total liabilities	<u>1,101,231</u>	<u>8</u>	<u>1,191,797</u>	<u>10</u>
Equity				
Share capital				
Share capital of common stock	811,739	6	810,020	6
Share capital collected in advance	<u>369</u>	<u>-</u>	<u>1,739</u>	<u>-</u>
Total share capital	<u>812,108</u>	<u>6</u>	<u>811,759</u>	<u>6</u>
Capital surplus	<u>6,367,692</u>	<u>49</u>	<u>6,234,430</u>	<u>50</u>
Retained earnings				
Legal reserve	905,376	7	760,879	6
Special reserve	343	-	450	-
Undistributed earnings	<u>3,813,354</u>	<u>30</u>	<u>3,514,619</u>	<u>28</u>
Total retained earnings	<u>4,719,073</u>	<u>37</u>	<u>4,275,948</u>	<u>34</u>
Other equity	<u>8,184</u>	<u>-</u>	<u>(343)</u>	<u>-</u>
Total equity	<u>11,907,057</u>	<u>92</u>	<u>11,321,794</u>	<u>90</u>
Total liabilities and equity	<u>\$ 13,008,288</u>	<u>100</u>	<u>\$ 12,513,591</u>	<u>100</u>

AP Memory Technology Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2024, and December 31, 2023

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

	2024		2023	
	Amount	%	Amount	%
Revenue	\$ 4,192,378	100	\$ 4,226,907	100
Cost of revenue	<u>2,046,805</u>	<u>49</u>	<u>2,471,901</u>	<u>58</u>
Gross profit	<u>2,145,573</u>	<u>51</u>	<u>1,755,006</u>	<u>42</u>
Operating expenses				
Marketing	107,947	2	124,811	3
General and administrative	193,319	5	164,854	4
R&D expenses	780,593	19	583,627	14
Expected credit losses	<u>624</u>	<u>-</u>	<u>28,933</u>	<u>1</u>
Total operating expenses	<u>1,082,483</u>	<u>26</u>	<u>902,225</u>	<u>22</u>
Income from operations	<u>1,063,090</u>	<u>25</u>	<u>852,781</u>	<u>20</u>
Non-operating income and expense				
Other income	3,846	-	3,987	-
Shares of the profit or loss of associates recognized for using the equity method	774	-	(543)	-
Interest income	408,711	10	367,260	9
Loss on disposal of property, plant and equipment	(21,028)	-	-	-
Gain on financial assets measured at FVTPL	66,802	2	388,140	9
Interest expenses	(2,059)	-	(1,744)	-
Gain on foreign exchange, net	<u>512,739</u>	<u>12</u>	<u>9,100</u>	<u>-</u>
Total non-operating income and expenses	<u>969,785</u>	<u>24</u>	<u>766,200</u>	<u>18</u>

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	2024		2023	
	Amount	%	Amount	%
Net income before tax	\$ 2,032,875	49	\$ 1,618,981	38
Income tax expense	(454,643)	(11)	(174,011)	(4)
Net income	<u>1,578,232</u>	<u>38</u>	<u>1,444,970</u>	<u>34</u>
Other comprehensive income				
Items that may be reclassified				
subsequently to profit or loss:				
Exchange differences				
arising on translation of				
foreign operations	<u>8,527</u>	<u>-</u>	<u>107</u>	<u>-</u>
Other comprehensive				
income (net of income				
tax)	<u>8,527</u>	<u>-</u>	<u>107</u>	<u>-</u>
Total comprehensive income	<u>\$ 1,586,759</u>	<u>38</u>	<u>\$ 1,445,077</u>	<u>34</u>
Earnings per share				
Basic earnings per share	<u>\$ 9.73</u>		<u>\$ 8.93</u>	
Diluted earnings per share	<u>\$ 9.66</u>		<u>\$ 8.85</u>	

AP Memory Technology Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2024, and December 31, 2023

(In Thousands of New Taiwan Dollars)

	Share Capital			Retained Earnings				Other Equity	Total Equity	
	Capital Stock - Common Stock	Share Capital Collected in Advance	Total Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Undistributed Earnings	Total		Exchange differences arising on translation of foreign operations
Balance, Jan. 1, 2023	\$ 807,786	\$ 848	\$ 808,634	\$ 6,178,947	\$ 566,709	\$ -	\$ 3,396,727	\$ 3,963,436	(\$ 450)	\$ 10,950,567
Appropriation and distribution of earnings, 2022										
Recognition of legal reserve	-	-	-	-	194,170	-	(194,170)	-	-	-
Recognition as special reserve	-	-	-	-	-	450	(450)	-	-	-
Cash dividends for the company's shareholders	-	-	-	-	-	-	(1,132,458)	(1,132,458)	-	(1,132,458)
Change in value of associates accounted for using the equity method	-	-	-	688	-	-	-	-	-	688
Cost for recognizing stock options as compensation	-	-	-	31,554	-	-	-	-	-	31,554
Net income, 2023	-	-	-	-	-	-	1,444,970	1,444,970	-	1,444,970
Other comprehensive income, net of income tax, 2023	-	-	-	-	-	-	-	-	107	107
Total comprehensive income, 2023	-	-	-	-	-	-	1,444,970	1,444,970	107	1,445,077
Common shares issued under the employee stock option plan	2,234	891	3,125	23,241	-	-	-	-	-	26,366
Balance, Dec. 31, 2023	810,020	1,739	811,759	6,234,430	760,879	450	3,514,619	4,275,948	(343)	11,321,794
Appropriation and distribution of earnings, 2023										
Recognition of legal reserve	-	-	-	-	144,497	-	(144,497)	-	-	-
Reversal of special reserve	-	-	-	-	-	(107)	107	-	-	-
Cash dividends for the company's shareholders	-	-	-	-	-	-	(1,135,107)	(1,135,107)	-	(1,135,107)
Change in value of associates accounted for using the equity method	-	-	-	48,746	-	-	-	-	-	48,746
Cost for recognizing stock options as compensation	-	-	-	60,508	-	-	-	-	-	60,508
Net income, 2024	-	-	-	-	-	-	1,578,232	1,578,232	-	1,578,232
Other comprehensive income, net of income tax, 2024	-	-	-	-	-	-	-	-	8,527	8,527
Total comprehensive income, 2024	-	-	-	-	-	-	1,578,232	1,578,232	8,527	1,586,759
Common shares issued under the employee stock option plan	1,719	(1,370)	349	24,008	-	-	-	-	-	24,357
Balance, Dec. 31, 2024	\$ 811,739	\$ 369	\$ 812,108	\$ 6,367,692	\$ 905,376	\$ 343	\$ 3,813,354	\$ 4,719,073	\$ 8,184	\$ 11,907,057

AP Memory Technology Corporation and Subsidiaries

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2024, and December 31, 2023

(In Thousands of New Taiwan Dollars)

	2024	2023
Cash flow from operating activities		
Net income before tax	\$ 2,032,875	\$ 1,618,981
Adjustments		
Depreciation expense	52,908	63,097
Amortization expense	37,432	18,341
Expected credit losses	624	28,933
Gain on financial assets measured at FVTPL	(66,802)	(388,628)
Interest expenses	2,059	1,744
Interest income	(408,711)	(367,260)
Dividend income	-	(51)
Cost of share-based payment awards	60,509	31,554
Share of gain or loss from associates recognized for using the equity method	(774)	543
Loss on disposal or retirement of property, plant and equipment	21,028	-
Inventory devaluation and obsolescence losses	105,252	61,551
Unrealized gain on foreign exchange	(8,191)	9,332
Net changes in operating assets and liabilities		
Accounts receivable	66,595	25,935
Other receivables	(899)	350
Inventories	(457,099)	615,511
Other assets	22,203	(12,090)
Refundable deposits	11,759	4,927
Contract liabilities	90,133	45,785
Accounts payable	(33,767)	111,845
Other payables	(11,180)	43,208
Other current liabilities	(3,623)	6,955
Cash generated from operations	1,512,331	1,920,563
Interest received	397,340	350,882
Dividends received	-	51
Interest paid	(2,256)	(1,507)
Income tax paid	(395,695)	(226,688)
Net cash generated by operating activities	1,511,720	2,043,301

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	2024	2023
Cash flows from investing activities		
Acquisition of financial assets at fair value through profit or loss	(\$ 529,177)	(\$ 500,000)
Disposal of financial assets at fair value through profit or loss	480,131	5,368
Acquisition of financial assets at amortized cost	(4,749,466)	-
Disposal of financial assets at amortized cost	6,622	-
Acquisition of long-term equity investments accounted for using the equity method	(30,256)	-
Purchase of property, plant and equipment	(32,811)	(10,527)
Disposal of property, plant and equipment	14,000	-
Acquisition of intangible assets	(24,466)	(12,149)
Dividends received from associates	<u>23,758</u>	<u>11,160</u>
Net cash used in investing activities	(<u>4,841,665</u>)	(<u>506,148</u>)
Cash flows from financing activities		
Increase in short-term loans	150,000	300,000
Decrease in short-term loans	(350,000)	-
Increase (decrease) in deposits received	(14,000)	2,000
Repayment of the principal portion of lease liabilities	(28,562)	(49,051)
Issuance of cash dividends	(1,135,085)	(1,132,442)
Stock options exercised by employees	<u>24,357</u>	<u>26,366</u>
Net cash used in financing activities	(<u>1,353,290</u>)	(<u>853,127</u>)
Effect of exchange rate changes on cash and cash equivalents	<u>7,563</u>	(<u>2,242</u>)
Net increase (decrease) in cash and cash equivalents	(4,675,672)	681,784
Cash and cash equivalents, beginning of year	<u>8,864,216</u>	<u>8,182,432</u>
Cash and cash equivalents, end of year	<u>\$ 4,188,544</u>	<u>\$ 8,864,216</u>

Attachment 5. 2024 Earnings Distribution Table

AP Memory Technology Corporation
Earnings Distribution Table
Year 2024

Unit: NTD

Description	Amount (NTD)	Remarks
Unappropriated retained earnings of previous years	2,235,121,930	
Add: Net Income of 2024	1,578,232,295	
Add: Reversal of Special reserve	343,196	
Less: Legal reserve	(157,823,230)	
Earnings available for distribution	3,655,874,191	
Distribution items:		
Cash Dividend to common shareholders	(1,137,179,624)	NT\$7.0 / per share
Unappropriated retained earnings	2,518,694,567	

Attachment 6. Comparison Table Illustrating the Original and Amended Text of the " Articles of Incorporation "

Article	Original Article	Amended Article
21	<p>If there is any profit for a specific fiscal year, the Company shall allocate no less than 1% of the profit as employees' compensation and shall allocate at a maximum of 3% of the profit as remuneration to Directors, provided that the Company's accumulated losses shall have been covered in advance.</p> <p>Employee's compensation may be distributed in the form of shares or in cash, and employees qualified to receive such compensation may include employees from affiliates companies who meet certain qualification. The Board of Directors is authorized to determine the qualification of such employees. The remuneration to Directors shall be paid in cash.</p> <p>The distribution of employees' compensation and remuneration to Directors shall be approved by a resolution of the Board of Directors, with the attendance of at least two-thirds of all Directors and the consent of more than half of the attending Directors, and shall be reported to the Shareholders' Meeting.</p>	<p>If there is any profit for a specific fiscal year, the Company shall allocate no less than 1% of the profit as employees' compensation and shall allocate at a maximum of 3% of the profit as remuneration to Directors, provided that the Company's accumulated losses shall have been covered in advance.</p> <p>Employees' compensation may be distributed in the form of shares or in cash, and <u>no less than 5% of the total amount of employees' compensation shall be reserved for distribution to non-executive employee.</u> Employees qualified to receive such compensation may include employees from affiliates companies who meet certain qualification. The Board of Directors is authorized to determine the qualification of such employees. The remuneration to Directors shall be paid in cash.</p> <p>The distribution of employees' compensation and remuneration to Directors shall be approved by a resolution of the Board of Directors, with the attendance of at least two-thirds of all Directors and the consent of more than half of the attending Directors, and shall be reported to the Shareholders' Meeting.</p>
23	<p>These Articles of Incorporation were resolved on July 21, 2011. The first amendment was made on November 8, 2011, the second amendment was made on May 4, 2012, the third amendment was made on June 21, 2012, the fourth amendment was made on June 4, 2014, the fifth amendment was made on June 23, 2015, the sixth amendment was made on May 27, 2016, the seventh amendment was made on June 6, 2019, the eighth amendment was made on August 20, 2021</p>	<p>These Articles of Incorporation were resolved on July 21, 2011. The first amendment was made on November 8, 2011, the second amendment was made on May 4, 2012, the third amendment was made on June 21, 2012, the fourth amendment was made on June 4, 2014, the fifth amendment was made on June 23, 2015, the sixth amendment was made on May 27, 2016, the seventh amendment was made on June 6, 2019, the eighth amendment was made on August 20, 2021, the ninth amendment was made on April 30, 2025</p>

Attachment 7. Independent Director Candidate Information

Name of Candidate (Gender)	Education, Experience and Current Position
<p>Chen, Ken (Male)</p>	<p>Education:</p> <ul style="list-style-type: none"> • Ph.D. in Materials Science and Engineering, Stanford University, USA • M.S. in Materials Engineering, University of California, Los Angeles (UCLA), USA <p>Experience:</p> <ul style="list-style-type: none"> • President, Global Unichip Corporation • Senior Director, Taiwan Semiconductor Manufacturing Company Limited (TSMC) • Senior R&D Manager, Intel Corporation • Board Member, Chinese American Semiconductor Professional Association (CASPA) • Board Member, National Tsing Hua University Alumni Association • President, Tsing Hua Entrepreneur Association <p>Current Position:</p> <ul style="list-style-type: none"> • Chief Business Officer, Brillnics (Taiwan) Inc. • Consultant, Unimicron Technology Corporation
<ul style="list-style-type: none"> • Name of Government or Legal Entity Represented: None 	
<ul style="list-style-type: none"> • Has served three consecutive terms as independent director: No 	
<ul style="list-style-type: none"> • Number of Shares Held: 0 shares 	

Attachment 8. Details of releasing the concurrent positions of directors and their representatives from non-competition restrictions.

Title	Name	Positions concurrently held in other companies at present
Director	Chen, Wen-Liang	<ul style="list-style-type: none"> ■ Director of the Board, Powerchip Semiconductor Manufacturing Corporation
Director	Hung, Chih-Hsun	<ul style="list-style-type: none"> ■ Director of the Board, Lyontek Inc.
Director	Li Shun Investment Co. Representative: Hsieh, Ming-Lin	<ul style="list-style-type: none"> ■ Director of the Board, Retronix Technology Inc ■ Director of the Board, Optigate Quantum Technology Inc ■ Director of the Board, Deutron Electronics Corporatoin ■ Director of the Board, Powerchip Micro Device Corporation
Director	Shanyi Investment Co. Representative: Yeh, Jui-Pin	<ul style="list-style-type: none"> ■ CEO, M3 Technology Inc.
Independent Director	Liu, Frank	<ul style="list-style-type: none"> ■ Director, UD Corporation
Newly Elected Independent Director	Chen, Ken	<ul style="list-style-type: none"> ■ Chief Business Officer, Brillnics (Taiwan) Inc. ■ Consultant, Unimicron Technology Corporation

Appendix

Appendix 1. Articles of Incorporation (Current Version)

(Note: This English translation is provided for reference only and might not exactly reflect the true meaning and full text of the original language.)

Article 1

The Corporation shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be 愛普科技股份有限公司 in the Chinese language and AP Memory Technology Corporation in the English language.

Article 2

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

- CC01080: Electronic parts and components manufacture.
- F401010: International Trade.
- I501010: Product design.
- F601010: Intellectual Property
- ZZ99999: All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The Company is headquartered in the Hsinchu County, Republic of China, and shall be free, upon approval of the Board of Directors and government authorities in charge, to set up representative or branch offices at various locations within or outside the territory of the Republic of China, whenever the Company deems it necessary.

Article 4

When the Company becomes a shareholder of limited liability of another company, the total amount of the Company's investment will not be subject to the restriction of not more than 40% of the Company's paid-in capital as provided in Article 13 of the Company Act.

Article 5

Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Article 5-1

The Company may provide endorsement and guarantee to other companies. The process shall be handled in accordance with the Company's Operating Procedures of Endorsement/Guarantee.

Article 6

The total capital stock of the Corporation shall be in the amount of 1,000,000,000 New Taiwan Dollars, divided into 200,000,000 shares, at 5 New Taiwan Dollars each, and may be paid-up in installments. The Corporation may issue employee stock options from time to time. A total of 20,000,000 shares among the above total capital stock should be reserved for issuing employee stock options, preferred shares with warrants, and Bond with warrant from time to time in accordance with the resolution of the Board of Directors

Article 6-1

To issue employee stock warrants that are lower than the closing price of the company stocks as of the issuing date., the Corporation is required to obtain the consent of at least two-thirds of the voting rights represented at a shareholders meeting attended by shareholders representing a majority of the total issued shares. The Corporation is allowed to register multiple issues over a period of 1 year from the date of the shareholders resolution. The Corporation shall be required to specify the following information in the notice of reasons for convening the shareholders meeting, and may not raise the matter by means of an extraordinary motion according to "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" and the related regulations.

Article 7

The share certificates of this Corporation shall all be name-bearing share certificates, and issued in accordance with this Corporation Law and relevant rules and regulations of the Republic of China. This Corporation is exempted from printing any share certificate for the shares issued. Such unprinted issued shares shall be registered with a centralized securities depository enterprise.

Article 8

Changing in record of shareholder name shall be made in accordance with Article 165 of the Company Act.

Article 9

Shareholders' meetings of the Company are of two types, namely: (1) Annual General Shareholders' Meetings – which shall be convened by the Board of Directors within 6 months after the end of each fiscal year, and (2) Special Shareholders' Meetings – which shall be convened whenever necessary in accordance with the relevant laws, rules and regulations of the Republic of China.

For shareholders holding less than 1,000 registered shares, the notice of meeting will be sent by public announcement instead of physical mail.

Notice of a meeting may be sent through electronic way if the counterparty agrees.

The shareholders' meeting may be held by video conference or other means announced by the central competent authority.

Article 10

A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy. In addition to Article 177 of this Corporation Law, management of the proxies shall follow Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 11

Each share of stock shall be entitled to one vote.

Article 12

Except as provided in the Company Law of the Republic of China, shareholders' meetings may be held if attended by shareholders in person or by proxy representing more than one half of the total issued and outstanding capital stock of the Corporation, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting.

Article 12-1

The shareholders may exercise their voting power in writing or by way of electronic transmission in a shareholders' meeting. The method of exercising voting power shall be described in the shareholders' meeting notice. In addition to regulatory requirements, this Corporation shall adopt the electronic transmission as one of the methods for exercising the voting power in a shareholders' meeting.

Article 13

If the Corporation limited by shares which is organized by a single government shareholder or a single juristic person shareholder, the functional duties and power of the shareholders' meeting of the Corporation shall be exercised by its board of directors, to which the provisions governing the shareholders' meeting as set out in this Articles of Incorporation shall not apply.

Article 13-1

The resolutions of the shareholders' meeting shall be recorded in the minutes, and such minutes shall be signed by or sealed with the chop of the chairman of the meeting. Such minutes, together with the attendance list and proxies, shall be filed and kept at the head office of the Corporation.

Article 14

The Corporation shall have seven to nine Directors. The Board of Directors is authorized to determine the number of Directors. The aforesaid Board of Directors must have at least three independent directors. Directors shall be elected by adopting candidates nomination system as specified in Article 192-1 of the Company Law. The nomination of directors and related announcement shall comply with the relevant regulations of the Company Law and the Securities and Exchange Law. The election of independent directors and non-independent directors shall be held together; provided, however, the number of independent directors and non-independent directors elected shall be calculated separately.

Article 14-1

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

Article 15

The Board of Directors shall be formed by elected Directors. The Directors shall elect from among themselves a Chairman of the Board of Directors by a majority vote in a meeting attended by over two-thirds of the Directors. The Chairman of the Board of Directors shall be the chairman of shareholders' meetings, and shall have the authority to represent the Company.

Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, unless otherwise regulated by the Company Act. Directors may be notified of the Board of Directors meeting via written notices, as E-mail or fax. Except as otherwise provided in the Company Act of the Republic of China, a meeting of the Board of Directors may be held if attended by a majority or more of total Directors and resolutions shall be adopted with the concurrence of the majority or more of the Directors present at the meeting.

Article 16

In case the Chairman is on leave or otherwise cannot exercise his duty, should be in accordance with Article 165 of the Company Act.

Article 17

A Director may, by written authorization, appoint another Director to attend on his behalf any meeting of

the Board of Directors, and to vote for him on all matters presented at such meeting, but no Director may act as proxy for more than one other Director. Any Director attending the meeting via video conference shall be deemed attending the meeting in person.

Article 18

The Board of Directors is authorized to determine the salary for Directors, taking into account the extent and value of the services provided for the management of the Corporation and the standards of the industry within the R.O.C. and overseas.

Article 19

The Company may appoint or Dismissal one or more managers in accordance with Article 29 of the Company Act.

Article 20

After the end of each fiscal year, in accordance with Article 228 of the Company Act, Business Report, Financial Statements and the Proposal Concerning Appropriation of Profits or Covering of Losses shall be prepared by the Board of Directors, and be submitted to the shareholders' meeting for acceptance.

Article 21

If there is any profit for a specific fiscal year, the Company shall allocate no less than 1% of the profit as employees' compensation and shall allocate at a maximum of 3% of the profit as remuneration to Directors, provided that the Company's accumulated losses shall have been covered in advance. Employee's compensation may be distributed in the form of shares or in cash, and employees qualified to receive such compensation may include employees from affiliates companies who meet certain qualification. The Board of Directors is authorized to determine the qualification of such employees. The remuneration to Directors shall be paid in cash.

The distribution of employees' compensation and remuneration to Directors shall be approved by a resolution of the Board of Directors, with the attendance of at least two-thirds of all Directors and the consent of more than half of the attending Directors, and shall be reported to the Shareholders' Meeting.

Article 21-1

If there is any profit in an annual general financial statement of the Company, such profit shall be distributed in the following orders:

1. Reserve for tax payments.
2. Offset accumulated losses in previous years, if any.
3. Legal reserve, which is 10% of leftover profits. However, this restriction does not apply in the event that the amount of the accumulated legal reserve equals or exceeds the Company's total capital stock.
4. Allocation or reverse of special reserves as required by law or government authorities.
5. The remaining net profits and the retained earnings from previous years will be allocated as shareholders' dividend.

The Board of Directors will prepare a distribution proposal and submit the same to the shareholders' meeting for review and approval by a resolution.

Since the Company is in an industry in a growth phase, the dividend policy shall take into consideration factors such as the Company's current and future investment environment, needs for capital, domestic and overseas competition, capital budgeting plans, etc., to come out with a proposal that strike a balance among shareholders' benefits and the Company's long-term financial plans. Each year the Board of Directors shall prepare a profit distribution proposal and report it at the shareholders' meeting. After considering financial, business and operational factors, the Company may distribute the whole of distributable profits for the year; dividends to shareholders may be distributed in cash or in stock, and the cash dividends shall not be lower than 20% of total dividends to shareholders.

Article 22

For matters not provided for in the Articles of Incorporation, it shall be handled in accordance with the Company Act of the Republic of China.

Article 23

These Articles of Incorporation were resolved on July 21, 2011. The first amendment was made on November 8, 2011, the second amendment was made on May 4, 2012, the third amendment was made on June 21, 2012, the fourth amendment was made on June 4, 2014, the fifth amendment was made on June 23, 2015, the sixth amendment was made on May 27, 2016, the seventh amendment was made on June 6, 2019, the eighth amendment was made on August 20, 2021.

Appendix 2. Rules Governing the Procedures for Shareholders Meetings

(Note: This English translation is provided for reference only and might not exactly reflect the true meaning and full text of the original language.)

- 1 To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies. The Shareholders' meeting should follow this procedures, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- 2 Convening shareholders meetings
 - 2.1 Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. Any change in the manner of holding the meeting shall be resolved by the board of directors at the latest before delivering of the notice of the shareholders' meeting.
 - 2.2 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.
 - 2.3 The Corporation 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 or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders meeting or 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders meeting or 15 days before the date of the special shareholders meeting. In addition, 15 days before the date of the shareholders meeting, this Corporation 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 this Corporation and the professional shareholder services agent designated thereby. As the Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting.
 - 2.3.1 For physical shareholders meetings, to be distributed on-site at the meeting.
 - 2.3.2 For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
 - 2.3.3 For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.
 - 2.4 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 This Corporation 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 corporation, or any matter under Article 185, paragraph 1 of this Corporation 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, and shall not be raised as extraordinary motion.
 - 2.4.1 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 shall not be altered by any extraordinary motion or any way in said meeting.
 - 2.5 A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation 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 this Corporation 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 this Corporation 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 this Corporation Act, and no proposal containing more than one item will be included in the meeting agenda.
 - 2.6 Prior to the book closure date before a regular shareholders meeting is held, this Corporation 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 shall not be less than 10 days

- 2.7 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.
 - 2.8 Prior to the date for issuance of notice of a shareholders meeting, this Corporation 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.
 - 2.9 After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or online or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- 3 The venue for a shareholders meeting shall be the premises of this Corporation, 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. When the Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.
 - 4 The meeting notice shall specify the content as followings:
 - 4.1 The Company shall specify its shareholders meeting notices, including the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. To convene a virtual shareholders meeting, this Corporation shall include the following particulars in the shareholders meeting notice: (1) How shareholders attend the virtual meeting and exercise their rights.(2) Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - 4.1.1 To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - 4.1.2 Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - 4.1.3 In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - 4.1.4 Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
 - 4.2 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. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.
 - 4.3 Shareholders , their proxies and solicitors (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation 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.
 - 4.4 This Corporation 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.
 - 4.5 The Corporation 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 or supervisors, pre-printed ballots shall also be furnished. In the event of a virtual

- shareholders meeting, the Corporation shall upload the aforementioned documents to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.
- 4.6 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.
 - 4.7 In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Corporation two days before the meeting date.
 - 4.8 When the Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 4.7 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.
- 5 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, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
- 5.1 When a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of This Corporation. The same shall be true for a representative of a juristic person director that serves as chair.
 - 5.2 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, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.
 - 5.3 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.
 - 5.4 This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.
- 6 Attend and Proxy
- 6.1 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.
 - 6.2 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 this Corporation 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.
- 7 The Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph 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.
- Where a shareholders meeting is held online, the Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. The information and audio and video recording shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting. In case of a virtual shareholders meeting, the Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.
- 8 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.
 - 9 The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than

- one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of This Corporation Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with paragraph 4.7.
- 10 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.
 - 11 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 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.
 - 11.1 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.
 - 11.2 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.
 - 11.3 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.
 - 12 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.
 - 12.1 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.
 - 12.2 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.
 - 12.3 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.
 - 12.4 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.
 - 12.5 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
 - 12.6 Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in 12.1 to 12.5 do not apply.
 - 13 Calculation of voting shares and recusal system
 - 13.1 Voting at a shareholders meeting shall be calculated based the number of shares.
 - 13.2 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.
 - 13.3 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 this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
 - 13.4 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.
 - 13.5 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.

- 14.1 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.
 - 14.2 When this Corporation 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 this Corporation avoid the submission of extraordinary motions and amendments to original proposals.
 - 14.3 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. If shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal. 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.
 - 14.4 Resolutions of a shareholders shall be approved by a majority of the votes of the shareholders present. Except as otherwise provided in the Companies Act and Articles of Incorporation. In the event of a vote, the chairman or his or her designee shall announce the total number of votes of the shareholders present on a case-by-case basis, and then the shareholders shall vote on the motion on a case-by-case basis. The results of the shareholders' approval, disapproval and abstention shall be announced through the MOPS. on the day after the shareholders' meeting.
 - 14.5 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.
 - 14.6 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.
 - 14.7 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. In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.
 - 14.8 In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately. After the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.
- 15 The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors 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.
 - 16 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 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. The minutes shall be retained for the duration of the existence of this

Corporation. This Corporation could distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS as this Corporation is the public Company. Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes. When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

- 17 On the day of a shareholders meeting, the Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting. During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.
- 18 As this Corporation be the public company, if matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.
- 19 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 this Corporation, the chair may prevent the shareholder from so doing. When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.
- 20 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.
- 21 Handling of technical issues related to virtual shareholders meeting
 - 21.1 In the event of a virtual shareholders meeting, the Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.
 - 21.2 In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.
 - 21.3 For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.
 - 21.4 For a meeting to be postponed or resumed under the 21.2, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postponed or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

- 21.5 During a postponed or resumed session of a shareholders meeting held under the 21.2, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.
- 21.6 When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in 21.2, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.
- 21.7 Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
- 21.8 When postponing or resuming a meeting according to the 21.2, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.
- 21.9 For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporation shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph
- 22 These procedures shall be effective upon adoption by the shareholders' meeting and shall be amended in the same manner.

Appendix 3. Procedures for the Election of the Directors

(Note: This English translation is provided for reference only and might not exactly reflect the true meaning and full text of the original language.)

1 Purpose

To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

2 Scope

Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

3 The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

3.1 More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

3.2 The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

3.2.1 Basic requirements and values: Gender, age, nationality, and culture.

3.2.2 Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, and technology), professional skills, and industry experience.

3.3 Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

3.3.1 The ability to make judgments about operations.

3.3.2 Accounting and financial analysis ability.

3.3.3 Business management ability.

3.3.4 Crisis management ability.

3.3.5 Knowledge of the industry.

3.3.6 An international market perspective.

3.3.7 Leadership ability.

3.3.8 Decision-making ability.

4 The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

5 The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

6 Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.

When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy.

When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

7 The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

8 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or

supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

- 9 The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- 10 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
- 11 A ballot is invalid under any of the following circumstances:
 - 11.1 The ballot was not prepared by a person with the right to convene.
 - 11.2 A blank ballot is placed in the ballot box.
 - 11.3 The writing is unclear and indecipherable or has been altered.
 - 11.4 The candidate whose name is entered in the ballot does not conform to the director candidate list.
 - 11.5 Other words or marks are entered in addition to the number of voting rights allotted.
- 12 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site. 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.
- 13 The board of directors of this Corporation shall issue notifications to the persons elected as directors.
- 14 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting

Appendix 4. Shareholdings of All Directors

1. Total share issued as of 2025/03/02: 162,492,232 shares.
2. The Company satisfies the minimum shareholding requirements for directors, that is 12,999,379 shares, under the Securities and Exchange Act.

Title	Name	Current Shareholding (Shares)	Current Shareholding (%)
Chairman	Chen, Wen-Liang	62,186	0.04%
Director	Liu, Chin-Hung (Representative of Shanyi Investment Co., Ltd.)	26,706,668	16.44%
Director	Hsieh, Ming-Lin (Representative of Lishun Investment Co., Ltd.)	127,854	0.08%
Director	Hung, Chih-Hsun	102,443	0.06%
Independent Director	Wang, Hsuan	0	0%
Independent Director	Sun, Elizabeth	0	0%
Independent Director	Liu, Frank	0	0%
Total		26,999,151	16.62%

Appendix 5. The Impact of Stock Dividend Issuance on Business Performance, EPS, and Shareholder Return Rate

No stock dividend is being issued this time and has not published financial forecasts for 2025; therefore, this is not applicable.

Appendix 6. Explanation of Shareholder Proposal Processing for This Annual General Shareholders' Meeting

1. The acceptance period for shareholder proposals for this Annual General Shareholders' Meeting was from February 21 to March 3, 2025, and the announcement was made on the TWSE/SII.
2. The Company did not receive any shareholder proposals during the acceptance period.